



DISCOVERY
africa

ASX Announcement

5 October 2018

Discovery Africa Extends Option Period on WA Gold Project

Discovery Africa Limited (ASX: DAF - "Discovery Africa" or "Company") is pleased to announce that it has agreed terms to execute a Second Deed of Variation to the Binding Option Agreement signed on 6 April 2017, with Bruce Robert Legendre, granting the Company a further twelve month extension on the option period to purchase a 100% interest in the Pinyalling Gold Project ("Project") in Western Australia.

Discovery Africa now has to 6 October 2019 to exercise the option to purchase the Project. There was no fee paid to extend the option period.

The Pinyalling Project consists of Exploration Licence 59/2112 covering 18 blocks (54km²) and is about 400km northeast of Perth. Access is via the Great Northern Highway from Perth to Paynes Find-Yalgoo road. This road gives access to the Pinyalling Mining Centre, about 30km west of Paynes Find.

The key terms of the Agreement remain similar.

- Discovery Africa shall be granted an Option for a period up till 6 October 2019 to purchase, at any time during that period, 100% of the Project for A\$30,000 plus GST and a gross royalty of 1% on all metals economically mined from the Projects.
- Discovery Africa will manage all exploration, development and mining activities at the Projects.
- Discovery Africa can elect to terminate the HOA prior to exercising the 'Option to Purchase' the Project.

In addition, the Company is proactively working to identify and review other new projects or asset acquisition opportunities, to enhance its project portfolio with an aim to increase the overall value proposition of the Company and ensure it is best placed to deliver value and upside potential for all its shareholders.

ENDS

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