

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 22 MAY 2014

BCL LIMITED TO COMMENCE DRILLING FOR NICKEL WITH BML.

The Board of Botswana Metals Limited (“BML”) is pleased to announce that its joint venture partner BCL Limited (“BCL”), a world-class Botswana Nickel mining and smelting operation owned by the Botswana Government and Russian giant Norilsk Nickel, will commence drilling the Maibele North Nickel (+ Copper + PGE) prospect immediately.

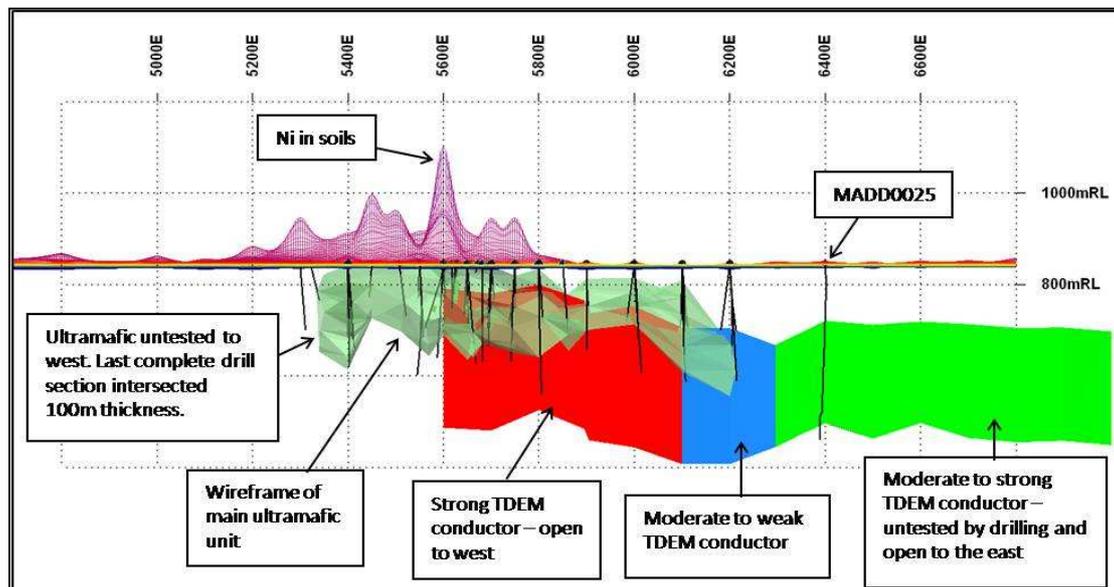
A minimum 6000 metres of diamond drilling, for a planned 33 hole program has been agreed to by both BCL and BML which is expected to commence as soon as two of BCL’s diamond drill rigs become available. These rigs are scheduled to keep drilling for the next six months at the Maibele North Nickel project with the commencement date agreed to be in the June 2014 quarter.

Eight metallurgical (twin) holes will be drilled to assess the compatibility of the Nickel sulphide ore for potential processing at the BCL plant.

The diamond drill program is designed to infill drill over the known Maibele Nickel mineralisation and test the extension of the Maibele North deposit. Step out drilling is planned at 100 meter spacings.

In summary, excellent potential exists along strike in both directions at Maibele North. To the west, the thick main ultramafic unit remains untested yet is coincident with an 800m long Nickel in soil geochemical anomaly.

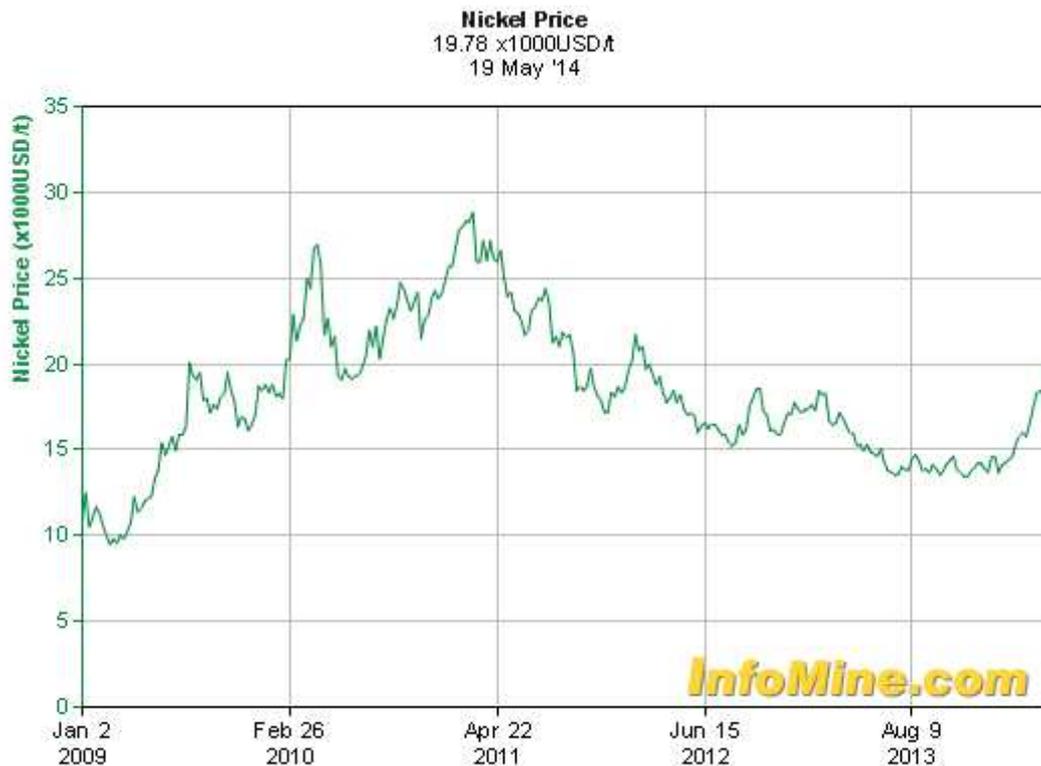
The program will see the diamond drill-testing of the Maibele North extensions as well as further ground magnetic and EM surveys.



The Figure above represents a 3D perspective view, looking north and showing the modeled main ultramafic unit and the TDEM conductors (Red = strong, Green = moderate, Blue = weak). The 3D grid in the image is the gridded Ni in soil values, highlighting the position of the main soil anomaly. Also note the shallow easterly plunge of both the ultramafic and the conductor. The conductor has not been tested by drilling to the east. Drilling to west was coincidental with testing a copper and silver anomaly at Airstrip Copper some 500M to the west of Maibele. BML is in the process of reviewing the drilling data from drilling conducted in 2009 and 2010 along strike from Maibele to Airstrip Copper.

It is expected that a potential JORC compliant resource at Maibele North will be calculated within the six month initial drill program. The market will be progressively advised of drilling results as they are received.

The current increase in the Nickel price to approximately US\$20,000 per tonne has also attracted interest from other parties in respect to BML's other Nickel exploration areas. These areas are adjacent to the joint venture PL's but are not covered by the BCL joint venture. BCL has a pre-emptive right over all exploration areas held by BML in Botswana.



BCL has publicly stated that the BML farm-in joint venture is one of BCL's priority Nickel projects. BCL has been mining since 1960 and its smelter has operated since 1970.

BCL employs approximately 5,000 people in the township of Selebi Phikwe that has a population of 50,000.



The longevity of the BCL mine is dependent on additional ore outside of its existing Nickel resources being made available. BML is in a prime position to potentially provide additional ore to the BCL mine and smelter.

Pat Volpe
Chairman

About BCL Limited

BCL Limited is a mining and smelting company owned by the Botswana Government (94%) and Norilsk Nickel (6%). The company commenced operations in 1959 and is now one of the largest private sector employers in Botswana.

BCL Limited produces two types of finished matte containing Nickel, copper and cobalt, and platinum group and precious metals to a smaller extent. The Selebi Phikwe ore deposits are owned and operated by BCL Limited.

The Selebi copper and Nickel ore body was discovered in 1963, and higher grade ore was discovered at Phikwe in 1966. Mining of Nickel-copper ore commenced in 1973 and since 1980, BCL's smelter has operated at an annual production rate of approximately 50,000 tonnes of Nickel-copper matte.

BCL Investments (Pty) Limited is a wholly owned subsidiary of BCL Limited.

About the BCL Limited Farm-In Joint Venture on PL 110/94, PL 111/94 and PL 54/98

BCL Investments (Pty) Limited ("BCL"), under the joint venture agreement, can spend an initial AUD\$4 million on a drilling program to earn 40% of the projects over these areas. BCL has the option to continue to fund the projects to the completion of a Bankable Feasibility Study ("BFS") to earn a 70% interest.

At that point BCL will have the off-take rights at commercial prices, to any ore mined. It is planned to truck ore to the BCL smelter operations at Selebi Phikwe for processing, which is situated 55 km to the southwest of our projects.

The Company will retain a 30% interest after the BFS is completed, at which time the management of the projects will be transferred to BCL.

About Botswana Metals Limited

Botswana Metals Limited ("BML") is listed on the Australian Securities Exchange (ASX) and its stock code (ticker) is BML. BML is a mineral exploration company fully focused on its portfolio of exploration tenements covering approximately 1,500 sq. km all located in Botswana.

BML's objective is to discover an economic base and precious metals deposit in eastern Botswana on the well-known Limpopo Belt, which extends into Botswana from its neighbouring country Zimbabwe.

Recent exploration has resulted in three discoveries of Nickel-Copper and Copper-Silver mineralisation known as Airstrip Copper, Maibele North and Dibete. The Ni-Cu deposit at

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Maibele North is just east of Airstrip Copper whilst Dibete is 7 km to the south of Airstrip Copper.

To the east of these discoveries, a recent VTEM program has identified at least 23 new VTEM anomalies that are planned to be part of the Company's exploration focus in the future.

55km to the south of the three discoveries is the BCL Limited mine and smelter. BML entered into a farm in agreement with BCL that became effective on 1 April 2014.

BML has solid logistical support and the projects benefit from excellent infrastructure. The Company is managed by experienced personnel with many years experience in Botswana, as well as other African countries. Botswana is considered to be one of the most advanced African countries in respect to its mining and exploration laws, and for safety and education where English is spoken freely.

BML has offices in Australia (Melbourne) and Botswana (Selebi Phikwe).