NEWS RELEASE

Discovery publica los resultados financieros del primer trimestre de 2025

2025-05-20

May 13, 2025, Toronto, Ontario – Discovery Silver Corp. (TSX: DSV, OTCQX: DSVSF) ("Discovery" or the "Company") today announced financial results for the three months ("Q1 2025") ended March 31, 2025. All figures are stated in Canadian dollars unless otherwise noted.

Tony Makuch, Discovery's CEO, commented: "Q1 2025 was a breakout quarter for Discovery. On January 27, 2025, we announced the transformational acquisition of the Porcupine Complex ("Porcupine Operations" or "Porcupine") in and near Timmins, Ontario. Through this acquisition, we have established our company as a new Canadian gold producer with substantial potential for growth in one of the world's most prolific gold camps. The acquisition provides Discovery with valuable diversification by combining growing gold production in Canada with our Cordero project ("Cordero" or the "Project") in Mexico, one of the industry's leading silver development projects.

"The market reaction to the acquisition has been resoundingly positive, with Discovery's share price tripling during the first quarter and achieving a 250% increase on a year-to-date basis as of May 12, 2025. With the transaction closing on April 15, 2025, our focus now has turned to implementing investment plans to realize the tremendous upside we see at Porcupine, including the substantial exploration potential that exists at all sites and regionally over the 1,400 km^2 land position.

"Since the closing, there have already been significant developments. On April 24, 2025, we had our first gold pour, and to date have sold 2,800 ounces of gold for gross proceeds of approximately $13.0 million. We just completed a two-week mill shutdown, that had been previously scheduled for the purpose of replacing equipment in the thickening tanks. We used the occasion to advance plans to enhance mill performance, with multiple additional projects completed, primarily in the crushing, grinding and carbon handling circuits. The mill is now running, we

have stockpiles built up and we are resuming gold production and sales.

“With a current pro forma cash position of approximately $250 million, and an undrawn US$100 million senior debt facility, we are well capitalized to move forward with our investment strategy for Porcupine, and to fund our current expenditure plans for 2025 at Cordero. The pro forma cash position reflects the addition US$475 million of cash through recently completed royalty and equity financings, net of US$200 million cash consideration paid for Porcupine at closing, transaction and other related costs and cash collateral required for closure obligation bonding requirements.”

PORCUPINE OPERATIONS

The Porcupine Operations of Discovery cover approximately 1,400 km^2 in and near Timmins, Ontario, with the Timmins Camp being one of the world’s most prolific gold mining camps. Production from the Porcupine Operations commenced in 1910 and, since that time, Porcupine has accounted for close to 70 million ounces of gold production.

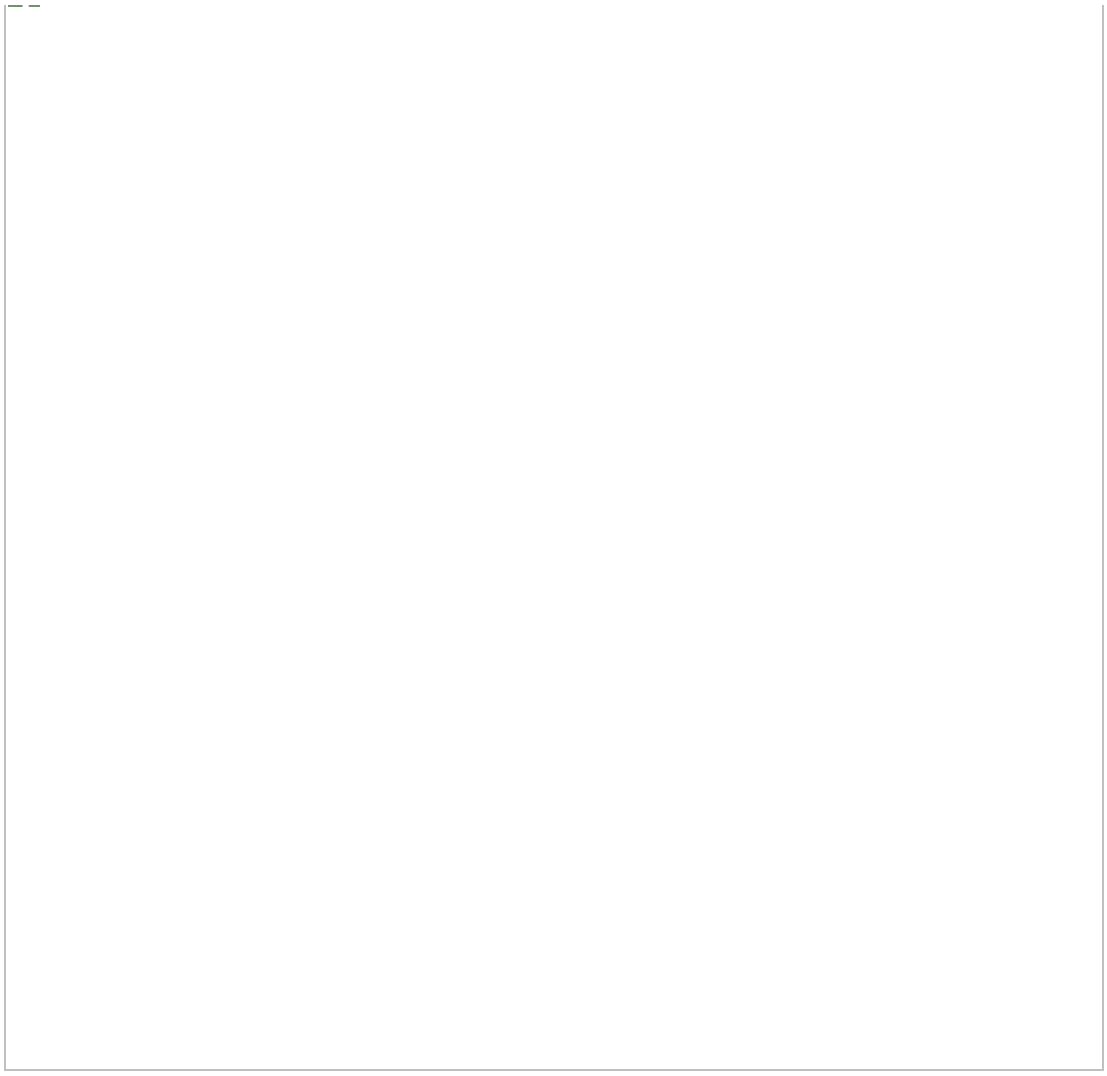
Porcupine consists of the Hoyle Pond, Pamour and Hollinger mine properties, the Dome mine property and milling facility (collectively “Dome”), and numerous near-mine and regional exploration targets in and around Timmins, Ontario. The Complex also includes the Borden mining operation and large, highly prolific, land position near Chapleau, Ontario. All mineralization from the operating mines is treated at Dome, including mineralization from Borden, which is trucked 190 km to the Dome Mill.

Based on the recent technical report (the “Technical Report”), annual production at Porcupine is expected to average over 285,000 ounces of gold for the next 10 years, with total production extending to 2046. Discovery expects to improve on the estimates in the Technical Report through investment in the assets to grow production, extend mine life and lower costs at existing operations. The Company also plans extensive exploration drilling, with there being multiple attractive drill targets at each asset and significant regional exploration potential.

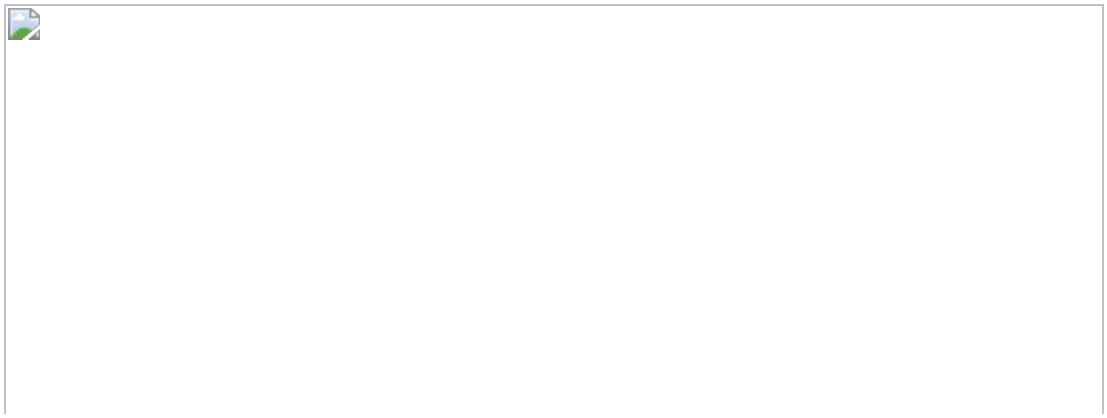
Key highlights of the Porcupine operations and their upside potential are provided below.

- Hoyle Pond: One of Canada’s highest grade gold mines that has produced over four million ounces of gold since 1987 and, over that period, has established an excellent track record for replacing reserves. Opportunities for improvement include enhancing ventilation, material handling and backfill systems, increasing automation, including expanding the use of tele-remote delivery systems, and drilling extensively to extend and expand existing zones, as well as to evaluate known areas of mineralization that are not currently included in mineral resource estimates.

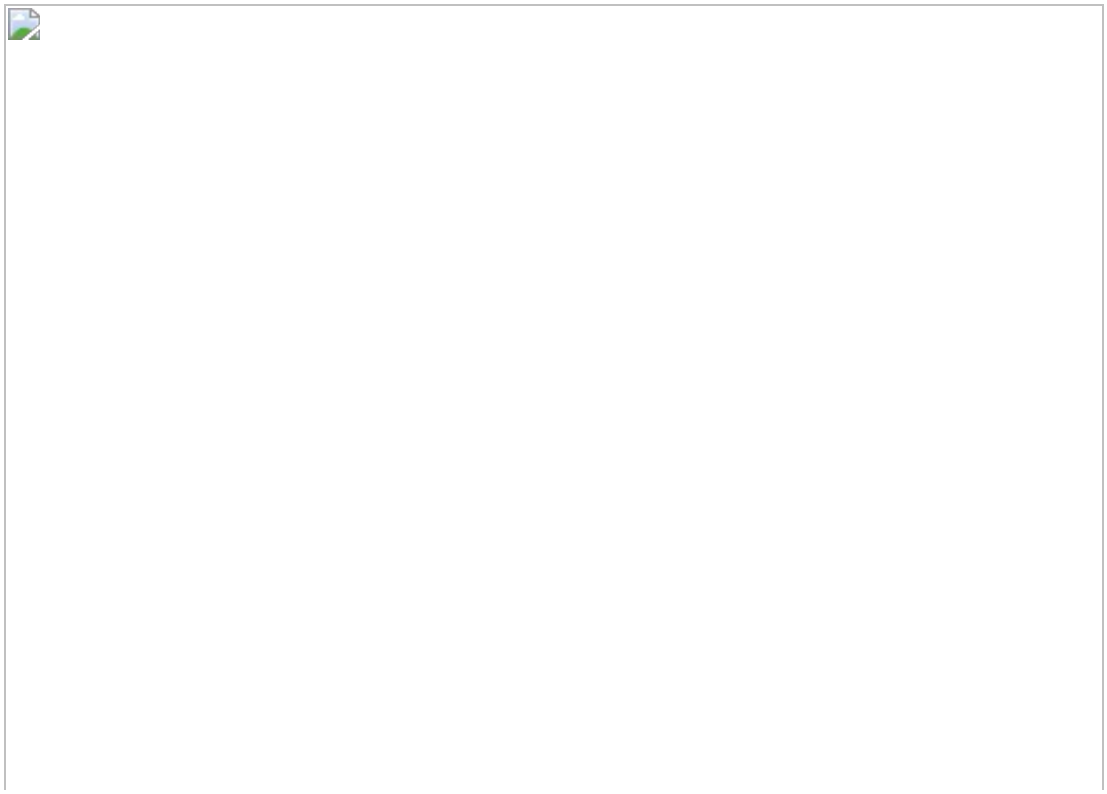




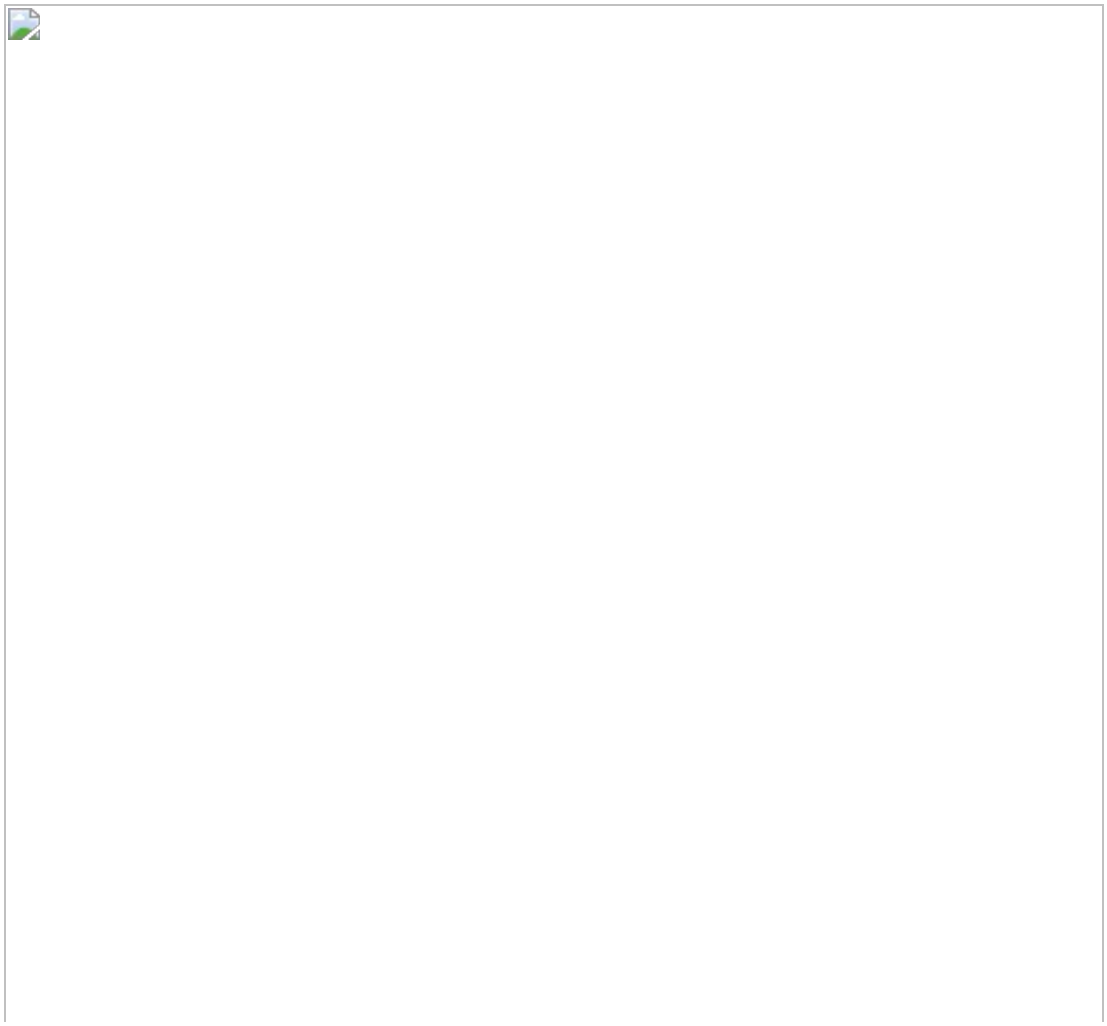
- Borden: A relatively new mine at the centre of a 1,000 km^2 land position with significant potential to extend existing mining zones and where there has been limited exploration outside of the current mining area. Discovery plans to improve performance at Borden by upgrading the haulage fleet, including increasing the use of electric vehicles, improving ground support and backfill systems and increasing ventilation levels.



- Pamour: A new open-pit operation with a 22-year mine life that could become significantly larger through exploration success. In addition to exploration upside, opportunities to increase the value of the project include reducing or eliminating waste-rock rehandling and investigating the use of alternative delivery systems to replace truck haulage from the open pit to the Dome Mill.



- Dome Mine: One of the pillars of Canada's gold mining history, where there remains a large mineral resource and substantial exploration upside. An important priority in 2025, will be assessing the nearly 11.0 million ounces of Inferred Mineral Resource in the Technical Report, as well as other mineralization outside the current pit shell, in order to assess the potential for resuming mining production at Dome.
- Dome Mill: A large-scale central processing facility currently operating below capacity levels. Based on the Technical Report, the mill is expected to process approximately 2.0 million tonnes in 2025, with Discovery targeting an increase to 4.3 – 4.4 million tonnes by 2028 or sooner.



SELECTED FINANCIAL DATA:

The following selected financial data is taken from the Company's consolidated financial statements and related notes thereto (the "Financial Statements") for the three months ended March 31, 2025, and the Management's Discussion and Analysis ("MD&A") for the quarter. The Company's Financial Statements and MD&A are available at **www.discoverysilver.com** and on SEDAR+ at **www.sedarplus.ca**

CAPITAL STRUCTURE

The closing of the Porcupine acquisition resulted in the issuance to Newmont of 119,716,667 common shares of Discovery as equity consideration for the transaction, as well as the issuance of 275,000,000 common shares in accordance with the terms of a public offering of subscription receipts (the "Subscription Receipts"), which was completed on February 3, 2025. Each Subscription Receipt was replaced by a Discovery common share on a one-for-one basis on April 16, 2025. As of May 13, 2025, Discovery has a total of 801,405,615 common shares issued and outstanding, which compared to 402,348,373 common shares outstanding as at March 31, 2025.

OUTLOOK

With the closing of the Porcupine Acquisition on April 15, 2025, Discovery has transformed into a diversified North American-focused precious metals producer combining growing gold production in Northern Ontario, Canada, with one of the world's largest silver development projects in Chihuahua State, Mexico. Beginning in the second quarter of 2025, the Company will report gold production from the Hoyle Pond and Borden underground mines, as well as from the ramp up of gold production from the Pamour open-pit project.

Key priorities for the Porcupine Operations over the balance of 2025 include:

- Implementing investment plans aimed at growing mining rates, increasing production levels and lowering unit costs at Hoyle Pond and Borden;
- Ensuring the successful ramp up of production at Pamour;
- Completing work at Dome to evaluate the large Inferred Mineral Resource and to assess the potential of resuming mining operations; and,
- Advancing numerous exploration opportunities at each of the operating sites, as well as at regional targets.

In addition, the Company plans to complete sufficient work during 2025 to file a pre-feasibility study ("PFS") for the Porcupine Operations with an effective date of December 31, 2025. The PFS is expected to include performance

guidance measures for 2026. During 2025, the Company is focused on completing the transition process, including optimizing management structures, integrating systems and commencing investment programs.

In Mexico, following release of the Cordero feasibility study results in February 2024, the Company has conducted a limited work program aimed at further advancing and de-risking the Project. The program has included engineering and design work, additional permitting, the acquisition or lease of additional surface rights where appropriate, and the continuation of the Company's ESG and community outreach programs.

With the completion of the land acquisition program in March 2025, the next major milestone for the Cordero will be approval of the Company's Environmental Impact Assessment ("Manifesto de Impacto Ambiental" or "MIA") by the Secretaría de Medio Ambiente y Recursos Naturales ("SEMARNAT"), which was submitted in August 2023. The MIA passed SEMARNAT's legal review soon after its submission and was advanced for technical review. The Company has yet to receive a ruling on the technical review of the MIA. Based on favourable developments in Mexico since President Claudia Sheinbaum assumed office on October 1, 2024, including public comments acknowledging the importance foreign investment projects and the mining industry to the country's economy, the Company remains confident that Cordero will receive MIA approval.

USE OF TECHNICAL REPORT ESTIMATES

All operating and financial estimates in this press release related to the Porcupine Complex are taken from the technical report entitled, "Porcupine Complex, Ontario, Canada, Technical Report on Preliminary Economic Assessment", filed under the Company's profile at SEDAR+ (**www.sedarplus.ca**) on January 28, 2025 and available on Discovery's website at **www.discoverysilver.com**. The Technical Report includes the results of a preliminary economic assessment which is preliminary in nature. It includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is no certainty that the estimates will be realized.

ABOUT DISCOVERY

Discovery is a growing North American-focused precious metals company. The Company has exposure to silver through its first asset, 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 April 15, 2025, Discovery completed the acquisition of the Porcupine Complex from Newmont Corporation, transforming the Company into a new Canadian gold producer with multiple operations in one of the world's most renowned gold camps in and near Timmins, Ontario. Discovery owns a dominant land position within the camp, with a large base of Mineral Resources remaining and substantial growth and exploration upside.

On Behalf of the Board of Directors,

Tony Makuch, P.Eng
President, CEO & Director

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QUALIFIED PERSON

Mr. Pierre Rocque, P.Eng. and Eric Kallio, P.Geo., "Qualified Persons" as such term is defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects, have reviewed and approved the scientific and technical information included in this press release.

FORWARD-LOOKING STATEMENTS

Neither TSX Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release is not for distribution to United States newswire services or for dissemination in the United States.

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Cautionary Note Regarding Forward-Looking Statements

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. Statements include but are not limited to the development of the Porcupine Operations and its attractive economics and significant exploration upside; construction decision and development, the results of the Technical Report and the anticipated capital and operating costs, sustaining costs, net present value, internal rate of return, the method of mining the Porcupine Operations, payback period, process capacity, average annual metal production, average process recoveries, concession renewal, permitting of the assets, anticipated mining and processing methods, feasibility study production schedule and metal production profile, anticipated construction period, anticipated mine life, expected recoveries and grades, anticipated production rates, infrastructure, social and environmental impact studies, the completion of key de-risking items, including the timing of receipt permits, availability of water and power, availability of labour, job creation and other local economic benefits, tax rates and commodity prices that would support development of the Project, and other statements that express management's expectations or estimates of future performance, operational, geological or financial results Information concerning mineral resource/reserve estimates and the economic analysis thereof contained in the results of the feasibility study are also forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the results of mining, if a mineral deposit were developed and mined. Forward-looking statements are statements that are not historical facts which address events, results, outcomes or developments that the Company expects to occur. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they involve a number of risks and uncertainties.

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 access restrictions or tariffs, changes in U.S. laws and policies regarding regulating international trade, including but not limited to changes to or implementation of tariffs, trade restrictions, or responsive measures of foreign and domestic governments, changes to cost and availability of goods and raw materials, along with supply, logistics and transportation constraints, changes in general economic conditions including market volatility due to uncertain trade policies and tariffs, , the actual results of current and future exploration activities; changes to current estimates of mineral reserves and mineral resources; conclusions of economic and geological evaluations; changes in project parameters as plans continue to be refined; the speculative nature of mineral exploration and development; risks in obtaining and maintaining necessary licenses, permits and authorizations for the Company's development stage and operating assets; the accuracy of historical and forward-looking operational and financial information estimates provided by Newmont; the Company's ability to integrate the Porcupine Operations; statements regarding the Porcupine Operations, including the results of technical studies and the anticipated capital and operating costs, sustaining costs , internal rate of return,

concession or claim renewal, the projected mine life and other attributes of the Porcupine Operations, including net present value, the timing of any environmental assessment processes, reclamation obligations; operations may be exposed to new diseases, epidemics and pandemics, including any ongoing or future effects of COVID-19 (and any related ongoing or future regulatory or government responses) and its impact on the broader market and the trading price of the Company's shares; provincial and federal orders or mandates (including with respect to mining operations generally or auxiliary businesses or services required for operations) in Canada and Mexico, all of which may affect many aspects of the Company's operations including the ability to transport personnel to and from site, contractor and supply availability and the ability to sell or deliver mined silver; changes in national and local government legislation, controls or regulations; failure to comply with environmental and health and safety laws and regulations; labour and contractor availability (and being able to secure the same on favourable terms); disruptions in the maintenance or provision of required infrastructure and information technology systems; fluctuations in the price of gold or certain other commodities such as, diesel fuel, natural gas, and electricity; operating or technical difficulties in connection with mining or development activities, including geotechnical challenges and changes to production estimates (which assume accuracy of projected ore grade, mining rates, recovery timing and recovery rate estimates and may be impacted by unscheduled maintenance); changes in foreign exchange rates (particularly the Canadian dollar, U.S. dollar and Mexican peso); the impact of inflation; geopolitical conflicts; employee and community relations; the impact of litigation and administrative proceedings (including but not limited to mining reform laws in Mexico) and any interim or final court, arbitral and/or administrative decisions; disruptions affecting operations; availability of and increased costs associated with mining inputs and labour; delays in construction decisions and any development of the Porcupine Operations; changes with respect to the intended method of mining and processing ore from the Porcupine Operations; inherent risks and hazards associated with mining and mineral processing including environmental hazards, industrial accidents, unusual or unexpected formations, pressures and cave-ins; the risk that the Company's mines may not perform as planned; uncertainty with the Company's ability to secure additional capital to execute its business plans; contests over title to properties; expropriation +or nationalization of property; political or economic developments in Canada and Mexico and other jurisdictions in which the Company may carry on business in the future; increased costs and risks related to the potential impact of climate change; the costs and timing of exploration, construction and development of new deposits; risk of loss due to sabotage, protests and other civil disturbances; the impact of global liquidity and credit availability and the values of assets and liabilities based on projected future cash flows; risks arising from holding derivative instruments; and business opportunities that may be pursued by the Company. 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. Discovery does not assume any obligation to update any forward-looking statements except as required under applicable laws. The risks and uncertainties that may affect forward-looking statements, or the material factors or assumptions used to develop such forward-looking information, are described under the heading "Risks Factors" in the Company's Annual Information Form dated March 26, 2025, which is available under the Company's issuer profile on SEDAR+ at www.sedarplus.ca.