
Discovery Metals Closes Final Tranche of C\$25 Million Private Placement and Initiates Restart of Operations

June 9, 2020, Toronto, Ontario - Discovery Metals Corp. (TSXV: DSV; OTCQX: DSVMF) is pleased to announce that it has closed the second and final tranche of its non-brokered private placement (the "Private Placement"), consisting of 45,454,545 units ("Units") at a price of C\$0.55 per Unit for aggregate proceeds of C\$25,000,000. Each Unit is comprised of one common share of Discovery ("Common Share") and one half of one Common Share purchase warrant, with each full warrant (a "Warrant") exercisable at C\$0.77 for a period of two years after the date of issuance. The second tranche closed on June 8, 2020 and consisted of 14,363,600 Units for aggregate proceeds of C\$7,899,980. Discovery first announced the Private Placement on May 18, 2020 and announced the closing of the first tranche of C\$17,100,020 of the Private Placement on June 1, 2020.

The Company also announces it has received approval by the Mexican government to resume operations at its Cordero project with strict COVID-19 health and safety protocols. The Company is finalizing additional measures, including mandatory testing of all onsite workers to ensure the safety of its employees, consultants, contractors and communities. The Company will begin with one drill rig and will closely monitor the ramp-up of exploration activities. Further drill rigs will only be added when the Company is confident that health and safety risks can be managed effectively.

Taj Singh, President and CEO of Discovery commented, "With the closing of the financing we now have over \$40 million of cash on our balance sheet, putting us in a strong position as we restart our exploration activities at Cordero. We look forward to safely resuming operations later this month and carrying on with the positive momentum we have generated from our excellent exploration results to date."

Financing Close

Gross proceeds of the Private Placement, including the first tranche, totaled C\$25,000,000 consisting of the issuance of 45,454,545 Units. Discovery has paid an aggregate total in finders' and advisory fees of C\$1,185,001 in cash and issued 804,545 finder warrants with an exercise price of \$0.55 and a two year expiry to certain arms' length parties who introduced Discovery to investors, in accordance with the policies of the TSX Venture Exchange. The securities issued on closing of the Private Placement are subject to a statutory hold period expiring four months and one day after their date of issuance.

Mr. Eric Sprott, through 2176423 Ontario Ltd. (a corporation which is beneficially owned by him), acquired 18,181,800 Units (composed of 18,181,800 Common Shares and 9,090,909 Warrants) in the first tranche of the Private Placement, for a total investment of C\$10,000,000. Prior to the closing of the Private Placement, Mr. Sprott owned 44,610,111 Common Shares of Discovery representing

21.1% of the interest of Discovery on a non-diluted basis. Through the purchase of Common Shares and Warrants in the Private Placement, and following the second tranche closing, Mr. Sprott will own approximately 24.4% interest in Discovery on a non-diluted basis and approximately 27.0% on a partially diluted basis assuming the exercise of the Warrants owned by Mr. Sprott.

The Common Shares and Warrants were acquired by Mr. Sprott through 2176423 Ontario Ltd. for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of the Company including on the open market or through private acquisitions or sell securities of the Company including on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors.

The proceeds of the Private Placement will be used primarily to fund Discovery's continuing exploration program at its Cordero project and its Coahuila projects. A portion of the proceeds will be used for general working capital purposes.

On Behalf of the Board of Directors,

Taj Singh, M.Eng., P.Eng., CPA

President, Chief Executive Officer, and Director

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.

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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 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.