

DISCOVERY DRILLS 34.7 METERS OF 617 G/T SILVER EQUIVALENT, INCLUDING 3.7 METERS OF 2,524 G/T SILVER EQUIVALENT, AT ITS CORDERO PROJECT

January 8, 2020, Toronto, Ontario - Discovery Metals Corp. (TSX-V: DSV, OTCQX: DSVMF) ("Discovery" or the "Company") is pleased to announce results from the first four diamond drill holes completed at its flagship Cordero project ("Cordero" or "the Project") located in Chihuahua State, Mexico. Discovery acquired Cordero through the acquisition of Levon Resources Ltd. ("Levon") in August 2019. The results released here are part of a 30,000-35,000m Phase 1 drill program that Discovery plans to complete in 2020. The focus of Phase 1 is to: (1) delineate, expand and then re-domain areas of higher-grade mineralization within the existing Cordero resource; and (2) test new high priority targets outside the current resource, including targets on the large 35,000 hectare property package that surrounds Cordero.

Taj Singh, President and CEO, states: "These first results from Cordero are very encouraging and support our thesis that within the very large resource area exists a shallow, higher-grade component that could redefine the Project entirely and vastly improve its economics. The presence of higher-grade gold in the most strongly mineralized areas is also positive. Cordero has many attractive features: open-pittable, good metallurgy and excellent surrounding infrastructure. We look forward to completing the exploration in 2020 required to re-scope and optimize this very exciting property."

HIGHLIGHTS:

Hole ID	From	To	Width (m)	Ag g/t	Au g/t	Pb %	Zn %	AgEq ² g/t
C19-295	55.4	136.6	81.2	63	0.35	0.9	0.9	159
<i>including</i>	115.1	119.2	4.1	517	1.32	7.6	5.7	1,132
	157.8	225.9	68.1	117	1.96	1.7	1.1	361
<i>including</i>	163.3	197.9	34.7	200	3.04	2.9	1.6	617
<i>including</i>	165.6	169.2	3.7	512	21.52	6.9	0.2	2,524
<i>and</i>	173.7	185.2	11.5	284	0.88	4.1	2.8	617
<i>and</i>	186.4	188.4	1.9	222	0.83	3.5	2.2	505
<i>and</i>	193.3	194.6	1.3	191	1.64	3.0	3.3	569
C19-296	101.1	148.2	47.1	71	0.45	1.0	1.2	191
<i>including</i>	103.5	146.2	42.7	77	0.48	1.1	1.3	206
<i>including</i>	105.4	109.5	4.1	167	0.76	2.6	3.0	444
	155.0	216.5	61.6	42	0.39	0.6	0.4	112
<i>including</i>	165.5	192.7	27.2	77	0.50	1.1	0.7	188
<i>including</i>	176.0	179.9	3.9	268	0.59	4.2	1.6	529
	199.3	200.9	1.6	152	2.13	2.4	1.7	482
	260.2	261.7	1.5	221	0.95	3.7	2.3	524
C19-294	86.0	180.3	94.3	47	0.27	0.7	0.6	121

Hole ID	From	To	Width (m)	Ag g/t	Au g/t	Pb %	Zn %	AgEq ² g/t
<i>including</i>	88.0	101.8	13.9	88	0.41	1.4	1.2	218
<i>and</i>	109.9	118.8	8.9	115	0.40	1.7	1.3	263
<i>including</i>	117.4	118.8	1.5	285	0.58	4.7	2.0	582
	155.5	166.3	10.8	93	0.46	1.3	1.2	225
C19-293	473.6	533.5	59.9	37	0.06	0.9	1.5	136
<i>including</i>	473.6	500.8	27.2	48	0.09	1.3	2.1	189
<i>including</i>	492.4	497.4	5.0	69	0.13	2.1	3.1	282
	508.2	512.4	4.3	111	0.10	2.2	2.9	317

* Complete assay results for holes C19-293 through C19-296 can be found at the link in the Discussion section below. Also, refer to the Technical Notes section below for details on assumptions, calculations, etc.

DISCUSSION:

Since acquiring Cordero in August 2019, Discovery's focus has been on understanding the nature of the higher-grade zones within the larger mineralized system with the objective of upgrading the economic potential of the Project. Based on Discovery's review of previous work and the re-logging of core from historic drilling, higher-grade mineralization is currently understood to be predominantly associated with two styles of mineralization: (1) sulphide mineralization within a breccia host; and (2) discrete sulphide veins. The goal of the current drill program is to gain an understanding of the geology, geometry (strike, dip, orientation) and controls on these styles of mineralization to define and delineate the higher-grade zones.

Seventeen holes totaling 5,940 metres have been completed to-date. All the holes were drilled within the existing resource area as defined by Levon³. All holes were drilled roughly perpendicular to the northeast trend of higher-grade blocks outlined in the current resource model.

Holes C19-293 through C19-296 are the first four drilled by Discovery. All holes were successful in targeting the first style of higher-grade mineralization: sulphide mineralization within a breccia host. Sulphide mineralization consists predominantly of sphalerite, galena and pyrite in veinlets and disseminations and is typically hosted within dacite clast-dominated breccias. All four holes confirmed the northeast trend of the high-grade mineralized zones within the existing resource area and, in several cases, suggest the possible expansion of the mineralization beyond the current block model. The current drilling has returned intervals that are among the best with respect to width and grade drilled to-date on the project.

Pending holes targeted both breccia-hosted sulphide mineralization as well as discrete sulphide veins. The presence of high-grade discrete sulphide veins at Cordero is well documented through prospecting and small-scale mining. However, these veins were never a focus of Levon's prior exploration. Discovery believes that definition of these veins has the potential to significantly enhance the high-grade component of the deposit.

Maps and sections with assays showing the drill hole locations and full analytical results are available at <https://dsvmetals.com/site/assets/files/5344/2020-01-08-dsv-nr-appendix.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 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). The bulk tonnage potential of the Cordero deposit was first recognized by Levon in 2009 and the resource was defined by 132,000m of drilling in 292 holes. The most recent resource³ was released in 2018 (available on Discovery's website and Levon's SEDAR profile) and is shown below at various cut-off grades:

AgEq ³ (g/t) Cutoff	Tonnage & Grade within Mineral Resources Pit Shell							Total Contained Ag Mozs	Total Contained AgEq ³ Moz
	Class	M tonnes	AgEq ¹ g/t	Ag g/t	Zn %	Pb %	Au g/t		
15 (used in PEA)	Indicated	990	32	13	0.4	0.2	0.04	408	1,022
	Inferred	282	56	21	0.8	0.3	0.04	188	513
25	Indicated	467	46	19	0.5	0.3	0.06	278	686
	Inferred	183	77	28	1.0	0.4	0.05	163	451
50	Indicated	99	95	40	1.0	0.6	0.11	128	303
	Inferred	100	112	41	1.5	0.7	0.06	131	360

This table shows that a large portion of the resource remains at significantly higher cutoff grades than the 15 g/t AgEq cutoff used in the 2018 Preliminary Economic Assessment ("PEA") completed by Levon. Since acquiring the project in August 2019, Discovery's main focus has been on gaining a better understanding of the higher-grade mineralization within the footprint of the deposit, namely the 50 g/t AgEq cutoff material shown in the table above.

Historical mine workings and prospects at Cordero date back to the 17th century. There are currently about 40 identified shallow, vertical shafts and associated workings at Cordero, generally developed along outcropping, southwest-striking, high-grade silver-zinc-lead-gold sulphide veins as well as high-grade skarn mineralization. Local artisanal miners report most of the past and recent production was direct shipping ore, which was hand-sorted, shipped, and processed in the nearby town of Parral. The La Luz mine was the largest mine and was active in the 1940s. Remnants of a small six-cell flotation mill built by ASARCO remain at La Luz mine. Despite a long history of mining, these veins have never been explored by drilling, and may add significantly to the high-grade mineral endowment at Cordero.

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. In addition, Discovery is also exploring multiple high-grade carbonate replacement-style silver-zinc-lead showings in a land package of approximately 150,000 hectares in Coahuila State, Mexico. The land holdings contain numerous historical direct-ship ore workings and significant underground development, but no drill-testing has ever been carried out on them.

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On Behalf of the Board of Directors,

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

TECHNICAL NOTES & REFERENCES:

¹ All results in this news release are rounded. Assays are uncut and undiluted. Widths are drilled widths (not true widths). 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. For subintervals, a 50 g/t AgEq cutoff was used, whereby no more than 3m of below-cut-off material is included in any composite interval.

² 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, and assume 100% metallurgical recovery.

³ PEA by M3 Engineering, Resource by IMC, Mar. 1, 2018 (available on Discovery's website and on Levon's SEDAR profile). Resource commodity prices used (\$US): \$17.14/oz Ag, \$1.11/lb Zn, \$0.96/lb Pb, \$1,262/oz Au; Mine plan uses a subset of Indicated and Inferred Resources at 15 g/t AgEq cutoff. PEA assumes recoveries of 89% Ag, 84% Pb, 72% Zn, 40% 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, 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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