



QUARTERLY ACTIVITIES REPORT MARCH 2021

Discovery Africa Limited (ASX: DAF) ("the Company"), is an Australian based mineral exploration company with 100% interests in the Chulitna Project in Alaska and the Warriedar Gold Project in Western Australia.

The Company provides the following update for the Quarter;

Exploration Activities

Chulitna Project (Alaska)

The Company identified and secured the Chulitna Project in Alaska, USA via the staking of three hundred and eight (308) State mining claims – which have been officially registered by the Alaska Department of Natural Resources.

The Company conducted a strategic review of various project opportunities, and with its specialist consultant, identified Alaska as a prospective jurisdiction with potential to secure high quality minerals projects. The strategic Chulitna Project area was selected as prospective from historical works and neighbouring projects in the area (including Avidian Gold's Golden Zone gold-silver-copper project and Honolulu Prospect Corp's Discovery Creek silver and base metals target).

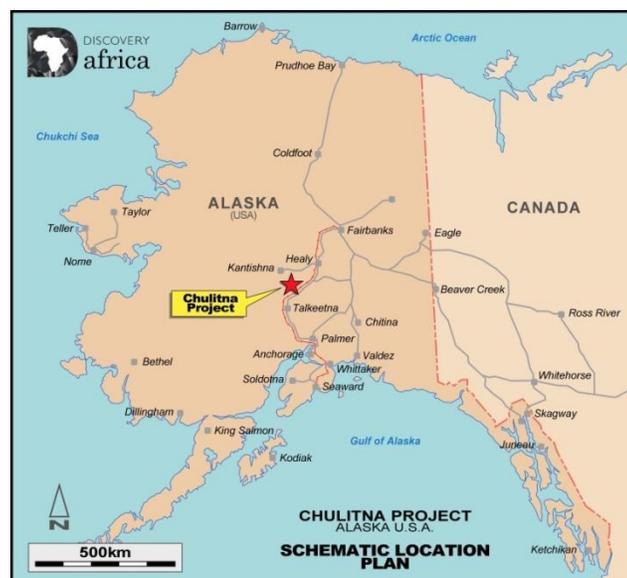


Figure 1. Chulitna Project – Location Map



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The project area comprises 199.4km², is located on State of Alaska public lands, and is not subject to any Native Title claims, native lands, or native claimant groups. The project lies approximately 250km north of Anchorage and close to the major Parks Highway, which runs mostly parallel to the State owned Alaska railroad.

The project hosts numerous prospect areas identified from historical works, which are prospective for gold, silver, copper, tin and base metals. The two main prospect areas currently identified within the project area are Partin Creek (gold, silver, copper) and Coal Creek (tin, silver).

The Partin Creek prospect includes two adjacent sites, where historical US Bureau of Mines works comprised surface exploration, shallow trenching, blasting, and rock chip sampling, which identified gold, silver and copper anomaly target areas.

The Coal Creek prospect contains historical works, including a 2015 NI 43-101 Report (prepared for Strongbow Exploration Inc.) comprising a "Technical Report on the Coal Creek Tin-Silver Exploration Target". This report included selected historical drilling and associated assay data, and a conceptual exploration target estimate.

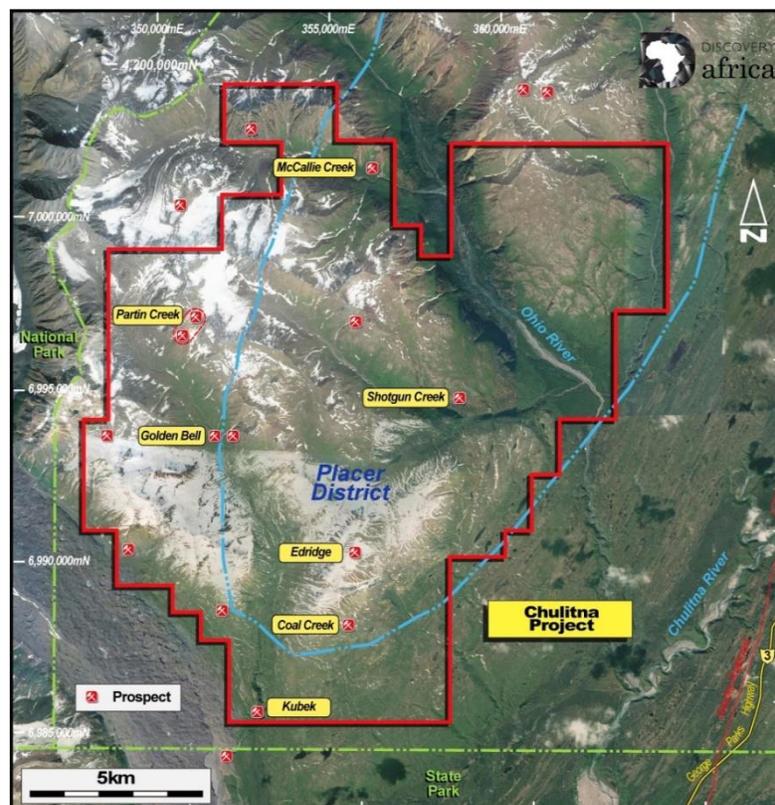


Figure 2. Chulitna Project – Multiple prospect targets identified

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The Company is currently progressing works via a three-step process at the project, comprising:

- Review and assess the substantive historical exploration works and results from the priority prospects within the project area;
- Prepare a systematic exploration program for the priority prospect targets, which may involve geophysical surveying; and
- Conduct follow up works to identify drill targets, and subsequent potential drilling of selected priority targets.

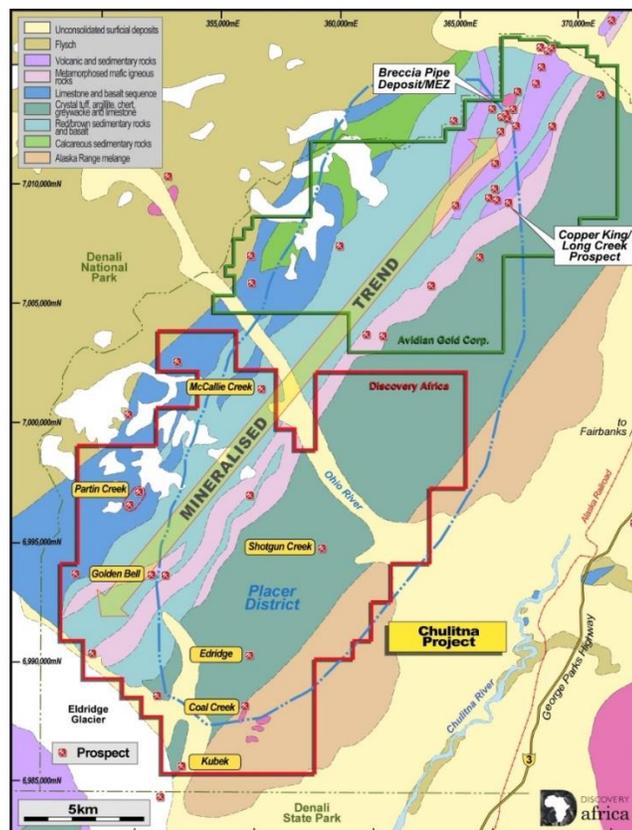


Figure 3. Chulitna Project – Geology map with adjacent Avidian Gold project area

Warriedar Gold Project

The Warriedar Gold Project comprises Exploration Licence 59/2405 in Western Australia. The project tenement covers 4 blocks and is located within the Yalgoo Mineral Field, approximately 60km west of Paynes Find. The project covers a portion of a granite body close to the contact with mafic volcanic and sedimentary rocks of the Warriedar Greenstone Belt.

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No exploration activities were conducted on this project during the quarter.

New Project Opportunities

The Company will continue working to identify and review other new projects that may complement the Company's current activities.

Covid-19

The Company continues to take appropriate safety measures and actions to protect our staff and business operations, including precautions advised and regulated by the Australian Government. First and foremost, our priority is the health, safety and wellbeing of our staff, partners and community, and as such, the Company is actively monitoring the Covid-19 situation.

Corporate

There were no mining production and development activities conducted during the Quarter.

Due to the staking works for the Chulitna Project, including finalising the registration of the Chulitna Project mining claims, costs incurred on exploration and evaluation amounted to approximately \$20,000.

500,000 options in the Company were issued at an exercise price of \$0.06 and expiry date of 22 February 2023, to satisfy consulting fees in relation to the staking works for the Chulitna Project.

No Directors fees were paid in the quarter and will be paid in future quarters.

Schedule of Tenements

The schedule of tenements held by the Company at the end of the Quarter is shown below.

No tenements were disposed during the Quarter, whilst the Chulitna tenements - ADL734566 (Chulitna 1) - ADL734873 (Chulitna 308) were acquired in Alaska.

Mining Tenement	Location	Beneficial Percentage held
ADL734566 (Chulitna 1) - ADL734873 (Chulitna 308)	Alaska, USA	100%
EL59/2405	Western Australia	100%

ENDS

This announcement has been authorised by the Board of Directors of Discovery Africa Limited.



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Competent Person's Statement

The information contained in this ASX release relating to Exploration Results has been prepared by Mr Jerko Zuvela. Mr Zuvela is a Member of the Australasian Institute of Mining and Metallurgy, and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Zuvela is a Director of Discovery Africa Ltd and consents to the inclusion in this announcement of this information in the form and context in which it appears. The information in this announcement is an accurate representation of the available data from the Chulitna Project and Warriedar Gold Project.

Forward Looking Statements: Statements regarding plans with respect to the Company's mineral properties are forward looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as expected. There can be no assurance that the Company will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

ABOUT DISCOVERY AFRICA LIMITED

Discovery Africa Limited (ASX: DAF) is an Australian company with a 100% interest in the Chulitna Project in Alaska, USA and Warriedar Gold Project in Western Australia.

The Company has an experienced board and management team with a history of exploration, operational and corporate success.

DAF leverages the team's energy, technical and commercial acumen to execute the Company's mission - to maximize shareholder value through development of our assets.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

DISCOVERY AFRICA LIMITED

ABN

50 147 324 847

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	(117)
	(e) administration and corporate costs	(35)	(98)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	8
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Others - Net GST (paid) / refunded	10	3
1.9	Net cash from / (used in) operating activities	(23)	(204)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(20)	(139)
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(20)	(139)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,877	2,177
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(23)	(204)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(20)	(139)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,834	1,834

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,834	1,877
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,834	1,877

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	N/A	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(23)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(20)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(43)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,834
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,834
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	42.65
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2021

Authorised by the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.