

**DATE: 13 OCTOBER 2014**

**ASX Code: BML**

**TO: COMPANY ANNOUNCEMENTS OFFICE  
ASX LIMITED**

**This is a priority item.**

**MAIBLE DRILL PROGRAM ON TRACK WITH LABORATORY RESULTS  
EXPECTED THIS WEEK AND FULL REPORT TO FOLLOW**

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**Maibele North: Drilling and Laboratory Update:**

**Drilling Program:**

- The Maibele North 30 hole drill program expected to take 6 months to complete as advised to the ASX (16 June 2014) has been met and achieved its objectives within budget time with in excess of 30 holes already completed.
- The Joint Venture has agreed to keep drilling to at least the end of November 2014 ahead of the wet season. This drilling will expand the program with additional infill holes completed, and the planned metallurgical and step out holes, also completed or in progress.
- During the wet season (December 2014 to March 2015) the Joint Venture will analyse the drilling data with the objective of determining a JORC-compliant resource estimate.
- The joint venture will tender out for an independent expert to perform the resource calculation at Maibele based on the Maibele

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data model that will be constructed once all the drill sample data has been received from the Laboratory.

- It is expected that if a JORC-compliant resource estimate is in line with BCL's expectations then an initial scoping study will be undertaken in the first half of 2015 to determine the potential economics of trucking the ore to the BCL limited plant for processing.

### **Laboratory Results:**

- The Joint Venture committee has just been advised that Laboratory tests have been completed on the initial 286 samples submitted, and a preliminary report released to BCL. A full and detailed laboratory assay report is expected this week. Interpretation of these results and a market report are expected to be compiled over the next week by the Joint Venture Partners (BCL Limited and BML). Once prepared and received by BML, it will be released to the ASX.
- No advice has been received as to the timing of the results for the Metallurgical core samples submitted for independent analysis to determine the compatibility of the ore for treatment at the BCL plant and smelter.

### **Other Mineralised Prospects:**

- Maibele North is one of at least three known mineralised areas within the Joint Venture PLs that also include: Airstrip Copper and Dibete copper – silver prospects. The joint venture ground covers only ~185 sq km of the ~1000 sq km portfolio with the balance of the PLs being 100% owned by BML.

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- All of BML's prospecting licences are located along the Limpopo Mobile Belt and contain numerous anomalies identified with potential to host additional base and precious metal mineralisation.
- The BML licences are only 55km north of the BCL's Selebi Phikwe mine and processing plant, including a smelter, that has been operating for over 40 years. Also ~80km to the north of BML's tenements is the world class Tati Nickel mine owned by Russian nickel giant Norilsk.

**TAKANE: PL54/98 - potential major new mineral province for BML.**

- At PL54/98 Takane, 23 VTEM anomalies were previously identified. This PL forms part of the JV agreement with BCL and BML expects exploration activities to commence in the December 2014 quarter. The area covers ~79 sq km and has the potential to host several discoveries for both base and precious metals. The ground is virtually unexplored and lies within the well-known Limpopo belt that extends into Botswana from Zimbabwe and is host to several world class mineral discoveries.
- A work program to test some of these VTEM anomalies is expected to be approved in the coming days for the commencement of exploration this year.
- If any of these anomalies encounter mineralisation of any significance then this belt will have the potential to open up a new major mineral province on this relatively unexplored (using modern geological techniques) eastern side of Botswana.

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## **PL59/2008 Maibele North Extension.**

- BML also has additional PLs with priority targets outside the Joint Venture, in particular “Maibele North extension”. The Board will review its options on this PL once the Maibele North drill results are known. This licence is in the process of being renewed in accordance with the Botswana Mining and Minerals Act of 1999 and should be issued shortly.
- “Maibele North Extension” has outcropping ultramafic bodies identified at surface with similar Ni+Cu+PGE exploration indicators as identified at Maibele North. Potential drill targets will be examined in 2015. BCL has a first right of refusal over this area however BML can carry out its own exploration activities over this ground.
- BML still has other interested parties looking to joint venture or assist with the exploration of this Prospecting Licence. The Board will assess and is keeping its options open regarding exploring this tenement.

### **Pat Volpe**

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*The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by BML staff on site and provided to Mr Steve Groves who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Groves is a consulting geologist to BML and has previously been employed as the Exploration Manager at BML. 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*

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*'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Groves consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

### **About BCL Limited**

BCL Limited ("BCL") is a world-class Botswana nickel mining and smelting operation owned by the Botswana Government.

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.

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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 additional ore to the BCL mine and smelter.

There are three Prospecting Licenses (PLs) under the joint venture agreement that cover 180SQKM of BML's 1,000 SQKM exploration portfolio. The joint venture area covers three known mineralisation zones and an area to the East with twenty three VTEM anomalies. The three mineralised areas are known as Maibele North (Nickel + Copper + PGE's), Airstrip Copper (Copper + Silver) and Dibete (Copper + Silver). To the east of these mineralised areas, the PL known as Takane 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.

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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).

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