
Discovery Intersects 194 g/t AgEq over 217 m in Final Drilling for Upcoming Resource Estimate at Cordero

August 25, 2021, Toronto, Ontario - Discovery Silver Corp. (TSX-V: DSV, OTCQX: DSVSF) (“Discovery” or the “Company”) is pleased to announce results from the final drill holes that will be used to support the new resource estimate on its flagship Cordero silver project (“Cordero” or “the Project”) located in Chihuahua State, Mexico. The resource update is scheduled for completion toward the end of this quarter and will be followed by an updated PEA in 4Q 2021.

Taj Singh, President and CEO, states: *“The results from our first drill program at Cordero, including further exceptional results in this release, have exceeded our expectations. We have not only confirmed the size and scalability of Cordero, but also highlighted the excellent margin potential of the Project too. The large volume of drill data we have added, totaling 91,000 m in 223 holes, has also significantly de-risked the Project. This new drilling, which will be complemented by our reinterpretation of the geological and structural controls of the deposit, provides a strong platform on which the upcoming resource and PEA will be based.”*

Highlight intercepts include:

- **217.3 m averaging 194 g/t AgEq¹** from 39.3 m (75 g/t Ag, 0.45 g/t Au, 1.1% Pb and 1.0% Zn) in hole C21-481 including:
 - **81.9 m averaging 254 g/t AgEq¹** (99 g/t Ag, 0.54 g/t Au, 1.5% Pb and 1.4% Zn)

- **25.5 m averaging 404 g/t AgEq¹** from 147.2 m (236 g/t Ag, 0.55 g/t Au, 1.2% Pb and 1.9% Zn) in hole C21-482 including:
 - **1.5 m averaging 3,763 g/t AgEq¹** (2,552 g/t Ag, 2.33 g/t Au, 13.3% Pb & 13.3% Zn)

- **56.8 m averaging 139 g/t AgEq¹** from 358.7 m (40 g/t Ag, 0.05 g/t Au, 0.7% Pb and 1.7% Zn) in hole C21-442

- **52.5 m averaging 128 g/t AgEq¹** from 214.8 m (42 g/t Ag, 0.08 g/t Au, 0.7% Pb and 1.3% Zn) and **54.9 m averaging 133 g/t AgEq¹** from 392.8 m (39 g/t Ag, 0.06 g/t Au, 0.9% Pb and 1.3% Zn) in hole C21-493

DRILL RESULTS:

The final drill holes for the updated resource estimate were from multiple zones in both the North and South Corridors. Drilling in the South Corridor along the Josefina vein trend continues to intercept high-grade veins within broader zones of disseminated mineralization. Highlight intercepts include 25.5 m of 404 g/t AgEq¹ from 147.2 m (C21-482), 21.0 m of 197 g/t AgEq¹ from 121.5 m (C21-474) and 23.7 m of 195 g/t AgEq¹ from 24.8 m (C21-516).

Infill drilling within the central part of the South Corridor was also successful in confirming continuity of mineralization within the higher-grade bulk-tonnage domain. Highlight intercepts include 52.5m of 128 g/t AgEq¹ and 54.9 m of 133 g/t AgEq¹ (C21-493) and 51.0m @ 107 g/t AgEq¹ and 69.2 m of 121 g/t AgEq¹ (C21-504). Drilling in the South Corridor in the Far NE returned mixed results suggesting limited potential to extent the high-grade bulk-tonnage domain in this part of the deposit.

In the North Corridor, hole C20-481 confirmed the excellent starter pit potential of the Pozo de Plata zone returning 217.3m of 194 g/t AgEq. The mineralized zone sits partially within a higher-grade breccia unit more than 150 m wide and started near-surface (39.3 m downhole) and consistently reported excellent grades through the entire +200 m interval.

Drill hole locations are shown in Figure 1 (see links below) and detailed drill highlights from the holes in this release 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
C21-481	39.3	256.6	217.3	75	0.45	1.1	1.0	194	Pozo de Plata
<i>including</i>	110.8	192.7	81.9	99	0.54	1.5	1.4	254	
C21-482	147.2	172.7	25.5	236	0.55	1.2	1.9	404	Josefina
<i>including</i>	168.1	169.6	1.5	2,552	2.33	13.3	13.3	3,763	
C21-485	87.6	88.6	1.1	1,057	0.19	7.4	8.4	1,681	Josefina
<i>and</i>	110.0	110.7	0.7	691	0.04	3.2	9.7	1,209	
C21-474	121.5	142.5	21.0	79	0.10	1.2	1.6	197	Josefina
<i>including</i>	127.6	128.9	1.3	418	0.24	5.2	6.1	871	
<i>& including</i>	135.6	137.1	1.5	434	0.08	7.5	5.3	923	
C21-475	126.6	164.0	37.5	76	0.05	1.2	1.5	185	Josefina
<i>including</i>	126.6	127.3	0.7	1,320	0.21	11.0	10.8	2,169	
<i>and</i>	134.3	135.9	1.6	597	0.16	12.2	11.7	1,522	
C20-480	63.1	115.5	52.5	34	0.03	0.5	0.9	94	Josefina
<i>including</i>	90.3	91.2	1.0	554	0.28	4.6	10.0	1,154	
C21-499	89.6	128.6	39.0	79	0.08	1.4	3.4	276	Josefina
<i>and</i>	90.8	99.9	9.1	221	0.23	3.6	10.2	786	

Hole ID	From (m)	To (m)	Width (m)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	AgEq ¹ (g/t)	Location
C21-516	24.8	48.5	23.7	75	0.15	0.7	2.1	195	Josefina
C21-442	358.7	415.5	56.8	40	0.05	0.7	1.7	139	South Corridor
<i>and</i>	435.3	459.7	24.4	43	0.06	0.9	1.7	150	
C21-493	153.5	181.6	28.1	29	0.07	0.5	1.5	115	South Corridor
<i>and</i>	214.8	267.3	52.5	42	0.08	0.7	1.3	128	
<i>and</i>	392.8	447.6	54.9	39	0.06	0.9	1.3	133	
C21-504	96.6	147.6	51.0	42	0.16	0.5	0.8	107	South Corridor
<i>and</i>	301.7	370.9	69.2	43	0.05	0.8	1.1	121	
C21-501	339.8	360.4	20.6	92	0.06	1.5	3.8	305	NE Extension
C21-443	323.7	334.8	11.2	28	0.01	0.7	2.5	157	Far NE
C21-446	130.5	145.8	15.4	43	0.04	0.6	1.2	116	Far NE
<i>and</i>	186.7	212.4	25.7	37	0.09	0.5	0.8	95	
C21-449	244.8	331.0	86.2	27	0.06	0.2	0.5	59	Far NE

¹All 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. As a guideline, intervals with disseminated mineralization were chosen based on a 25 g/t AgEq cutoff with no more than 10 m of dilution. Intervals with vein mineralization were based on a 100 g/t AgEq cutoff with no more than 1 m of dilution. 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 Technical Notes below for metallurgical recoveries assumed in the 2018 PEA completed on Cordero.

DRILL PROGRAM UPDATE:

Resource drilling: all assays from drilling that will support the updated resource have now been received. This drilling, totaling 91,000 m (223 holes), will supplement the 133,000 m (292 holes) of historic drilling completed on the Project. The resource update is scheduled for completion later this quarter and will be followed by an updated PEA in 4Q 2021.

Phase 2 drilling: The Company has completed 10,000 m (21 holes) as part of its Phase 2 drill program (excluding drill metres used to support the updated resource) which will be ongoing through the remainder of the year. Phase 2 drilling will be focused on three key areas: (1) upgrading inferred resources for inclusion in a prefeasibility study; (2) resource expansion of bulk-tonnage mineralization; and (3) testing of the width, grade and continuity of the extensive high-grade vein systems that transect the deposit. There are currently four drill rigs operating on site.

SUPPORTING MATERIALS:

Supporting maps and sections, drill hole locations and full assay results can be found at the following link:

https://discoverysilver.com/site/assets/files/5700/20210825_dsv_na.pdf

A PDF of this release with supporting maps and sections included as appendices can be found at the following link:

https://discoverysilver.com/site/assets/files/5700/20210825_dsv_nr.pdf

About Discovery

Discovery's flagship project is its 100%-owned Cordero project, one of the few silver projects globally that offers margin, size and scalability. Cordero is located close to infrastructure in a prolific mining belt in Chihuahua State, Mexico, and is supported by an industry leading balance sheet with over C\$80 million available for aggressive exploration, resource expansion and future development. Discovery was a recipient of the 2020 TSX Venture 50 award and the 2021 OTCQX Best 50 award.

On Behalf of the Board of Directors,

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

For further information contact:

Forbes Gemmell, CFA
VP Corporate Development & Investor Relations
Phone: 416-613-9410
Email: forbes.gemmell@discoverysilver.com
Website: www.discoverysilver.com

Sample analysis and QA/QC Program

The true width of the veins is estimated to be approximately 70% of the drilled width. 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.Geol., VP Exploration, Discovery Silver 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.

TECHNICAL NOTES & FORWARD-LOOKING STATEMENTS:

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, a wholly owned subsidiary of Discovery. The PEA assumes metallurgical recoveries of 89% for Ag, 84% for Pb, 72% for Zn and 40% for Au.

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