

Extractive Sector Transparency Measures Act - Annual Report



| | | | | | | |
|----------------------------------------------------------------------------------------------|------------------------|------------|------------|------------|-----------------------|------------|
| Reporting Entity Name | Discovery Silver Corp. | | | | | |
| Reporting Year | From | 2022-01-01 | To: | 2022-12-31 | Date submitted | 2023-05-31 |
| Reporting Entity ESTMA Identification Number | E489176 | | | | | |
| <input checked="" type="radio"/> Original Submission <input type="radio"/> Amended Report | | | | | | |

Other Subsidiaries Included
(optional field)

For Consolidated Reports - Subsidiary Reporting Entities Included in Report:
E375399 Levon Resources Ltd.

Not Substituted

Attestation by Reporting Entity

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

| | | | |
|-------------------------------------------------------------|-------------------------|-------------|------------|
| Full Name of Director or Officer of Reporting Entity | Andreas L'Abbé | Date | 2023-05-31 |
| Position Title | Chief Financial Officer | | |

Extractive Sector Transparency Measures Act - Annual Report

| | | | |
|-----------------------------------------------------|------------------------------|-----------------------|-----------------------------------|
| Reporting Year | From: 2022-01-01 | To: 2022-12-31 | |
| Reporting Entity Name | Discovery Silver Corp. | | Currency of the Report CAD |
| Reporting Entity ESTMA Identification Number | E489176 | | |
| Subsidiary Reporting Entities (if necessary) | E375399 Levon Resources Ltd. | | |

Payments by Project

| Country | Project Name ¹ | Taxes | Royalties | Fees | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid by Project | Notes ²³ |
|---------|---------------------------|------------|-----------|------|-------------------------|---------|-----------|-------------------------------------|------------------------------|---------------------|
| Mexico | Puerto Rico | \$ 83,790 | | | | | | | 83,790 | |
| Mexico | La Kika | \$ 32,292 | | | | | | | 32,292 | |
| Mexico | Minerva | \$ 102,350 | | | | | | | 102,350 | |
| Mexico | Monclova | \$ 23,964 | | | | | | | 23,964 | |
| Mexico | Santa Rosa | \$ 899 | | | | | | | 899 | |
| Mexico | Cordero | \$ 587,288 | | | | | | | 587,288 | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

Additional Notes³: 1) Tax payments made in Mexico relate to mining duties paid on properties and are due in January and July of each calendar year. Payments are denominated in Mexican pesos and have been translated to Canadian dollars at the prevailing Bank of Canada exchange rate on the date of payment of 1 MXP = 0.06155 CAD (January 2022 payment) and 1 MXP = 0.06298 CAD (July 2022 payment).