
DISCOVERY METALS PROVIDES COMPANY UPDATE AND ANNOUNCES C\$ 5.2M EXPLORATION PROGRAM FOR 2018

February 5, 2018, Toronto, ON – Discovery Metals Corp. (TSX-V: DSV) (“Discovery” or the “Company”), is pleased to provide an update on its recent activities and announce the details of its 2018 exploration program (the “2018 Program”) for its portfolio of silver-zinc-lead (“Ag-Zn-Pb”) projects in northern Coahuila State, Mexico.

Highlights:

- Diamond drilling program continues at the La Kika project (“La Kika”) with approximately 750 m in 20 holes completed to date. Compilation of the first batch of drill results is expected to be complete in late February.
- 2018 exploration budget of approximately C\$ 5.2M encompassing geological mapping, geochemical sampling, geophysics and first-stage drill testing of up to seven of the Company’s projects.
- Mapping and sampling programs are currently underway at the Puerto Rico project (“Puerto Rico”) and La Kika. Mapping and sampling programs at the Minerva and Monclova projects (“Minerva” and “Monclova”, respectively) are set to start in February, with drilling planned for Q2.

Discovery President and CEO Taj Singh comments: “We are very excited about the prospects for our projects in 2018. With approximately C\$ 12.2M in the treasury at the beginning of the year, we are well-funded to advance our projects and exit 2018 in a strong financial position. By testing all of our projects, Discovery will produce a detailed picture of this historic mining district and hone in on the highest priority targets at each project.”

“We believe there is high potential for the Company to make multiple discoveries in 2018. All the projects in our portfolio contain shallow high-grade Ag-Zn-Pb (+Cu/Au) mineralization and are open in all directions. Our projects are situated in one of the most prolific Carbonate Replacement Deposit (“CRD”) belts in the world and we have one of the largest land positions of any explorer in Mexico, at close to 300,000 hectares. Our land holdings contain hundreds of historical workings, with over four kilometers of underground development, but no modern exploration has been carried out and there has been no drill testing of any of our projects.”

2017 Summary

The Company has made significant progress since it completed its change of business transaction and C\$ 15M financing in August 2017. Key highlights completed since the Company’s inception include:

- Build out of Management and Mexican exploration teams;
- Applied for drill permits on six projects with five permits received to-date and the sixth drill permit expected in Q1 2018;
- Baseline work for the drill permit application at Puerto Rico is still underway and is expected to be ready for submission to regulators in Q2 2018;
- Completed initial underground and surface panel / channel sampling programs at Puerto Rico and La Kika; and
- Started the Company's first drill program at La Kika in December 2017.

2018 Exploration Program

The budget of the 2018 Program is approximately C \$5.2M and includes extensive field work, surface and underground drilling, and permitting activities. The goal of the 2018 Program is to systematically test all seven of the Company's projects through extensive geological mapping and geochemical sampling programs and geophysics, followed by prioritized first-stage drill programs on up to seven of its projects. The Company then plans to advance the top three or four of the projects through a second-stage drill program with the ultimate aim to produce a maiden resource on each of the priority projects in 2019. In partnership with reputable, Mexico-based geological services companies, the Company has assembled 10 mapping / sampling field teams to quickly and efficiently advance the projects to the drill-ready stage.

Puerto Rico Project

Mapping and sampling programs, including rehabilitation of underground workings, are underway at the Company's flagship Puerto Rico project. Concurrently, the Company is compiling data from historic production and sampling programs. The goal of this program is to understand and model the complex structural and stratigraphic controls on the distribution of mineralization over a 12 kilometer ("km") long trend of historic mines and prospects. Several months of data compilation and mapping and sampling programs are planned in preparation for a maiden drill program in the fall. The permitting process has progressed significantly and the Company's 2018 budget assumes the receipt of the necessary drill permits by Q2 or Q3.

Historically, it is estimated that Puerto Rico has produced over 1Mt of high-grade direct shipping ore from three adjacent mines, Puerto Rico, San Jose and Zaragoza that make up part of the Puerto Rico project [refer to NI 43-101 Technical Report dated June 12, 2017, pg. 12].

On November 7, 2017, the Company released initial results from surface and underground channel sampling at the three mines. Highlights included:

- 18.0% zinc (Zn), 1.6% lead (Pb), 0.15% copper (Cu), and 25 grams per tonne (g/t) silver (Ag) over 10.5 meters (m) in continuous channel SJ-01 to 04 at San Jose.
- 17.3% Zn, 29.7% Pb, 0.44% Cu, and 519 g/t Ag over 4.0 m continuous channel SJ-05 & 06 at San Jose.
- 1.6% Zn, 14.3% Pb, 0.83% Cu, and 205 g/t Ag over 6.0 m continuous channel SJ-12 to 14 at San Jose.
- 31.1% Zn, 1.8% Pb, and 25 g/t Ag over 5.0 m continuous channel PR-06 & 07 at Puerto Rico.

- 24.3% Zn, 20.8% Pb, and 615 g/t Ag over 6.0 m continuous channel PR-08 & 09, from Puerto Rico.

La Kika Project

Drilling at La Kika began in late December 2017 and is ongoing. The goal of this first-stage drilling is to test for shallow, high-grade mineralization. Known mineralization at La Kika is exposed as both mantos and a prominent high-angle breccia zone in underground workings and has been mined and explored to a depth of only 25 m from surface. La Kika has also seen past production of high-grade, direct-shipping ore, although no records are currently available.

On November 8, 2017, the Company released initial channel and panel sample results from underground workings at La Kika. Highlights included:

- 618 g/t Ag, 37.9% Pb, 7.3% Zn, and 1.04% Cu over a 0.7 m-wide channel, in LK-05
- 600 g/t Ag, 30.1% Pb, 8.3% Zn, and 0.44% Cu over a 0.7 m-wide channel, in LK-10
- 35.5% Zn and 1.2% Cu in a 1.0 m by 0.5 m panel, in LK-06
- 160 g/t Ag, 10.0% Pb, 16.7% Zn, and 0.24% Cu in a 1.0m by 0.5 m panel, in LK-03
- 258 g/t Ag, 11.2% Pb, and 12.4% Zn over a 0.6 m-wide channel, in LK-07
- 420 g/t Ag, 18.9% Pb, and 1.2% Zn in a 1.0 m by 0.5 m panel, in LK-08
- 168 g/t Ag, 9.1% Pb, and 11.3% Zn in a 1.0 m by 0.5 m panel, in LK-04
- 43 g/t Ag, 2.0% Pb, and 14.6% Zn in a 1.0 m by 1.0 m panel, in LK-02

The Company has completed 750 m of diamond drill core drilling in 20 holes to date, using triple tube tools to ensure optimal recovery through the more friable oxide material encountered in drilling. The Company expects to release assay results in late February.

Minerva Project

In early February the Company will begin mapping and sampling programs at Minerva, followed by geophysics and drilling in Q2.

Minerva exhibits porphyry characteristics, transitional to a skarn and CRD environment, with a large surface alteration zone. A dioritic intrusion forms the central core of the range, flanked by limestone and interbedded limestone-shale. Historic workings are present over an ~1 km² area in western part of the property, with smaller prospect pits and trenches extending to the north and east along or near the intrusive contact. The historic workings target Ag, Pb and Zn oxides and galena-bearing quartz stockwork in limestone along intrusive contacts, brittle faults, and bedding. The altered area is open in all directions and may extend under alluvial cover over an area covering several square kilometres.

Monclova Project

In mid-late February, the Company will begin mapping and sampling programs at Monclova. Drilling for Monclova is scheduled for late Q2 or early Q3.

Monclova, which displays characteristics of skarn and CRD deposit types, is also a past producer that has not been subject to any systematic modern exploration. It is a large property that is centred over a 12 km² dioritic stock with a contact metamorphic halo extending over 1 km from

the stock margins. The property is host to multiple Cu-Au rich magnetite skarns which have been identified and exposed in bulldozer cuts and small shafts along the stock margins. The Real Viejo mine, dating from Spanish colonial times, is located near the southwest margin of the stock, and contains quartz veins, breccias and silicified zones with high-grade Ag, Pb and Zn. Grab and chip sampling of historic workings and dump piles carried out by previous owners yielded samples with up to 2.4 kg/t Ag, up to 14.8% Pb and up to 34% Zn. All historical workings appear to have targeted linear zones of mineralization that are open in both directions and to depth. Evidence of mining of similar high-grade Ag-Zn-Pb veins is also found at the Ojo de Agua target near the centre of the property.

Jemi, Santa Rosa & Renata Projects

The 2018 Program for the early-stage Jemi, Renata and Santa Rosa projects includes mapping and sampling in Q3, and potentially first-stage drilling in Q4.

Regional work

Discovery has allocated a portion of the 2018 Program budget to carry out prospecting and early-stage target generation work on its regional land package. The Company's two large regional claim blocks, which surround the Company's other projects, total approximately 250,000 hectares.

Qualified Person & QA/QC: This news release was reviewed and approved by Taj Singh, M.Eng, P.Eng, President and CEO of the Company, who is recognized as a Qualified Person ("QP") under the guidelines of National Instrument 43-101.

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 over 4,000 m of underground development. No modern exploration or exploration drill testing has been carried out on the properties.

On Behalf of the Board of Directors of:
DISCOVERY METALS CORP.

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