
Discovery Reports 1,907 g/t AgEq Over 1.4 m in its First Drill Hole Testing the 1.2 Km-Long Todos Santos Vein Trend at Cordero

July 20, 2020, Toronto, Ontario - Discovery Metals Corp. (TSX-V: DSV, OTCQX: DSVMF) ("Discovery" or the "Company") is pleased to announce results from eight diamond drill holes completed at its flagship Cordero project ("Cordero" or "the Project") located in Chihuahua State, Mexico. The holes are part of a Phase 1 diamond core drilling program that commenced in September 2019. The Phase 1 drill program was recently expanded from 35,000-metres ("m") to 55,000 m and has the goal of defining a large-scale, high-margin project with excellent leverage to rising silver prices.

Highlight intercepts include:

Todos Santos Vein

- **1.4 m averaging 1,907 grams per tonne silver equivalent ("g/t AgEq¹")** in hole C20-342 from 147.0 m (700 g/t Ag, 0.74 g/t gold ("Au"), 16.1% lead ("Pb") and 14.0% zinc ("Zn")) within a 5.3 m breccia interval that averaged 653 g/t AgEq¹ (225 g/t Ag, 0.27 g/t Au, 5.1% Pb, 5.5% Zn)

Parcionera Vein

- **1.5 m averaging 1,119 g/t AgEq¹** in hole C20-338 from 149.8 m (489 g/t Ag, 0.82 g/t Au, 2.9% Pb and 11.1% Zn) within a 4.3 m vein that averaged 651 g/t AgEq¹ (365 g/t Ag, 0.55 g/t Au, 2.1% Pb, 4.0% Zn)

North-East Extension

- **120.4 m averaging 114 g/t AgEq¹** in hole C20-333 from 206.8 m (30 g/t Ag, 0.11 g/t Au, 0.4% lead Pb and 1.5% Zn)
- **134.6 m averaging 92 g/t AgEq¹** in hole C20-336 from 194.6 m (23 g/t Ag, 0.05 g/t Au, 0.5% Pb and 1.1% Zn)

South Corridor

- **44.8 m averaging 139 g/t AgEq¹** in hole C20-337 from 173.9 m (35 g/t Ag, 0.10 g/t Au, 0.7% Pb and 1.7% Zn)
- **0.8 m averaging 3,214 g/t AgEq¹** in hole C20-337 from 291.3 m (1,992 g/t Ag, 0.79 g/t Au, 16.1% Pb and 14.2% Zn)

Taj Singh, President and CEO, states: "We continue to intercept wide zones of bulk-tonnage style mineralization along the North-East Extension at Cordero. In addition, our understanding of the previously overlooked high-grade vein trends on the property continues to evolve. Four of the eight drill holes in this news release hit high-grade feeder structures, including 1,907 g/t AgEq¹ over 1.4 m in our first ever drill hole targeting the Todos Santos vein trend, and 1,119 g/t AgEq¹ over 1.5 m at the Parcionera vein trend. These two vein trends have a current

combined strike length of over 1.5 kilometres based on historical underground workings. With a second drill rig now operational, we look forward to testing both the strike length and depth continuity of these and other extensive feeder structures alongside our bulk-tonnage breccia-hosted targets.”

DRILL RESULTS:

Todos Santos Vein: Hole C20-342 was drilled under a historic mine working on the north-east extent of the Todos Santos vein trend and intercepted a high-grade sulphide vein approximately 140 m below surface that returned 1.4 m averaging 1,907 g/t AgEq¹ (700 g/t Ag, 0.74 g/t Au, 16.1% Pb and 14.0% Zn). Vein mineralization is semi-massive pyrite (20%), galena (15%) and sphalerite (15%). The Todos Santos vein trend is currently interpreted to be 1.2 kilometres (“km”) long, has a south-west strike and dips steeply to the north-west, based on the alignment of six historic workings and eight pierce points from historic drill holes.

Parcionera Vein: The current 350 m strike and 255 m proven depth extent of this vein trend is defined by two of the larger historical mine workings as well as pierce points from six historical drill holes. Hole C20-338, drilled under the NE trend of the historical workings, intercepted 4.3 m of high-grade vein material from 149.8 m averaging 651 g/t AgEq¹ (365 g/t Ag, 0.55 g/t Au, 2.1% Pb, and 4.0% Zn) including 1.5m of 1,119 g/t AgEq¹ (489 g/t Ag, 0.82 g/t Au, 2.9% Pb, and 11.1% Zn). Vein mineralization is dominantly coarse-grained pyrite (40%) in bands 20-50cm wide with intercalations and 2-3cm bands or veinlets of red-brown sphalerite (4-5%) and coarse-grained galena (2-3%).

North-East Extension: Five of the eight holes in this current release were drilled to the north-east of the core Pozo de Plata zone in areas where there were significant gaps in previous drilling. Four of these drill holes intercepted multiple broad zones of stockwork and/or breccia-hosted mineralization including hole C20-333, drilled 650 m north-east of Pozo de Plata, which intercepted 120.4 m averaging 114 g/t AgEq¹ (30 g/t Ag, 0.11 g/t Au, 0.3% Pb and 1.5% Zn) of stockwork mineralization in calcareous siltstone and mudstone. Hole C20-336, drilled 700 m north-east of Pozo de Plata intercepted 134.6 m averaging 92 g/t AgEq¹ (23 g/t Ag, 0.05 g/t Au, 0.5% Pb and 1.1% Zn) of stockwork mineralization hosted in dacite and dacite breccia.

South Corridor: Hole C20-337, drilled along the South Corridor, intercepted 44.8 m averaging 139 g/t AgEq¹ (35 g/t Ag, 0.10 g/t Au, 0.7% Pb and 1.7% Zn) and 23.6 m averaging 186 g/t AgEq¹ (82 g/t Ag, 0.09 g/t Au, 0.8% Pb and 1.7% Zn). These stockwork mineralized intervals are hosted in calcareous siltstone and mudstone. The deeper interval also encountered a previously unidentified feeder vein that returned 0.8 m averaging 3,214 g/t AgEq¹ (1,992 g/t Ag, 0.79 g/t Au, 16.1% Pb and 14.2% Zn). The South Corridor, which is separated from the core Pozo de Plata zone by the main Cordero fault, has seen significantly less drilling in comparison to the North Corridor and will be a key area of focus for drilling over the remainder of the Phase 1 drill program.

Drill hole locations for all holes are shown in Figure 1 (see links below). Further drill highlights are provided in the table below.

Hole ID	From (m)	To (m)	Width (m)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	AgEq ¹ (g/t)	Location
C20-333	206.8	327.2	120.4	30	0.11	0.4	1.5	114	NE Extension
<i>including</i>	251.0	251.6	0.6	449	0.24	5.4	3.7	812	
<i>including</i>	326.7	327.2	0.5	269	0.38	5.0	15.9	1,136	
C20-334	14.0	39.0	25.0	41	0.09	0.4	0.4	76	SW Extension
<i>and</i>	127.3	138.0	10.7	59	0.03	0.9	1.0	135	
C20-335	42.0	147.5	105.5	16	0.05	0.3	0.6	55	NE Extension
C20-336	194.6	329.1	134.6	23	0.05	0.5	1.1	92	NE Extension/ Parcionera Vein
<i>including</i>	290.6	295.0	4.4	126	0.08	3.4	14.5	857	
C20-337	63.3	64.6	1.3	405	0.42	2.6	4.8	727	South Corridor
<i>and</i>	173.9	218.7	44.8	35	0.10	0.7	1.7	139	
<i>and</i>	278.1	301.7	23.6	82	0.09	0.8	1.7	186	
<i>including</i>	291.3	292.0	0.8	1,992	0.79	16.1	14.2	3,214	
C20-338	32.0	62.3	30.4	29	0.02	0.5	0.2	55	NE Extension / Parcionera Vein
<i>and</i>	149.8	154.1	4.3	365	0.55	2.1	4.0	651	
<i>including</i>	149.8	151.3	1.5	489	0.82	2.9	11.1	1,119	
C20-339	48.4	54.2	5.8	202	0.08	1.0	0.0	245	Parcionera Vein
C20-342	143.8	149.2	5.3	225	0.27	5.1	5.5	653	Todos Santos Vein
<i>including</i>	147.0	148.4	1.4	700	0.74	16.1	14.0	1,907	

* Refer to Technical Notes & References section below for details on assumptions and calculations. Full assay results can be found at the link in the next section below.

PHASE 1 DRILL PROGRAM UPDATE:

The Company recently expanded its Phase 1 drill program by 20,000 m to 50,000-55,000 m. 19,440 m (49 holes) from this program have been completed to date. Assays from five holes are pending. The Company added a second drill rig during the first week of July. Further drill rigs will be added when the Company is confident health and safety risks related to COVID-19 can be managed effectively.

Drilling will be focused on two key areas: 1) Targeting of broad zones of breccia-hosted mineralization in the east and north-east of both mineralized corridors and 2) Testing of the width, grade and continuity of extensive high-grade vein systems identified in and adjacent to historical artisanal underground workings during the early history of the Project.

Supporting maps and sections, drill hole locations and full assay results can be found at the following link: <https://dsvmetals.com/site/assets/files/5391/20200720-plan-map.pdf>

A copy of this release with supporting maps and sections included as appendices can be found at the following link: <https://dsvmetals.com/site/assets/files/5391/20200720-pr-cordero.pdf>

About the Cordero Project

Cordero is located on the eastern edge of the Sierra Madre Occidental mountains in the northern part of the Central Mexican Silver Belt, Mexico's premier porphyry and carbonate replacement deposit district. Mineralization at Cordero is similar in nature to well-known nearby bulk tonnage precious metals mines and projects (e.g. Newmont Corporation's Peñasquito Mine and Orla Mining Ltd.'s Camino Rojo project). In addition to the bulk tonnage mineralization there are also multiple high-grade silver-zinc-lead-gold sulphide vein trends as evidenced by more than 40 historical shallow, vertical shafts and associated underground workings.

On Behalf of the Board of Directors,

Taj Singh, M.Eng, P.Eng, CPA,

President, Chief Executive Officer, and Director

About Discovery

Discovery Metals Corp. (TSX-V: DSV, OTCQX: DSVMF) is a Canadian exploration and development company headquartered in Toronto, Canada, and focused on historic mining districts in Mexico. Discovery's flagship is its 100%-owned Cordero silver project in Chihuahua State, Mexico. The 35,000-hectare property covers a large district that hosts the announced resource as well as numerous exploration targets for bulk tonnage diatreme-hosted, porphyry-style, and carbonate replacement deposits.

For further information contact:

Forbes Gemmell, CFA

VP Corporate Development & Investor Relations

forbes.gemmell@dsvmetals.com

TECHNICAL NOTES & REFERENCES:

¹ All results in this news release are rounded. Assays are uncut and undiluted. Widths are drilled widths, not true widths, as a full interpretation of the actual orientation of mineralization is not complete. Composites for this release were chosen at a 25 g/t AgEq cutoff, whereby no more than 5m of below-cutoff material is included in any composite interval. AgEq calculations are used as the basis for total metal content calculations given Ag is the dominant metal constituent as a percentage of AgEq value in approximately 70% of the Company's mineralized intercepts. AgEq calculations for reported drill results are based on USD \$16.50/oz Ag, \$1,350/oz Au, \$0.85/lb Pb, \$1.00/lb Zn. The calculations assume 100% metallurgical recovery and are indicative of gross in-situ metal value at the indicated metal prices. Refer to note two below for metallurgical recoveries assumed in the 2018 PEA completed on Cordero.

² The most recent technical report for the Cordero Project is the 2018 Preliminary Economic Assessment (PEA) authored by M3 Engineering and Technology Corp and includes the most recent resource estimate, completed by Independent Mining Consultants, Inc. It is available on Discovery's website and on SEDAR under Levon Resources Ltd. The PEA assumes metallurgical recoveries of 89% for Ag, 84% for Pb, 72% for Zn and 40% for Au.

Sample analysis and QA/QC Program: True widths of reported drill intercepts have not been determined. Assays are uncut except where indicated. All core assays are from HQ drill core unless stated otherwise. Drill core is logged and sampled in a secure core storage facility located at the project site 40km north of the city of Parral. Core samples from the program are cut in half, using a diamond cutting saw, and are sent to ALS Geochemistry-Mexico for preparation in Chihuahua City, Mexico, and subsequently pulps are sent to ALS Vancouver, Canada, which is an accredited mineral analysis laboratory, for analysis. All samples are prepared using a method whereby the entire sample is crushed to 70% passing -2mm, a split of 250g is taken and pulverized to better than 85% passing 75 microns. Samples are analyzed for gold using standard Fire Assay-AAS techniques (Au-AA24) from a 50g pulp. Over limits are analyzed by fire assay and gravimetric finish. Samples are also analyzed using thirty three-element inductively coupled plasma method ("ME-ICP61"). Over limit sample values are re-assayed for: (1) values of zinc > 1%; (2) values of lead > 1%; and (3) values of silver > 100 g/t. Samples are re-assayed using the ME-OG62 (high-grade material ICP-AES) analytical package. For values of silver greater than 1,500 g/t, samples are re-assayed using the Ag-CON01 analytical method, a standard 30 g fire assay with gravimetric finish. Certified standards and blanks are routinely inserted into all sample shipments to ensure integrity of the assay process. Selected samples are chosen for duplicate assay from the coarse reject and pulps of the original sample. No QAQC issues were noted with the results reported herein.

Qualified Person: Gernot Wober, P.Geo, VP 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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