

Discovery Metals Announces a \$9.0 Million Private Placement With a \$7.7 Million Investment From Eric Sprott

TORONTO, July 18, 2019 -- Discovery Metals Corp. ("**Discovery**") (TSXV: DSV) is pleased to announce that it intends to complete a non-brokered private placement (the "**Private Placement**") to raise \$9,004,770 through the issuance of 23,216,174 common shares ("**Common Shares**") at a price of \$0.23 per Common Share and 15,935,000 subscription receipts ("**Subscription Receipts**") at a price of \$0.23 per Subscription Receipt.

Mr. Eric Sprott has agreed to purchase 17,564,000 Common Shares of the Private Placement, which will result in him holding 19.9% of Discovery's issued and outstanding Common Shares, post-closing of the Private Placement. In addition, Mr. Sprott will acquire 15,935,000 Subscription Receipts which, if converted, will maintain his 19.9% interest in Discovery following the completion of the acquisition of Levon Resources Ltd ("**Levon**"), as described below.

Proceeds from the Subscription Receipts will be placed in escrow on the closing of the Private Placement, to be released to Discovery on the closing of the plan of arrangement pursuant to which Discovery intends to acquire all the issued and outstanding common shares of Levon (the "**Levon Transaction**"), as announced in a news release dated May 30, 2019. On conversion, each Subscription Receipt will automatically convert into one Common Share, for no additional consideration. In the event that the Levon Transaction is not completed by August 31, 2019, each Subscription Receipt will be cancelled, and the subscription funds will be returned to the subscriber.

Taj Singh, President and CEO of Discovery commented, "We are excited to have Mr. Sprott's support as we enter into our next phase of growth. His investment ensures Discovery is well funded to pursue its exploration plans for its Coahuila projects and also for the Cordero project, which will be added to Discovery's portfolio upon closing of the Levon Transaction. For Discovery and Levon shareholders, Mr. Sprott's investment is a strong endorsement of the combined company's future business plans."

The proceeds of the Private Placement will be used primarily to fund Discovery's continuing exploration program at Cordero, following the closing of the Levon Transaction, and the Coahuila projects (Puerto Rico, Minerva and Monclova). A portion of the proceeds will be used for general working capital purposes.

Discovery anticipates that certain insiders will acquire securities in the Private Placement. To the extent such insiders participate in the Private Placement, any such participation would be considered a "related party transaction" as defined under Multilateral Instrument 61-101.

Discovery may pay a finder's fee to one or more arms' length parties who introduce Discovery to investors, in accordance with the policies of the TSX Venture Exchange (the "**Exchange**"). The securities issued will be subject to a four-month-and-one-day statutory hold period from the date of issuance. Closing of the Private Placement remains subject to Exchange approval.

About Discovery Metals

Discovery is focused on discovering and advancing high-grade polymetallic deposits in a recently assembled land package of approximately 150,000 hectares over a large and 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 Ag-Zn-Pb 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. For further information, please visit Discovery's website at www.dsvmetals.com.

Levon 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. For further information please visit Levon's website at www.levon.com, and the news release of Discovery dated May 30, 2019 as filed on SEDAR.

For Further Information:

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release may include forward-looking statements that are subject to inherent risks and uncertainties. All statements within this news release, other than statements of historical fact, are to be considered forward looking. Although Discovery 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 described in forward-looking statements. Factors that could cause actual results to differ materially from those described in

forward-looking statements include fluctuations in market prices, including metal prices, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. There can be no assurance that the Levon Transaction or the Private Placement will close on the announced terms. Discovery does not assume any obligation to update any forward-looking statements except as required under applicable laws.