
Discovery Announces the Submission of its Environmental Impact Assessment for its Cordero Project

August 31, 2023, Toronto, Ontario - Discovery Silver Corp. (TSX: DSV, OTCQX: DSVSF) (“Discovery” or the “Company”) is pleased to announce it has formally submitted for evaluation its Environmental Impact Assessment (Manifestacion de Impacto Ambiental or “MIA”) for its Cordeo silver project (“Cordero” or “the Project”) located in Chihuahua State, Mexico. The submission was made to Secretaría de Medio Ambiente y Recursos Naturales (“SEMARNAT”), the federal government agency responsible for evaluating MIA submissions. The MIA is one of the principal permits required for the development of Cordero and encapsulates extensive social and environmental work programs completed by the Company’s team in Mexico since 2020 in parallel with multiple reviews by third-party consultants.

Tony Makuch, CEO, states: *“The submission of our MIA represents a major milestone for the Company. The submission is supported by comprehensive environmental and social baseline assessment work and outlines detailed plans for the responsible and sustainable development of the Cordero Project. The Project is expected to have significant positive direct and indirect socioeconomic impacts within Mexico at local, regional and national levels with an expected peak local workforce of over 1,000 employees, direct tax revenues of approximately US\$1.2 billion and over US\$4 billion of expected goods and services purchased locally within Mexico over its 18-year mine life as per our Preliminary Feasibility Study. We look forward to working with SEMARNAT through the permitting review process to demonstrate our full compliance with Mexican regulatory requirements alongside our overarching commitment to meet the highest industry standards for environmental protection, social responsibility and health and safety.”*

CIMA Consultores Ambientales (“CIMA”), an experienced Mexico-based environmental permitting consultant, was the principal author of the MIA submission. The MIA incorporated environment and social evaluation baseline studies completed by CIMA and Vinfidem Consultants respectively, with data collected through the 2021 – 2022 period. A third-party review of the Company’s sustainability practices was also completed by Environmental Resources Management, Inc. (“ERM”), a global expert in environmental, health, safety, risk and social issues. Ausenco Engineering Canada Inc. (“Ausenco”), AGP Mining Consultants Inc., Knight Piésold Ltd., WSP Global Inc. and Blue Coast Research Ltd. also provided input in key technical areas.

The Company has demonstrated a proactive approach to date to its sustainability practices as demonstrated by the recent receipt of the prestigious Socially Responsible Enterprise (Empresa Socialmente Responsable) (ESR) distinction from the Mexican Centre for Philanthropy (Centro Mexicana para la Filantropía) (CEMEFI) and the Great Place to Work Certification, an internationally recognized program awarded to companies that create an outstanding employee experience. The Company looks forward to building on these efforts through expanded social programs during development and operations and to realizing the sustainable benefits that come with a sizeable work force of over 1,000 employees during the construction phase and long-term direct employment of 900 people when the phase two expansion is complete. It is anticipated that a large majority of employees will come from local communities

in the Parral municipality given an already significant mining industry presence in the region and the existence of a mining-focused technical university located in the town of Parral.

The development and operation of Cordero will also create significant long-term business opportunities for local, regional and national service providers and suppliers at what will be one of the largest mining projects in Mexico. In total there will be an expected US\$4 billion of goods and services purchased locally within Mexico over the life of the mine. This will provide the opportunity to expand supply chains for critical strategic minerals in Mexico with the potential for sizeable volumes of long-term base metals concentrate supplies for Mexican smelters. In addition, the Project is expected to contribute more than US\$1.2 billion in direct mining taxes and royalties to the Mexican government. Combined, these benefits create a strong basis for government support of long-term investment for the responsible development of Cordero to the benefit of all stakeholders.

The Company is also committed to employing global best practice standards for the management of its environmental programs over the life of the project. A reflection of this commitment is the recent receipt of the Environmental Quality Certification issued by the Federal Attorneys for Environmental Protection (PROFEPA) in recognition of the Company's compliance with the National Environmental Audit Program. For Project operations, tailings storage facilities have been designed in adherence with the Global Industry Standard on Tailings Management requirements. Responsible water use has also been a key area of focus with the use of treated wastewater from local municipalities currently under evaluation. This is expected to result in minimal reliance on groundwater sources. A detailed closure and reclamation plan designed by CIMA in conjunction with technical input from Ausenco, Knight Piésold Ltd. and WSP Global Inc. was also included with the submission.

Further information on the Company's current Environment, Social and Governance ("ESG") practices and priorities going forward can be found in its 2022 ESG report: [Discovery Silver ESG report](#)

Further information on the technical aspects of the Cordero project can be found in the Company's Preliminary Feasibility Study issued in January 2023: [Cordero PFS](#)

About Discovery

Discovery's flagship project is its 100%-owned Cordero project, one of the world's largest silver deposits. The PFS completed in January 2023 demonstrates that Cordero has the potential to be developed into a highly capital efficient mine that offers the combination of margin, size and scalability. Cordero 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
President, CEO & Director

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This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian and U.S. securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussion with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often, but not always using phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the anticipated use of the net proceeds from the Offering; anticipated advancement of mineral properties or programs; future operations; future growth potential of Discovery; and future development plans.

These forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business. Management believes that these assumptions are reasonable. Forward-looking 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 the forward-looking information. Such factors include, among others: risks related to the speculative nature of the Company's business; the Company's formative stage of development; the impact of COVID19 on the timing of exploration and development work; the Company's financial position; possible variations in mineralization, grade or recovery rates; actual results of current exploration activities; conclusions of future economic evaluations; fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in spot and forward prices of gold, precious and base metals or certain other commodities; fluctuations in currency markets; change in national and local government, legislation, taxation, controls regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formation pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties. Such factors are described in detail in the Prospectus Supplement and the documents incorporated by reference therein.

Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and there may be other factors that cause results not to be anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information.