DISCOVERY RETURNS HIGHEST ZINC VALUES AND AVERAGE MANTO GRADES TO DATE FROM NEWLY SAMPLED ZARAGOZA LOWER LEVEL AT PUERTO RICO

Highlights

- **Positive results from 103 new channel samples from the Zaragoza mine at the Puerto Rico project. All assays from Zaragoza have now been received;**
- **New results from the Zaragoza Lower level returned the highest Zn and ZnEq values on the Puerto Rico project to date (39.6% and 45.5% respectively) and the highest manto ZnEq average grade at the Zargoza mine, at 15.8% ZnEq (over 21 samples);**
- **Of the total 293 channel samples at the Zaragoza mine, 83 were from manto mineralization and returned an average grade of 129 g/t Ag, 7.6% Zn, 4.3% Pb, 0.12% Cu (12.8% ZnEq).**
- **The three known mantos at Zaragoza are open laterally in all directions, and chimneys are open to depth, indicating potential for additional stacked mantos below.**

June 20, 2018 - Discovery Metals Corp. (TSX-V: DSV) ("Discovery" or the "Company") is pleased to announce the third and final batch of assay results from the detailed underground channel sampling program taken at the Zaragoza mine ("Zaragoza"), part of its flagship Puerto Rico project ("Puerto Rico" or "the Project") in northern Coahuila State, Mexico. The first two batches of results were announced in news releases dated April 30 and May 24, 2018, which are available on the Company's website at www.dsvmetals.com.

Taj Singh, P.Eng, President & CEO states, "The third and final batch of channel samples from our detailed mapping and sampling program at Zaragoza were impressive, and continue to increase our confidence in the tenor and scale of carbonate replacement mineralization at Puerto Rico. The results will be instrumental in understanding the system locally at Zaragoza and regionally at the Project. In addition, the results will help develop targets for our maiden drill program at the Project, planned for Q3. We look forward to receiving results from the San Jose and Puerto Rico mines in short order, both of which possess a larger footprint and vertical extent than Zaragoza."

Results & Discussion

Channel samples were collected at intervals every 3m to 5m along both sides of the entire length of the ~250m of accessible workings, over three levels – Chica, Grande and Lower from top to bottom, respectively. Details on sampling methodology are outlined in the "Technical Notes" section below. Sample locations and widths were restricted to the extent of historic workings. The table below highlights assay results of the 15 highest-grade channels at Zaragoza compiled from all three batches of results, including the new batch released ("N") and the two batches previously released ("P"):

Sample	Results (New or Previous)	Zaragoza Level	Width (m)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)	ZnEq (%)	Mineralization Type / Host Rock
215305	N	Lower	0.4	133	39.6	4.5	0.3	45.5	manto
215107	P	Grande	0.7	1859	7.6	5.7	1.0	44.5	manto
215267	N	Lower	0.3	79	36.1	6.6	0.1	41.6	manto
215180	P	Grande	0.9	529	19.6	18.2	0.5	41.5	andesite dike
215011	P	Grande	0.5	237	13.8	33.8	0.1	40.5	manto
215269	N	Lower	0.3	216	26.2	10.4	0.2	37.2	manto
215073	P	Grande	0.6	1675	2.2	4.0	1.1	35.3	manto
215115	P	Grande	0.8	35	33.5	1.7	0.0	35.2	manto
215154	P	Grande	0.8	98	28.2	5.4	0.0	33.5	manto
215066	P	Grande	0.7	46	30.2	3.0	0.0	33.0	manto
215173	P	Grande	1.0	102	27.3	4.8	0.1	32.3	andesite dike
215164	P	Grande	0.7	148	27.9	2.6	0.1	32.3	andesite dike
215285	N	Lower	0.4	131	20.5	11.1	0.1	30.3	manto
215020	P	Chica	0.6	274	8.5	24.9	0.2	30.1	manto
215065	P	Grande	1.1	61	26.5	2.9	0.1	29.7	manto

Note: All numbers in this news release are rounded and assays are uncut and undiluted; ZnEq calculation based on USD $17/oz Ag, $1.50/lb Zn, $1.00/lb, $3.00/lb Cu and does not consider metallurgical recovery.

The table below categorizes all channel samples taken at Zaragoza by level and by mineralization type / host rock and includes the average grades from the specified number of samples.

Zaragoza Level	Mineralization Type / Host Rock	Average value of all samples					
		Samples (#)	Ag (g/t)	Zn (%)	Pb (%)	Cu (%)	ZnEq (%)
Chica	Manto	11	96	3.4	10.5	0.10	12.2
	Chimney	11	69	1.4	5.2	0.09	6.2
	Wallrock	23	12	0.6	1.0	0.08	1.6
Grande	Manto	51	159	6.8	3.1	0.11	11.7
	Chimney	29	46	3.5	2.3	0.04	5.9
	Wallrock	92	54	2.1	1.5	0.08	4.1
	Andesite Dike	20	90	12.0	5.3	0.07	17.2
Lower	Manto	21	73	11.7	3.9	0.14	15.8
	Chimney	1	56	0.7	4.5	0.04	4.7
	Wallrock	34	17	1.1	1.1	0.11	2.4

Note: All numbers in this release are rounded and assays are uncut and undiluted; ZnEq calculation based on USD $17/oz Ag, $1.50/lb Zn, $1.00/lb, $3.00/lb Cu and does not consider metallurgical recovery.

Key findings and interpretations from Zaragoza, several of which are illustrated in the table above include:

- Ag-Pb-Zn mineralization is present in limestone-hosted flat-lying mantos and sub-vertical chimneys;
- All levels host strongly mineralized mantos and chimneys;
- The three levels of workings span an approximate vertical extent of 30m, and cover a horizontal extent of 100m by 80m;
- Three mantos and three chimneys were identified. Mantos range from 0.3m to 1.8m thick, while chimneys range from 0.5m to 2.2m wide;

- The Grande level hosts a north-striking, steeply- to moderately-dipping, and strongly mineralized andesite dike. The dike extends below the workings and may be related to mineralization and vector to further mineralization at depth;
- The wallrock on all levels was well mineralized. At the Grande level, where over 60% of the total wallrock samples were taken, it averaged 4.7% ZnEq. This suggests that larger mining widths may be possible vs. selectively mining mantos or chimneys alone;
- The mantos are open laterally in all directions, and the chimneys are open to depth, with no information from drilling below them. The three known mantos at Zaragoza are stacked and, based on field observations from the other historic mines at Puerto Rico and case studies on similar systems, there is potential for additional mantos below them;
- Zn grades in mantos increase with depth and Pb grades are higher at higher levels. This may be a function of Zn leaching from the higher area, making the rock proportionally more Pb-rich, with supergene enrichment in Zn at lower levels; and

The Company continues to compile the geochemical sampling results with its geologic mapping data to refine its understanding of the Zaragoza mine. Sampling of the San Jose mine area is complete and results are expected in the coming weeks, while sampling of the Puerto Rico mine area is still underway. In addition to the underground mapping, the Company's property-wide surface mapping program is progressing as planned and the Company is also carrying out detailed ASTER and orthophoto / DEM analyses as part of its work. Additionally, a detailed regional and structural analysis of the Project is underway and within the next several weeks the Company is also planning to conduct a magnetic survey on the historic mining area of the Project, in preparation for drilling in Q3.

References

For a full table of results, maps and graphics related to this news release, please refer to the Company's website at:

https://dsvmetals.com/site/assets/files/5187/dsv-nr-appendix-june20.pdf

Technical Notes

Sample analysis and QA/QC Program: The rock chip and channel samples were taken perpendicular to mineralization, with variable length (across width of mineralization, typically 0.5m-2.5m) and a minimum channel thickness of 60mm and minimum channel depth of 30mm. The entire volume of each chip or channel sample was transported from site by ALS and prepared at the ALS lab facilities in Zacatecas and Chihuahua facilities, with splits of pulps shipped to the ALS lab in Vancouver for analysis. Samples were analyzed for gold using (1) a standard fire assay with a 30-gram pulp and Atomic Absorption (AA) finish for gold; and (2) Thirty-element inductively coupled plasma atomic emission spectrometry ("ICP-AES"). Over limit sample values were re-assayed for: (1) values of zinc > 10%; (2) values of lead > 10%; and (3) values of silver > 100 g/t. Samples were re-assayed using the ME- OG62 (high-grade material ICP-AES) analytical package. For values of zinc or lead greater than 30%, a third re-assay using the Zn-VOL50 or Pb-VOL50 (potentiometric titration) analytical method was used while values

of silver greater than 1,500 g/t, were re-assayed using the Ag-CON01 analytical method, a standard fire assay with 30g pulp and gravimetric finish. Certified standards and blanks were routinely inserted into all sample shipments to ensure integrity of the assay process.

Qualified Person: Taj Singh, M.Eng, P.Eng, President and CEO, 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.

ABOUT DISCOVERY METALS

Discovery Metals is focused on discovering and advancing high grade polymetallic deposits in a recently assembled land package of approximately 300,000 hectares over a large and historic mining district in northern Coahuila State, Mexico. The portfolio of seven key properties, all with shallow high-grade silver-zinc-lead mineralization, is situated in a world class CRD belt that stretches from southeast Arizona to central Mexico. The land holdings contain numerous historical direct-ship ore workings with ~4km of underground development. No modern exploration or exploration drill testing has been carried out on the properties prior to Discovery's time on the projects.

On Behalf of the Board of Directors

"Taj Singh"

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