BOTSWANA Metals Limited

ABN 96 122 995 073

ASX Code: BML

TO: **COMPANY ANNOUNCEMENTS OFFICE**

ASX LIMITED

DATE: **24th of JUNE 2014**

- **Update on Maibele North Drilling and Program Schedule**
- **JORC code 2012, Table 1 checklist for Review of Ni + Cu assays at Maibele and Airstrip and re-calculation of Ni Equivalent results (results reported to ASX on the 19th of JUNE 2014).**

Subsequent to the ASX announcement made on the 19th of June 2014, the following update is provided:

The 6000m drilling program designed to test the mineralisation at depth and down dip of the known nickel-copper and platinum group element mineralisation at Maibele North in Botswana commenced on the 16th of June 2014.

Two diamond drill rigs have commenced drilling a series of 30 diamond drill holes in positions that infill gaps in the current drill pattern and step out along strike to test the lateral continuation and down plunge extents of the orebody. The program has been designed to provide metallurgical samples by twinning a number of existing mineralised holes as well as ensuring a sufficient drill hole spacing and sample density to enable the first JORC-compliant mineral resource to be calculated for the deposit.

Ground magnetic and down-hole EM surveys will be undertaken where necessary to assist in the exploration.

Details of the program include-:

- Eight metallurgical DD holes (Figure 1 - blue dots) designed to provide sufficient sample material to determine the ore compatibility for processing at the BCL plant. Two of these holes commenced drilling on the 16th of June 2014.
- Thirteen Infill holes (Figure 1 – pink dots) designed to determine the continuity of the mineralisation and provide sufficient drill hole spacing and sample density to enable the first JORC-compliant (2012 code) mineral resource to be calculated for the deposit.
- Five down dip and step out holes (Figure 1 – red dots) designed to test the extension potential to the east and west of Maiblele as well as at depth and down plunge.
- Four shallow holes (Figure 1 – Black Triangles) designed to test the shallow extents of the mineralisation and help assess the open pit potential of the shallow reaches of the deposit.

All drill holes have been designed to test the mineralised horizon with diamond core however BCL is considering the use of an Reverse Circulation drill rig to pre-collar some of the deeper planned holes in order to accelerate the drilling time.

Samples will be analysed at the Maibele field location by a portable NITON XRF analyser to assist in determining appropriate sample intervals to be submitted to an independent laboratory for analysis.

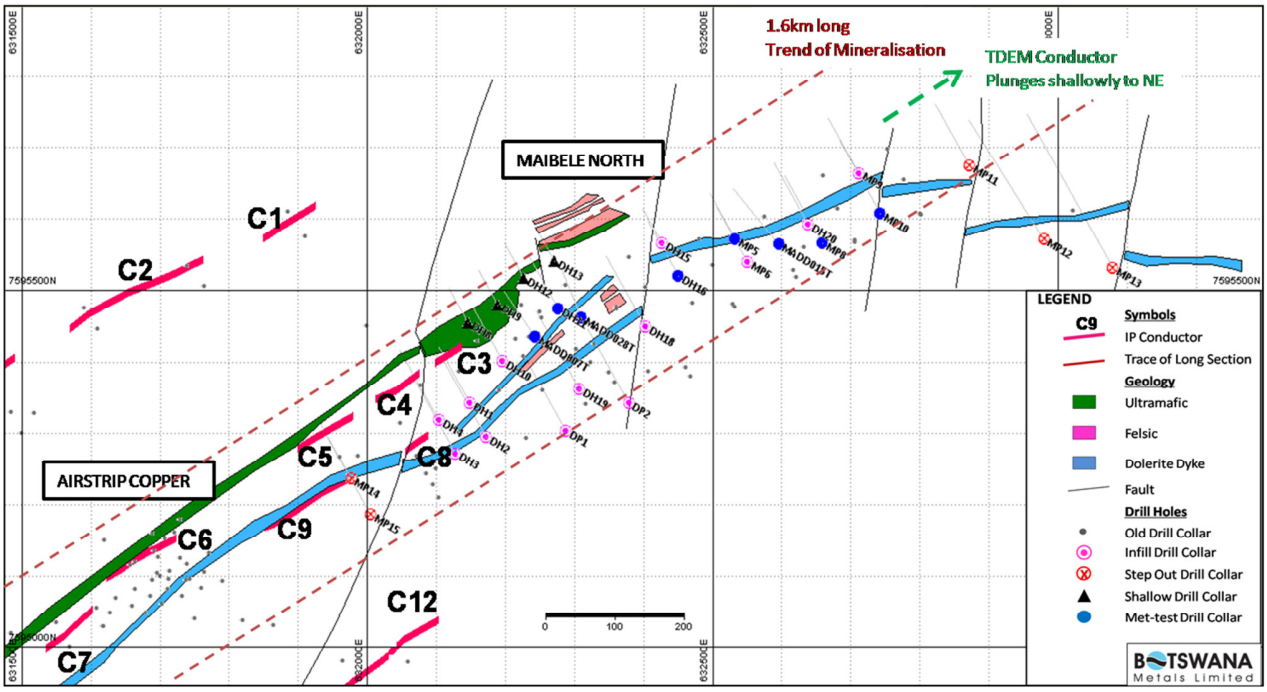

Figure 1: shows collar location of the planned drill holes in relation to the previous drill collars, surface geology and conductive anomalies. Results of the program will be released as they come to hand.

HOLEID1	DEPTH (m)	Easting (WGS84)	Northing (WGS84)	AZIMUTH (deg)	DIP (deg)	COMMENT	PRIORITY
DH1	200	632149	7595342	330	-55	INFILL	
DH10	150	632196	7595401	330	-55	INFILL	
DH12	100	632227	7595516	330	-55	SHALLOW	
DH13	100	632271	7595540	330	-55	SHALLOW	
DH15	100	632427	7595565	330	-55	INFILL	
DH18	200	632403	7595448	330	-55	INFILL	
DH19	220	632307	7595362	330	-55	INFILL	
DH2	220	632172	7595295	330	-55	INFILL	
DH20	175	632639	7595591	330	-55	INFILL	
DH3	220	632128	7595272	330	-55	INFILL	
DH4	200	632104	7595318	330	-55	INFILL	
DH8	100	632146	7595454	330	-55	SHALLOW	
DH9	100	632189	7595479	330	-55	SHALLOW	
DP1	240	632288	7595303	330	-60	INFILL	
DP2	240	632379	7595342	330	-60	INFILL	
MP11	200	632872	7595674	330	-60	STEP OUT	
MP12	350	632980	7595570	327	-55	STEP OUT	
MP13	500	633080	7595530	330	-60	STEP OUT	

MP14	200	631977	7595236	330	-60	STEP OUT	
MP15	250	632005	7595186	330	-60	STEP OUT	
MP6	180	632551	7595538	330	-60	INFILL	
MP9	180	632712	7595663	330	-60	INFILL	
MADD007T	140	632243	7595434	325	-55	MET TEST	1
DH11	150	632277	7595473	330	-55	MET TEST	2
MADD028T	120	632310	7595461	337	-53	MET TEST	3
DH16	160	632451	7595519	330	-55	MET TEST	4
MP5	150	632533	7595571	330	-60	MET TEST	5
MADD015T	180	632596	7595563	320	-55	MET TEST	6
MP8	220	632659	7595565	330	-60	MET TEST	7
MP10	240	632743	7595607	330	-60	MET TEST	8

Table1: Details of the initial diamond drill program that commenced on 16 June 2014.

Update on ASX Announcement 19 June 2014

Following the ASX announcement made on the 19th of June 2014 BML have prepared the corresponding 2012 JORC Code Table 1 for clarity on the nature of the results discussed in the release. It provides the details in a check list covering the assessment and reporting criteria required under the 2012 JORC code regarding calculation of the %Ni Equivalent grades. The review examined all previously reported Ni and Cu assay results from historical drill holes and presented no new factual information. The exercise did provide an alternative perspective of the mineralisation in the Maibele and Airstrip region by combining the Ni and the Cu results to present a calculated %Ni equivalent grade and metal accumulation that includes the down hole intersection length multiplied by the weighted average %Ni Eqv grade. The exercise supported interpretations of a possible spatial and/or genetic relationship between the Maibele and Airstrip Ni-Cu mineralisation in Botswana. Quantifying this type of mineralisation using a calculated %Ni Eqv. approach is consistent with the ore assessment practices routinely performed at the Selebu Phikwe Ni-Cu Mine by BML's Joint Venture partner on the project, BCL.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	*JORC Code explanation*	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• **N/A – No new samples collected**
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• **N/A – No new drilling undertaken**

Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• **N/A – No new drilling undertaken**
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• **N/A – No logging of historical holes undertaken**
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• **N/A – No new samples collected**
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• **N/A – No new samples analysed**

Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• **N/A – no new verification of sample and assay data was undertaken** • **No data have been adjusted.**
Location of data points	• ***Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*** • ***Specification of the grid system used.*** • ***Quality and adequacy of topographic control.***	• **N/A – All drillholes had been previously surveyed using DGPS with an accuracy of <1m.** • **No new surveys were undertaken**
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	**N/A – No new drilling or sampling undertaken**
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• **N/A – no new interpretation of possible structures controlling** • **mineralisation that might affect sample bias has been established**
Sample security	• *The measures taken to ensure sample security.*	• **N/A – no new samples collected**
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• **N/A – no audits or reviews of historic sampling techniques were undertaken for the preparation of this report**

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary

Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• **The results reported in this Announcement are located in PL110/94 which is a granted Exploration Licence held by African Metals Limited, a 100% owned subsidiary of Botswana Metals Limited.** • **PL110/94 is subject to a Joint Venture agreement with BCL Limited.** • **PL110/94 was recent extended for a further two years and is in good standing.**
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• **All interpretations and conclusions in this announcement are based on results generated by historic exploration work conducted by Roan Selection Trust, Falconbridge, Cardia Mining and Botswana Metals.** • **Botswana Metals considers all previous exploration work to have been undertaken to an appropriate professional standard**
Geology	• ***Deposit type, geological setting and style of mineralisation.***	• The Maibele North Prospect is hosted within the Magogaphate Shear Zone - a major geological structural feature, generally considered to mark the boundary between the Archaean aged (>2.5 billion year old) Zimbabwean Craton and the Limpopo Belt or Limpopo Mobile Zone (LMZ). . The nickel-copper deposits of Selebi Phikwe lie within the northern part of the Central Zone of the Limpopo Mobile Belt, whilst the nickel copper deposits of Phoenix, Selkirk and Tekwane lie in the Zimbabwean Craton. The Central Zone of the LMZ comprises variably deformed banded gneisses and granitic gneisses, infolded amphibolites and ultramafic intrusions that that have the potential to host Ni-Cu sulphide mineralization. Ni-Cu-PGE mineralization at Maibele North and Airstrip copper is spatially associated with an ultramafic intrusion.

Criteria	JORC Code explanation	Commentary

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• N/A – no new drilling was undertaken and all historic drill holes referred to in the announcement have previously been reported publicly.
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Data aggregation methods	• ***In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*** • ***Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*** • ***The assumptions used for any reporting of metal equivalent values should be clearly stated.***	• **Where uneven sampling intervals have contributed to an averaged result, the result has been calculated by a weighted average technique that incorporates the interval width of each contributing sample.** • **No grade truncations have been applied to the data** • **%Ni Equivalent values have been calculated using the formula:** ***%Ni Eqv = %Ni + k(%Cu) where % Ni = Nickel grade, % Cu = Copper grade, k = commodity price ratio i.e. (Cu Price/Ni Price). Prices used :*** ***Cu =USD$6700 , Ni = USD$16120***

Criteria	*JORC Code explanation*	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• **The precise geometry of the mineralization with respect to the drill hole angle is not known and thus, all drill hole results are reported as down hole length.**
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectionalviews.*	• **Plan view and long section maps of the reported drill holes are included in this announcement.**
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable representative reporting of both low and high grades and/or widths should bepracticed to avoid misleading reporting ofExploration Results.*	• **The results in this announcement are interpreted to lie within the plane of a mineralized trend that is coincident with an ultramafic intrusion and encompasses the Maibele North and Airstrip Copper Prospects** • **Low grade results (less that 0.2%Ni Eqv) or those that do not lie within the interpreted mineral trend have not been included.**
Other substantive exploration data	• *Other exploration data, if meaningful andmaterial, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size andmethod of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• **There is no other material exploration data that have not been previously reported.**
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• **The Maibele North Prospect is currently the subject of a 6000m drill program of 33 holes designed to verify previous results, obtain metallurgical samples and ultimately to facilitate the calculation of an initial JORC compliant resource for the project** • **If a potentially economic resource is defined, then it is envisioned that he project will proceed to Pre-Feasibility Studies.**

Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• **N/A – No new drilling undertaken**
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Sample security	• *The measures taken to ensure sample* • *security.*	N/A – no new samples collected
Audits or reviews	• *The results of any audits or reviews of* • *sampling techniques and data.*	N/A – no audits or reviews of historic sampling techniques were undertaken for the preparation of this report

Information in this report that relates to exploration results is based on information compiled by Mr Steven Groves who is a member of the Australian Institute of Geoscientists. Mr Groves is employed as a geological consultant to the Company. Mr Groves has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Groves consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Pat Volpe

Chairman

About BCL Limited

BCL Limited ("BCL") is a world-class Botswana nickel mining and smelting operation owned by the Botswana Government (94%) and Russian giant 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. BCL employs approximately 5,000 people in the township of Selebi Phikwe that has a population of 50,000.

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.

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 addition ore to the BCL mine and smelter.

There are three Prospecting Licenses (PL's) under the joint venture agreement that cover 180SQKM of BML's 1,000 SQKM exploration portfolio. The joint venture area covers three known mineralization zones and an area to the East with twenty three VTEM anomalies. The three mineralized areas are known as Maibele North (Nickel + Copper + PGE's), Airstrip Copper (Copper + Silver) and Dibete (Copper + Silver). To the East of these mineralized areas, the PL known as Takame has the twenty three VTEM anomalies recently identified and will be the subject of further exploration in this untested zone.

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 1,000 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 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).

Botswana Metals Limited

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