

Discovery Enters into Asset Purchase Agreement to Acquire Certain Timmins Mineral Properties from McEwen Inc.

- *Supports Discovery's vision to significantly grow gold production in the Timmins Camp*
- *Expands the current land position contiguous with the Dome Mine to support potential future expansion of the Dome Mine, including the potential future location for processing and tailings infrastructure*
- *Consideration to McEwen Inc. at closing includes \$5 million in cash and \$50 million payable in common shares of the Company*
- *Discovery enters into amended royalty agreement with Franco-Nevada Canada Holdings Inc., a subsidiary of Franco-Nevada Corporation ("Franco-Nevada") with respect to the purchased claims in exchange for \$8 million payable to Discovery, on closing of the acquisition*

October 9, 2026, Toronto, Ontario - Discovery Mining Ltd. (TSX: DSV, OTCQX: DSVSF) ("**Discovery**" or the "**Company**") is pleased to announce that its wholly owned subsidiary has entered into an asset purchase agreement (the "**Agreement**") to acquire, through wholly-owned subsidiaries of McEwen Inc. (collectively the "**Seller**") certain mineral properties adjacent to the Dome Mine, including the Fuller project, as well as the Seller's 60% interest in the Paymaster Joint Venture (the "**Purchased Assets**") for total consideration of \$55 million, payable \$50 million in common shares of the Company and \$5 million in cash (the "**Transaction**"). All amounts are in US dollars unless otherwise specified.

Tony Makuch, Discovery's President and CEO, commented: "The Transaction announced today is an important step forward as we continue to establish the land position needed to achieve our extensive growth plans in the Timmins Camp. In addition to further exploration upside, a key benefit of the land being acquired is that it provides an ideal location for potential new processing and tailings facilities to support large-scale production from our Dome Mine. Dome has an 11 million ounce inferred resource and we are working on plans to resume operations over the next five years using the existing Dome Mill for processing. Longer-term, we will look to operate the mine at a significantly higher level of production using a new processing facility to be located at the adjacent Purchased Assets."

The Company also announced today that it has entered into a royalty purchase agreement with Franco-Nevada, pursuant to which the parties have agreed to amend, on closing of the Transaction, the terms of the royalty agreement entered into as of April 15, 2025 with respect to the Porcupine Operations, extending Franco-Nevada's existing royalty interest to include the Purchased Assets in exchange for \$8 million payable to the Company.

M. Makuch continued: "We want to thank Franco-Nevada for their continued support as we advance our ongoing expansion plans and transformational growth in the Timmins Camp. From the very beginning of our efforts to acquire and grow Porcupine, the Franco-Nevada team has shared our vision and worked constructively with us to once again establish Timmins as one of the world's great gold camps."

Discovery anticipates closing of the Transaction to occur in October, 2026. Completion of the Transaction remains subject to certain conditions, including, among other things, the transfer of the property and all associated claims comprising the Purchased Assets and other customary closing conditions for a transaction of this nature including the extinguishment of the existing NPI royalty on the Fuller project and regulatory approvals including the approval of the Toronto Stock Exchange with respect to any common shares of the Company to be issued as consideration.

ABOUT DISCOVERY

Discovery Mining Ltd. is a growing precious metals company that is creating value for stakeholders through exposure to gold, silver and other critical minerals. Discovery is advancing plans to more than double annual gold production, to over half a million ounces per year, through investment in the Company's Porcupine assets, which include multiple operations, attractive growth projects and significant exploration upside in one of the world's most renowned gold camps in and near Timmins, Ontario. The acquisition of the Kidd Operations in June 2026 further increased Discovery's land position within the camp, provided valuable infrastructure that will support the Company's growing gold business, and added critical minerals to the Company's current production profile. Discovery's silver exposure comes mainly from the 100%-owned Cordero project, one of the world's largest undeveloped silver deposits, which is located close to infrastructure in a prolific mining belt in Chihuahua State, Mexico.

On Behalf of the Board of Directors,

Tony Makuch, P. Eng
Chairman, President, CEO & Director

For further information contact:

Mark Utting, CFA
EVP Investor Relations & Communications
Phone: 416-806-6298
Email: mark.utting@dsvmining.com
Website: www.dsvmining.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All information, other than statements of historical facts, included in this press release that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's businesses, operations, plans and other such matters are forward-looking information.

When used in this press release, the words "estimate", "plan", "continue", "anticipate", "might", "expect", "project", "intend", "may", "will", "shall", "should", "could", "would", "predict", "forecast", "pursue", "potential", "believe" and similar expressions are intended to identify forward-looking information. This information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Examples of such forward-looking information contained in this press release include, without limitation, statements with respect to: the closing of the Transaction and the anticipated timing thereof; the anticipated benefits of the Transaction, including anticipated synergies and the impact of the Transaction on the Company's growth and expansion plans, operations, and overall strategy; the Company's plans for and the potential success of future production and processing activities, including expectations with respect to any permitting, development or other work that may be required; the proposed timing and amount of estimated future production and the illustrative costs thereof; future exploration activities and the anticipated results thereof, including the timing and results of future resource and/or reserve estimates; resource potential, including the potential quantity and/or grade of minerals, or the potential size of a mineralized zone; plans with respect to new infrastructure; receipt of all necessary approvals with respect to the Transaction, including but not limited to the approval of the TSX, consent of Ontario's Ministry of Mines; satisfaction of the various conditions to closing of the Transaction and payment of the purchase price; information as to the Company's strategy, plans or future financial or operating performance; and other events or conditions that may occur in the future.

Factors that could cause actual results to vary from results anticipated by such forward-looking statements include, among others: the satisfaction of all conditions to closing the Transaction, the successful completion of the Transaction and the Company's ability to achieve the anticipated benefits therefrom; the accuracy of historical and forward-looking operational and financial information and estimates provided by the Seller; the Company's ability to successfully integrate the Purchased Assets into the Company's existing operations; the accuracy of financial and operational projections of the Company following completion of the Transaction, the timing of any environmental assessment processes, changes to configuration that may be requested as a result of stakeholder or government input to the environmental assessment processes, government regulations and permitting timelines, and reclamation obligations; the future price of gold and other metals; currency exchange rates and interest rates; favourable operating conditions; political stability; timely receipt of governmental approvals, licenses, and permits (and renewals thereof); access to necessary financing; stability of labour markets and in market conditions in general; availability of equipment; the accuracy of mineral resource estimates, and of any metallurgical testing completed to date; the costs and expenditures to complete the Company's programs and goals; the speculative nature of mineral exploration and development and mining operations in general; there being no significant disruptions affecting the development and operation of the Company's properties; the availability of certain consumables and services and the prices for power and other key supplies being approximately consistent with assumptions; labour and materials costs being approximately consistent with assumptions; assumptions made in mineral resource estimates, including, but not limited to, geological interpretation, grades, metal price assumptions, metallurgical and mining recovery rates, geotechnical and hydrogeological assumptions, capital and operating cost estimates, and general marketing factors; requirements for additional capital; environmental risks; general business and economic conditions; delays in obtaining, or the inability to obtain, third-party contracts, equipment, supplies and governmental or other approvals; changes in law, including the enactment of mining law reforms; accidents; labour disputes; unavailability of appropriate land use permits; changes to land usage agreements and other risks of the mining industry generally; the inability to obtain financing required for the completion of exploration and development activities; changes in business and economic conditions; international conflicts; other factors beyond the Company's control; and those factors included herein and elsewhere in the Company's public disclosure.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, or intended. See the section entitled "Risk Factors" in the Company's annual information form dated as of February 19, 2026 for the financial year ended December 31, 2025, for additional risk factors that could cause results to differ materially from forward-looking statements.

There can be no assurance that such information will prove to be accurate as actual developments or events could cause results to differ materially from those anticipated. These include, among others, the factors described or referred to elsewhere herein and include unanticipated and/or unusual events. Many of such factors are beyond the Company's ability to predict or control.

The forward-looking information included in this press release is expressly qualified by the foregoing cautionary statements. Readers of this press release are cautioned not to put undue reliance on forward-looking information due to its inherent uncertainty. The Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, unless required under applicable laws. This forward-looking information should not be relied upon as representing management's views as of any date subsequent to the date of this press release.