
DISCOVERY METALS ANNOUNCES UP TO 8,880 G/T SILVER, 41.6% ZINC, AND 43.2% LEAD IN HIGH-GRADE CHANNEL SAMPLES FROM HISTORICAL UNDERGROUND WORKINGS AT THE MINERVA PROJECT

Highlights:

- First-ever documented underground channel sampling program at the Minerva Project.
 - At the Mina Minerva area, 78 samples were taken; 53 samples (68%) returned grades greater than 500 g/t AgEq, averaging 1,804 g/t AgEq.
 - Select samples include:
 - 0.4 m of 8,880 g/t Ag, 8.7% Zn, 43.2% Pb, 2.3% Cu (11,420 g/t AgEq¹)
 - 0.6 m of 2,429 g/t Ag, 2.5% Zn, 32.3% Pb, 0.24% Cu (3,907 g/t AgEq¹)
 - 1.0 m of 34 g/t Ag, 37.8% Zn, 3.0% Pb (2,438 g/t AgEq¹ or 40.4% ZnEq¹)
 - 1.4 m of 131 g/t Ag, 22.2 % Zn, 2.7% Pb (1,586 g/t AgEq¹ or 26.3% ZnEq¹)
 - 1.0 m of 190 g/t Ag, 10.6% Zn, 7.7% Pb, 0.11% Cu (1,150 AgEq¹)
 - 0.9 m of 517 g/t Ag, 5.7% Zn, 3.3% Pb, 0.07% Cu (1,000 g/t AgEq¹)
 - Geophysics results are being finalized and preparation for the Project's first drill program ever is underway.
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August 8, 2019, Toronto, Ontario - Discovery Metals Corp. (TSX-V: DSV) ("Discovery" or the "Company") is pleased to announce assay results of 112 underground samples from its drill-permitted Minerva Ag-Zn-Pb project ("Minerva" or "the Project") in Coahuila State, Mexico. Three key underground areas were sampled: Mina Minerva, Concordia and Tercia.

Gernot Wober, VP Exploration stated, "The first-ever documented underground results from the historic mines at Minerva were impressive. Mapping and sampling of the underground workings, in addition to surface work completed previously, continues to indicate that the mineralizing system is very high grade. The current results are extremely positive and support the drilling program that we plan to initiate later this year, the first drilling the Project has ever seen."

First underground results from Mina Minerva:

At Mina Minerva, underground workings consist of approximately 460 metres ("m") of lateral development and two vertical shafts, 30 m and 59 m deep, respectively. Seventy-eight samples were taken, dominantly representing manto and vein mineralization encountered during mapping; sixty-two of these samples returned grades higher than 150 grams per tonne silver equivalent ("g/t AgEq¹") with an average grade of 1,594 g/t AgEq¹. Fifty-three of these samples returned grades higher than 500 g/t AgEq¹ with an average grade of 1,804 g/t AgEq¹.

The top 40 underground channel sample results by AgEq¹ from Mina Minerva are listed below in Table 1.

Table 1: Underground sample results from the Mina Minerva area

Sample number	Width (m)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)	AgEq ¹ (g/t)	ZnEq ¹ (%)	Mineralization type
118877	0.4	8,880	8.7	43.2	2.30	11,420	n/a	Vein
118821	0.2	2,600	10.7	38.5	0.38	4,842	80.2	Fault
118949	0.6	2,429	2.5	32.3	0.24	3,907	64.7	Veinlets
118840	0.3	1,200	24.8	18.2	0.15	3,448	57.1	Vein
118832	0.2	1,340	20.8	19.6	0.11	3,398	56.3	Vein
118831	0.3	1,485	8.6	32.1	0.10	3,309	54.8	Manto
118939	0.3	1,415	14.4	24.1	0.10	3,268	54.1	Manto
118908	0.3	1,145	10.8	34.8	0.10	3,209	53.1	Manto
118941	0.4	1,465	6.4	28.5	0.21	3,027	50.1	Fault
118834	0.3	310	41.6	3.9	0.04	2,981	49.4	Manto
118905	0.5	220	34.6	13.2	0.05	2,844	47.1	Manto
118827	0.3	1,465	3.8	22.2	0.25	2,619	43.4	Manto
118843	0.2	1,425	7.7	16.4	0.29	2,584	42.8	Manto
118906	0.3	19	40.8	1.3	0.06	2,545	42.2	Manto
118901	0.4	1,060	5.8	26.4	0.11	2,487	41.2	Manto
118902	0.2	335	33.4	2.8	0.09	2,473	41.0	Manto
118879	0.2	1,180	5.1	22.9	0.36	2,453	40.6	Vein
118909	1.0	34	37.8	3.0	0.04	2,438	40.4	Limestone
118833	0.2	378	27.1	2.5	0.03	2,117	35.1	Vein
118835	0.3	630	13.9	13.5	0.09	2,023	33.5	Manto
118904	0.5	396	18.9	11.4	0.05	2,000	33.1	Manto
118822	0.4	791	11.4	10.2	0.14	1,906	31.6	Fault Zone
118919	0.2	1,035	10.9	4.7	0.07	1,890	31.3	Manto
118828	0.6	624	12.9	7.6	0.08	1,718	28.5	Manto
118824	0.2	79	26.3	1.0	0.03	1,711	28.3	Manto
118915	0.6	195	23.4	2.3	0.05	1,705	28.2	Manto
118938	0.3	470	15.5	6.6	0.07	1,679	27.8	Manto
118912	1.4	131	22.2	2.7	0.04	1,586	26.3	Manto
118820	0.3	172	17.4	6.4	0.04	1,483	24.6	Fault
118814	0.3	223	8.1	18.3	0.15	1,466	24.3	Manto
118815	0.3	624	10.5	4.8	0.05	1,455	24.1	Manto
118823	0.3	303	12.4	7.0	0.11	1,344	22.3	Manto
118825	0.3	474	4.5	11.3	0.13	1,216	20.1	Manto
118918	0.5	148	12.8	6.1	0.08	1,174	19.4	Manto
118943	1.0	190	10.6	7.7	0.11	1,150	19.0	Fault
118945	0.3	541	3.2	8.5	0.06	1,086	18.0	Fault
118923	0.8	287	8.7	6.1	0.10	1,069	17.7	Manto
118916	0.2	255	10.2	3.8	0.04	1,030	17.1	Manto
118819	0.7	279	1.4	16.2	0.08	1,027	17.0	Fault
118844	0.9	517	5.7	3.3	0.07	1,000	16.6	Vein

A large number of samples that returned >1,000 g/t AgEq¹ are contiguous along the same trends and orientations. These results indicate a very high grade and continuous tenor for the mineralizing system represented in these workings.

Manto mineralization strikes both northwest and east-west with 18 to 28 degree north to northeast dips. The mantos are up to 1m thick within strongly recrystallized limestone and consist of mainly goethite, minor hematite, and scarce jarosite. Pervasive white to light brown calcite, fine iron oxide boxwork after sulfide veinlets and rare malachite staining, stratiform galena bands and erratic galena clumps or nodules are also present locally, as well as sporadic chalcedonic quartz in the limestone, hinting at a possible late-stage mineralizing event.

Narrower mineralized bodies (small mantos) are parallel to the hangingwall and footwall of the main manto, and often join the main manto along strike. This form of mineralization shows that potential for parallel or stacked mineralization exists within the limestone host. Locally, fault zones contain minor mineralized breccia zones.

First underground results from Concordia:

Two historic underground workings were accessed within the Concordia area for mapping and sampling purposes, including El Buitre mine and El Jabali mine. A total of 27 channel samples were taken to represent the mineralization encountered. The highest-grade silver value was 848 g/t (including 2.7% Zn, 12.5% Pb, 0.24% Cu) representing a 0.7m channel sample in limestone on the west wall of the main access in the El Buitre Mine. Thirteen samples returned grades higher than 150 g/t AgEq¹ with an average grade of 508 g/t AgEq¹. In addition, five of these samples returned assays greater than 500 g/t AgEq¹ with an average grade of 803 g/t AgEq¹.

The top 10 underground channel sample results by AgEq¹ from Concordia are listed below in Table 2.

Table 2: Underground sample results from the Concordia Area

Sample number	Width (m)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)	AgEq ¹ (g/t)	ZnEq ¹ (%)	Mineralization type
118958	0.7	848	2.7	12.5	0.24	1,540	25.5	Limestone
118884	0.8	320	0.0	13.0	0.06	851	14.1	Vein
118956	0.4	328	1.3	6.7	0.07	686	11.4	Limestone
118883	0.5	450	0.2	4.8	0.07	663	11.0	Vein
118964	0.8	57	8.1	1.2	0.03	597	9.9	Limestone
118893	1.1	267	0.4	6.3	0.06	555	9.2	Vein
118962	0.6	206	1.7	4.5	0.08	497	8.2	Limestone
118959	0.5	207	2.2	2.6	0.04	445	7.4	Limestone
118961	0.9	20	5.4	2.3	0.04	443	7.3	Limestone
118963	0.4	48	2.4	2.1	0.02	277	4.6	Limestone

El Buitre mine contains approximately 55 m of tunnels in mineralized wall rock containing veins and breccias, with mineralization dominated by goethite mixed with light brown calcium carbonates and erratic calcite veinlets.

El Jabali mine represents a 15x15 m, steeply inclined excavation with two cross cuts and a 9 m vertical shaft to surface within limestone and quartz diorite. Most of the mineralization at the El Jabali mine is in the form of veins, with one breccia identified. Vein mineralogy is dominated by strong goethite mixed with light brown carbonates, sporadic specks of galena, and intermittent brecciated intervals.

First results from underground at Tercia:

One small underground working within quartz diorite was accessed at the Tercia area. A total of seven samples returning grades greater than 150 g/t AgEq with an average of 417 g/t AgEq were taken from brecciated zones, likely representing faults within the diorite. Three of these samples returned grades greater than 500 g/t AgEq with an average grade of 620 g/t AgEq.

All seven of the underground channel sample results by AgEq¹ from Tercia are listed below in Table 3.

Table 3: Underground sample results from the Tercia area

Sample number	Width (m)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)	AgEq (g/t)	ZnEq (%)	Mineralization type
118974	0.5	226	0.2	15.5	0.02	867	14.4	Breccia
118971	0.5	181	0.2	10.0	0.01	597	9.9	Breccia
118968	1.3	124	3.2	6.1	0.01	563	9.3	Breccia
118973	0.7	103	0.2	7.7	0.01	424	7.0	Breccia
118972	0.9	93	0.3	5.4	0.01	328	5.4	Fault
118967	1.0	51	1.2	2.9	0.01	238	3.9	Breccia
118969	0.5	40	0.3	2.7	0.01	166	2.8	Breccia

The mineralized breccias consist of weak goethite, scarce hematic stringers, abundant calcite and variable amounts of galena spots and veinlets.

All channels reported in this release, from all areas, were chip-cut perpendicular to mineralization, and sampling locations and channel widths were restricted to the extent of historic workings. Please see the References section below for access to graphics related to this news release.

For further information contact: Discovery Metals Corp., #701 - 55 University Ave, Toronto, ON Canada M5J 2H7, info@dsvmetals.com.

On Behalf of the Board of Directors
"Taj Singh"

Taj Singh, M.Eng, P.Eng, CPA
President, Chief Executive Officer, and Director

About the Minerva project

The Minerva project is located 230 km west northwest of the city of Melchor Muzquiz in Coahuila State, Mexico, 30 km west of the La Encantada silver mine ("La Encantada") owned by First Majestic Silver Corp., and within 20-100 km of Discovery's other projects in Coahuila State. Minerva encompasses Ag-Pb-Zn mineralization hosted in skarns, mantos, chimneys and breccias similar to those at La Encantada.

The project is located within the Sabinas Basin that serves as depositional site for an approximately 6,000 m thick section of Jurassic to Cretaceous siliciclastic, carbonate, and evaporitic rocks. The Sabinas Basin is bound by the regional San Marcos and La Babia faults and contains important deposits of Mississippi Valley Type ("MVT"), evaporite hosted barite, fluorite, and celestine, paleo-karstic Zn-Pb, and carbonate replacement deposits.

The Minerva project is characterized by a sequence of thick bedded limestones with black chert nodules of the Santa Elena formation, overlying the Washita group consisting of interbed thin clayey and sandy limestones. Intruding this sedimentary package are numerous Tertiary diorite, quartz diorite, and andesites as stocks, sills and dikes. The regional northwest trending, symmetrical anticlines and synclines that form ranges and valleys were created by the

compressive Laramide Orogeny during the Eocene which was followed by a relaxation period resulting in the basin and range morphology evident today.

Discovery is carrying out the first significant modern exploration program on three main zones of historical workings and mineralization called La Tercia, Concordia, and Minerva. All three locations have been subject to artisanal mining, with the most extensive historical workings in the Mina Minerva area. Peñoles (Industrias Peñoles S.A.B. de C.V.) built a mine and processing plant at Mina Minerva in the 1940's and produced an unknown quantity of ore from shallow underground workings before turning its attention to La Encantada in the 1960s.

For more information on the Minerva project, please refer to previous news releases located at: <https://dsvmetals.com/projects/minerva/>.

ABOUT DISCOVERY METALS

Discovery is exploring one of the world's largest silver resources at its 100%-owned Cordero Project in Chihuahua State, Mexico. The 37,000 hectare property covers an entire porphyry district that hosts the announced resource and numerous exploration targets for bulk tonnage diatreme-hosted, porphyry-style, and carbonate replacement deposits. In addition, Discovery is focused on discovering and advancing high-grade silver-zinc-lead deposits in a land package of approximately 150,000 hectares covering a historic mining district in Coahuila State, Mexico. The portfolio of three large-scale, drill-ready projects and several earlier-stage prospects, all with shallow, high-grade mineralization, is situated in a world-class carbonate replacement deposit belt that stretches from southeast Arizona to central Mexico. The land holdings contain numerous historical direct-ship ore workings with several kilometers of underground development, but there was no modern exploration or drill testing on the properties prior to the work carried out by Discovery.

REFERENCES

¹ All numbers in this news release are rounded and assays are uncut and undiluted. AgEq and ZnEq calculations are based on USD \$17/oz Ag, \$1.50/lb Zn, \$1.00/lb Pb, and do not consider metallurgical recovery.

² Graphics associated with this news release can be found at: <https://dsvmetals.com/site/assets/files/5035/2019-08-nrappendix-minerva.pdf>

TECHNICAL NOTES

Sample analysis and QA/QC Program: The rock chip and channel samples were taken perpendicular to mineralization, with variable length (across width of mineralization, typically 0.5-2.5 m) and a minimum channel thickness of 60 mm and minimum channel depth of 30 mm. The entire volume of each chip or channel sample was transported from site by ALS and prepared at the ALS lab facilities in Zacatecas and Chihuahua facilities, with splits of pulps shipped to the ALS lab in Vancouver for analysis. Samples were analyzed for gold using (1) a standard fire

assay with a 30 g pulp and Atomic Absorption (AA) finish for gold; and (2) Thirty-element inductively coupled plasma atomic emission spectrometry ("ICP-AES"). Over limit sample values were re-assayed for: (1) values of zinc > 10%; (2) values of lead > 10%; and (3) values of silver > 100 g/t. Samples were re-assayed using the ME-OG62 (high-grade material ICP-AES) analytical package. For values of zinc or lead greater than 30%, a third re-assay using the Zn-VOL50 or Pb-VOL50 (potentiometric titration) analytical method was used while values of silver greater than 1,500 g/t, were re-assayed using the Ag-CON01 analytical method, a standard fire assay with 30 g pulp and gravimetric finish. Certified standards and blanks were routinely inserted into all sample shipments to ensure integrity of the assay process.

Qualified Person: Gernot Wober, P.Geo, V.P. Exploration, Discovery Metals Corp., is the Company's designated Qualified Person for this news release within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and has reviewed and validated that the information contained in this news release is accurate.

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