

CONDITIONS PRECEDENT TO DEBT RE-PROFILE SATISFIED

Satisfaction of Conditions Precedent

As announced on 15 July 2014, Discovery Metals Limited (ASX/BSE: DML) (**Discovery Metals, DML or the Company**) executed definitive, long form documents with the lenders to reduce the Company's existing interest bearing debt to US\$100 million and re-profile repayments of outstanding debt (**Debt Re-Profile**).

The Company today announces that it has satisfied the conditions precedent to the Debt Re-Profile, which is now effective.

Other Conditions

As noted in the announcement of 15 July 2014, DML's wholly owned subsidiary, Discovery Copper (Botswana) (Proprietary) Limited (**DCB**), is required to deliver an updated financial model and development plan for the underground mining operations (**Business Plan**), in a form and substance acceptable to the lenders and a lender appointed independent technical expert, by 31 August 2014. DCB is required to achieve an agreed benchmark production from underground operations within 18 months to be determined by reference to the Business Plan.

FORWARD LOOKING STATEMENTS

This release includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address future activities and events or developments that Discovery Metals expects, are forward-looking statements. Although Discovery Metals believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in forward-looking statements.

DISCOVERY METALS BACKGROUND

Discovery Metals is an ASX/BSE listed copper exploration and production company focused on the emerging Kalahari Copperbelt in north-west Botswana. The Company is a copper producer at its 100% owned Boseto Copper Project.

The Kalahari Copperbelt sediment-hosted mineralisation of the Boseto Copper Project is similar in style to the well-known and large deposits of the Central African Copperbelt of Zambia and the Democratic Republic of the Congo.

Discovery Metals has prospecting licences covering approximately 26,150 km² in Botswana.

**Further information on the Company including Mineral Resources and Ore Reserves is available on our website:
www.discoverymetals.com**

For further information on this release and Discovery Metals Limited, please contact:

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