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## **NEWS RELEASE**

### **AYUBOWAN CAPITAL ENTERS INTO MINERAL EXPLORATION AND OPTION AGREEMENTS TO ACQUIRE ADDITIONAL SILVER RICH CARBONATE REPLACEMENT CONCESSIONS IN MEXICO**

**Vancouver, British Columbia – June 1, 2017** – Ayubowan Capital Ltd. (the “**Company**”) (TSX-V: AYB.H) is pleased to announce that it has entered into four additional mineral exploration and option agreements (the “**Additional Option Agreements**”) dated May 15, 2017, with Jesus Miguel Hernandez Garza and Juan Reynaldo Elizondo Falcon (together, the “**Vendors**”), providing options to acquire certain additional mineral concessions (the “**Additional Mineral Concessions**”) located in the state of Coahuila, Mexico.

The Company is currently listed on NEX and on May 1, 2017 announced the entering into of a mineral exploration and option agreement on the Puerto Rico Property in Ocampo, Coahuila, Mexico (the “**Principal Transaction**”). It is intended that the Principal Transaction will constitute the Company’s “reactivation” as defined under the policies of the TSX Venture Exchange (the “**Exchange**”). Upon completion of the Principal Transaction and meeting all the conditions of the Exchange, the Company will have its listing transferred from NEX to the Exchange. The Principal Transaction will constitute a Change of Business and the Puerto Rico Property will be the Company’s Qualifying Property under Exchange policies. Upon completion of the Principal Transaction the Company will operate as a junior mining / exploration company.

The Principal Transaction and the Additional Option Agreements are subject to, among other things, receipt of all applicable regulatory approvals, the final approval of the Exchange and the satisfaction of customary closing conditions, including the conditions described below. The proposed acquisition of the Puerto Rico Property and the Additional Mineral Concessions are arm’s length transactions and do not require shareholder approval under applicable securities or corporate legislation. As such, the Company, with the consent of the Exchange, does not intend to seek the approval of its shareholders to complete the Principal Transaction. Sponsorship is required under Exchange policies and the Company will be requesting a waiver of Sponsorship. There is no guarantee Sponsorship will be waived.

#### **Property Descriptions**

Ayubowan is focused on discovering and advancing high grade Silver-Zinc–Lead-Copper deposits within a large district in northern Mexico. All targets will be assessed as potential milling or direct-ship mining opportunities.

The properties contain attractive host rocks, intrusive rocks that may have provided a source of heat and fluids, and have high-grade silver-lead-zinc+/-copper mineralization exposed on surface, along with widespread evidence of historic mining, dating from Spanish Colonial times through the middle of the 20<sup>th</sup> century, including shafts, adits, small open cuts and prospect pits. Mineralized material remaining in the walls of workings frequently exceeds 1 kg/ton silver and 30% combined lead and zinc using a hand-held Niton Analyzer and conventional grab and chip sampling. With the exception of mechanized trenching by the Vendors, none of the properties have seen any modern exploration or drilling. All are road accessible.

## **Monclova**

Monclova is a large property centred over a 12 km<sup>2</sup> dioritic stock, intruding limestones that are affected by contact metamorphism over a distance of over 1 km from the stock margins. Multiple copper-gold rich skarns have been identified and exposed in bulldozer cuts and small shafts along the stock margins. The Real Viejo Mine area, located near the southwest margin of the stock, contains quartz veins, breccias and silicified zones with high grade silver, lead and zinc. High grade silver was mined from this area during Spanish Colonial times from several small pits and underground workings scattered over an approximate 0.5 km<sup>2</sup> area. Recent grab and chip sampling of historic workings and dump piles by McAnulty (2008)<sup>1</sup> yielded samples with up to 2,356 g/t silver, up to 14.8% lead and up to 34% zinc<sup>1</sup>. Grab samples are selective samples and are not necessarily representative of the mineralization hosted on the property. All historical workings appear to have targeted linear zones of mineralization that are open in both directions and to depth. Evidence of mining of similar high-grade silver-lead-zinc veins is also found at the Ojo de Agua prospect near the centre of the Property.

The sample results are shown in the attached Schedule "A".

Following closing the Company intends to undertake an airborne magnetics – EM survey of the entire property to identify the extent of surface and shallowly-buried magnetite-bearing skarn and sulphide mineralization. The Company will also complete detailed mapping and sampling of historic workings in the Real Viejo silver-lead-zinc vein area and the Ojo de Agua silver-lead-zinc vein area. Reconnaissance geochemical sampling and mapping of the rest of the property will also be undertaken.

## **La Minerva**

The La Minerva Property consists of numerous concessions, located on the northwest flank of Sierra Minerva, an island of bedrock surrounded by broad alluvial plains. A dioritic intrusion forms the central core of the range, and is flanked by limestone and interbedded limestone and shale. In the western part of the Property, several old prospect pits, trenches and shallow shafts occur in limestone along intrusive contacts and brittle faults. Silver, lead and zinc oxides are present over a 1 km<sup>2</sup> area. Another zone of mineralization is present in the eastern part of the Property, where several old prospect pits and bulldozer trenches tested the contact of diorite with marble. Galena-cemented breccias and veinlets are present in these areas, both in marble and diorite. Moderate grade silver is present in association with galena. Both areas afford excellent road access.

Following closing the Company intends to undertake detailed mapping and sampling of the two areas of silver-lead-zinc mineralization identified in previous prospecting efforts. A ground magnetic survey of the claims will also be undertaken to determine the extent of intrusive rocks and magnetite-bearing skarn mineralization.

## **Santa Rosa**

The Santa Rosa Property is located south of the Renata Property. Recessive-weathering silty limestones are locally iron-oxide stained, with elevated silver and zinc. Alteration may indicate the presence of a carbonate replacement (CRD) system at depth.

Following closing the Company intends to undertake grid-based soil sampling and rock sampling of the previously identified zone of alteration with anomalous silver, lead and zinc concentrations.

### **Jemi/Rare Earth**

The Jemi/Rare Earth Property is located over Sierra La Vasca, an island of bedrock cored by a dioritic intrusion. Flanking areas are underlain by limestones intruded by ring dykes and sills. In the Jemi area on the east side of the intrusion, grab samples from prospect pits contain elevated silver, lead, zinc and copper in skarn and quartz-sulphide veins. In the Anufo area on the northwest side of the range, narrow sills and dykes of syenite cut marble and recrystallized limestone. Many of the dykes contain an abundance of Eudialyte, a zirconium silicate mineral. Limited sampling suggests elevated rare earth elements, zirconium and platinum and palladium. Additional sampling and mapping will be needed to determine the extent and tenor of mineralization on this large property.

Following closing the Company intends to undertake mapping and geochemical sampling of the Jemi CRD/historic mining area to assess the extent and tenor of silver, lead and zinc mineralization. Mapping and geochemical sampling of the rare earth minerals area will also be undertaken to assess the extent and tenor of rare earth and platinum and palladium mineralization hosted in alkaline porphyry dykes. Reconnaissance mapping and sampling of the rest of the property will also be completed to assess the potential for base metal and rare earth mineralization.

At the present time, the Company considers the Additional Mineral Concessions non-material and technical reports under National Instrument 43-101 have not been prepared. Subject to Exchange review, technical reports may be required prior to, or following closing of the Principal Transaction, for such Additional Mineral Concessions.

The Vendors collectively hold 100% title in the 27 mineral concessions forming the Additional Mineral Concessions that are subject to the Additional Option Agreements.

### **Terms of the Additional Option Agreements**

Pursuant to the terms of the Additional Option Agreements, the Company may exercise its option and acquire the underlying concessions that are subject to each Option Agreement on the following terms:

- a) the Company incurring exploration expenditures of not less than US\$2,000,000 per Additional Option Agreement within five years; and
- b) the issuance to the Vendors of an aggregated 1,000,000 common shares in respect to three of the Additional Option Agreements, and the issuance of 2,000,000 common shares in respect of the Additional Option Agreement governing the Monclova Property.

In addition, on approval of the Additional Option Agreements by the Exchange, the Company has agreed to pay back taxes on the Monclova Concessions of approximately US\$48,000, and to make a cash payment to the Vendors of US\$70,000 with respect to the La Minerva Concessions.

The Company will be the operator of the Additional Minerals Concessions during the term of the Additional Option Agreements and is required to pay all mining duties to maintain the underlying concessions in good standing.

### **Proposed Name Change**

The Company also announces its intention to change its name to Discovery Metals Corp. Required filings have been made with the Exchange and the effective date of the name change will be announced once determined.

It is proposed that the Company's ticker symbol will change to DSV.H on the effective date of the name change.

### **Finders Fee**

The Company also announces that it has finalized the terms of a finders fee agreement with David Caldwell, John (Daniel) Harmening and Humberto Rafael Pacheco (the "**Finders**") in connection with the efforts of the Finders in introducing the Company to the Vendors and the projects forming the Principal Transaction and the other mineral exploration and option agreements that have been entered into between the Company with the Vendors. The Finders are at arm's length to the Company. Subject to Exchange approval, the Company has agreed to pay the following finders fees:

- a) on closing, a fee of \$104,750, payable in common shares of the Company, issuable at the same price as the Company's proposed private placement financing;
- b) an additional 25,000 common shares on each of the four tranches of share issuances to the Vendors, on the second through fifth anniversaries of the closing of the Principal Transaction; and
- c) a number of common shares equal to 5% of any common shares issued by the Company on exercise of any of the Additional Option Agreements.

On issuance, all common shares will be subject to a hold period of four months plus one day.

Completion of the Principal Transaction remains subject to the Exchange approval. Trading in the Company's common shares will remain halted pending further filings with the Exchange. The Company is working diligently to complete the remaining filings with the Exchange, with a view to completing the Principal Transaction in short order.

The technical information in this news release has been reviewed by Moira Smith, Ph.D., P.Geo. who is a Qualified Person as defined by National Instrument 43-101.

For further information, contact Scott Ackerman at [sackerman@emprisecapital.com](mailto:sackerman@emprisecapital.com)

On Behalf of the Board of Directors of:

### **AYUBOWAN CAPITAL LTD.**

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

*Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative. The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.*

*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 the Company 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. 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 or business conditions. 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. We do not assume any obligation to update any forward-looking statements except as required under applicable laws.*

Schedule "A"

REAL VIEJO AREA SAMPLE RESULTS		Ag	Pb	Zn
		gm/t	%	%
Sample No	Sample Description	FAGRAV	Assay	Assay
RVF 1	Chip 80 cm vertical across quartz veinlet zone; veinlets 2-3 cm wide in weakly silicified recrystallized limestone.	365	2.6	14.3
RVF 2	Chip 40 cm across stockwork veinlet zone in brown marble at contact with monzonite.	527	0.8	11.9
RVF 3	Chip 50 cm horizontal across sheeted zone with quartz veinlets; oxidized water course; clays and nontronite coatings on fractures.	203	4.0	2.1
RVF 4	Chip 40 cm vertical across quartz veinlets in skarn.	118	0.8	1.5
RVF 5	Chip 30 cm across skarn wall rock to stoped vien.	25	1.3	0.6
RVF 6	Grab from small pile of skarn material at portal; quartz blebs and stringers in pyroxene skarn.	217	2.8	13.6
RVF 7	Chip of quartz veinlet 10 cm wide in vein with coarse brown calcite.	297	2.2	6.0
RVF 8	Chip of brown calcite from vein at spl location RVF-7.	7	0.1	0.1
RVF 9	Chip of hard quartz stringers in hanging wall of vein; vein cuts weakly marbleized limestone.	259	1.6	14.8
RVF 10	Chip 25 cm wide across oxidized fault zone with calcite and quartz vein material.	57	3.7	0.8
RVF 11	Chip 15 cm wide of quartz vein in fault zone; oxidized quartz with calcite.	118	2.5	1.5
RVF 12	Grab of small pile of quartz vein material at mouth of incline WP 380; massive fine-grained gray quartz cut by stringers & blebs of finely crystalline, vuggy white quartz; small blacks specks of sulfides in both quartz phases.	490	1.1	27.0
RVF 13	Chip 1 meter wide across gray quartz vein with white quartz stringers; pods of coarsely crystalline brown calcite mixed with quartz.	216	4.9	5.7
RVF 14	Grab of quartz material in small pile at surface 4 meters south of WP 384.	136	2.0	11.3
RVF 15	Chip 60 cm across hard gray quartz vein.	414	0.4	8.3
RVF 16	Grab of small pile of quartz vein material at WP 385; white quartz with sphalerite and black wispy sulfides (argentite?)	267	2.3	13.7
RVF 17	Chips from small pile of quartz vein material at WP 386.	299	2.1	7.3
RVF 18	WP 388 dump sample; selected for quartz vein material.	1354	2.1	2.2
RVF 19	WP 388 dump: grab of quartz vein material in small pile at portal of lower working.	49	1.3	28.5
RVF 20	Surface cut: grab of small pile of quartz vein material on north side of cut; grayish red massive quartz cut by white, vuggy quartz stringers.	29	4.8	34.0
RVF 21	Surface cut: chip 50 cm horizontal across argillized monzonite with quartz veinlets; veinlets hairline to 2 cm wide.	<3.4	0.0	0.1

RVF 22	Chip 20 cm across quartz vein.	63	0.7	0.5
RVF 23	Chip 30 cm across quartz vein.	94	1.5	0.5
RVF 24	Dump at WP 391; selected for quartz vein material; includes some fines from top of dump where quartz veinlets were screened.	1065	4.3	5.6
RVF 25	Grab of quartz vein material from small dumps in arroyo; white quartz, some cockscomb structure; coarse galena and fine grained black sulfides (sphalerite?)	959	8.9	0.5
RVF 26	Grab from small pile at portal of WP 395 drift; white quartz with galena and fine grained black sulfides.	1942	14.8	2.5
OA7-8	Shaft dump: selected for qtz vein pieces: qtz w/ minor galena, argentite and tetrahedrite(?)	2356	1.7	0.3
OA7-9*	Solar panel shaft sump: chip from large piece of quartz vein material: qtz w/ specks of black sulfides. Contains 11 g/t Au.	797	2.0	>0.1

<sup>1</sup> McAnulty, W.N., 2008, Real Viejo Area, Ojo de Agua Prospect, Coahuila, Mexico: Reconnaissance report prepared for Cia. Minera Aventureros del Yaqui, S.A. de C.V., Internal company report, 25 p. Samples were assayed by Inspectorate Labs, using gravimetric assay methods for silver and atomic absorption assay methods for lead and zinc.