

**TO: COMPANY ANNOUNCEMENTS OFFICE  
ASX LIMITED**

**DATE: 11 JUNE 2013**

## **NON-RENOUNCEABLE RIGHTS ISSUE**

Botswana Metals Limited (“BML” or “the Company”) announces a non-renounceable rights issue to raise up to \$750,000. The funds will be used to meet the costs of both the Retention Licences (should they be granted) and implementing the Farm-in Joint Venture Agreement with BCL Investments (Pty) Ltd (“BCL”) within the Retention Licence areas. Also funds will be allocated to continue exploration on Prospecting Licences outside of the Retention Licence areas and for general working capital purposes.

**Details of the issue are as follows:**

- Two (2) new ordinary fully paid shares (“New Share”) for every five (5) shares held at the Record Date, at an issue price of one cent (\$0.01) per new share.
- For every one New Share subscribed, one (1) new option exercisable at 3 cents (\$0.03) each at any time up to 5pm AEST on 30 June 2016 (“Expiry Date”) will be issued to the subscriber at nil cost.
- The Rights Issue is expected to raise approximately \$750,000 before expenses.
- The New Shares will rank pari passu with the existing issued shares of the Company.
- The Company will apply for listing of the options on the Australian Securities Exchange.
- The issue is not underwritten, however Foxfire Capital Pty Ltd, a holder of an Australian Financial Services Licence, has been appointed to manage the placement of any shortfall on a best endeavours basis at arm’s length commercial terms. The Chairman Mr Volpe is a shareholder of Foxfire Capital Pty Ltd.

The funds will be used to:

- do all that is necessary to continue with the applications of Retention Licences over areas of BML’s previous Prospecting Licences 110/94, 111/94 and 54/98 containing the Maibele North Ni+Cu project and the Airstrip & Dibete Cu+Ag project;
- fund the costs of implementing the Farm-in Joint Venture Agreement with BCL Investments (Pty) Ltd (“BCL”) to enable BCL to conduct future exploration and evaluation of the Maibele North- Ni +Cu project and the Airstrip & Dibete -Cu+Ag project with the Retention Licence areas;

### **Market Cap**

approx \$2.6M at 1.4c per share

### **Cash**

\$434K (31 March 2013)

### **Issued Capital**

188,135,317 ordinary shares  
116,275,143 listed options at 10c

### **Substantial shareholders**

1. Vermar Pty Ltd 15.7%
2. Polarity B Pty Ltd 7.8%
3. Bell IXL Investments Ltd 5.6%

### **Directors**

Mr Patrick Volpe (Chairman)  
Mr Massimo Cellante  
(Non-executive Director)  
Dr Paul Woolrich  
(Non-executive Director)

[www.botswanametals.com.au](http://www.botswanametals.com.au)

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ABN 96 122 995 073

- fund addition exploration outside the Retention Licence areas designed to seek additional targets within BML's Botswana portfolio; and
- for working capital purposes generally.

An Appendix 3B pertaining to the issue is attached.

**Pat Volpe**  
**Chairman**

**About Botswana Metals Limited**

Botswana Metals Limited 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 2,300 sq. km all located in Botswana.

BML's objective is to discover an economic base and precious metals resource 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 for Nickel-Copper and Copper-Silver 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 anomalies that are planned to be part of the company's exploration focus in 2013.

In November 2012 BML entered into a strategic partnership by a Joint Venture with BCL Investments (Pty) Ltd ("BCL"). BCL is a major Botswana mining and smelting company owned by the Botswana Government and one of the world's largest nickel-copper producers, Norilsk Nickel. The Joint Venture agreement relates to BML's Maibele North Ni+Cu project and Airstrip Copper & Dibete Cu-Ag project. BCL has the option to fund the projects to the completion of a Bankable Feasibility Study ("BFS") to earn a 70% interest and will have off-take rights and BML will retain a 30% interest after the BFS is completed. The agreement is subject to BML being granted Retention Licences over its former Prospecting Licences 110/94, 111/94 and 54/98 by the Department of Mines in Botswana. The agreement covers approximately 143 square kilometres of BML's total exploration portfolio. BCL will have first right of refusal to participate in any exploration activity over any of BML's other Prospecting Licences.

BML has solid logistical support and the projects benefit from excellent infrastructure. The Company is managed by experienced personnel who have 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 (at Francistown and Tobane).

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

BOTSWANA METALS LIMITED

ABN

96 122 995 073

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | 1. ORDINARY SHARES<br>2. OPTIONS EXPIRING 30 JUNE 2016<br>("ATTACHING OPTIONS")                             |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 1. 75,254,127 ORDINARY SHARES<br>2. 75,254,127 ATTACHING OPTIONS  |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. FULLY PAID ORDINARY SHARES<br>2. ATTACHING OPTIONS EXERCISABLE AT 3 CENTS (\$0.03) EXPIRING 30 JUNE 2016 |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?	<ol style="list-style-type: none"> <li>1. ORDINARY SHARES WILL RANK EQUALLY WITH ORDINARY SHARES ALREADY ON ISSUE.</li> <li>2. ATTACHING OPTIONS – UPON EXERCISE THE SHARES WILL RANK EQUALLY WITH ORDINARY SHARES ALREADY ON ISSUE.</li> </ol>
	<p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	
5	Issue price or consideration	<ol style="list-style-type: none"> <li>1. SHARES – 1 CENT (\$0.01)</li> <li>2. ATTACHING OPTIONS – NIL CONSIDERATION</li> </ol>
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	RIGHTS ISSUE – FUNDS RAISED BY THE ISSUE WILL BE USED PRIMARILY TO ADVANCE EXPLORATION ACTIVITIES IN BOTSWANA AND FOR COMPANY ADMINISTRATION.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	YES
6b	The date the security holder resolution under rule 7.1A was passed	28 NOVEMBER 2012
6c	Number of +securities issued without security holder approval under rule 7.1	NIL

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+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	NIL
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	NIL
6f	Number of +securities issued under an exception in rule 7.2	NIL
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	47,033,830
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	263,389,445	ORDINARY SHARES
	75,254,127	ATTACHING OPTIONS
	116,275,143	OPTIONS ON ISSUE EXERCISABLE AT 10 CENTS (\$0.10) PER OPTION AT ANY TIME UP UNTIL 5PM AEST ON 30 JUNE 2013

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	N/A	N/A

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	THE COMPANY DOES NOT YET HAVE A DIVIDEND POLICY. PAYMENT OF FUTURE DIVIDENDS WILL DEPEND UPON THE FUTURE PROFITABILITY AND FINANCIAL POSITION OF THE COMPANY.
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**Part 2 - Pro rata issue**

11 Is security holder approval required?	NO
12 Is the issue renounceable or non-renounceable?	NON-RENOUNCEABLE
13 Ratio in which the +securities will be offered	TWO NEW SHARES FOR EVERY FIVE SHARES HELD ON THE RECORD DATE PLUS ONE ATTACHING OPTION FOR EACH NEW SHARE SUBSCRIBED.
14 +Class of +securities to which the offer relates	ORDINARY SHARES AND ATTACHING OPTIONS
15 +Record date to determine entitlements	20 JUNE 2013

+ See chapter 19 for defined terms.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	YES
17	Policy for deciding entitlements in relation to fractions	ENTITLEMENTS WILL BE ROUNDED DOWN TO THE NEAREST SHARE
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	ALL COUNTRIES IN WHICH THE ENTITY HAS SECURITY HOLDERS EXCEPT AUSTRALIA AND NEW ZEALAND
19	Closing date for receipt of acceptances or renunciations	11 JULY 2013
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	FOXFIRE CAPITAL PTY LTD WILL MANAGE THE PLACEMENT OF THE SHORTFALL, IF ANY, ON A BEST ENDEAVOURS BASIS AT ARM'S LENGTH COMMERCIAL TERMS.
23	Fee or commission payable to the broker to the issue	5%
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	26 JUNE 2013

+ See chapter 19 for defined terms.

## Appendix 3B New issue announcement

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27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	13 JUNE 2013
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	<sup>+</sup> Issue date	

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of <sup>+</sup>securities  
(tick one)

(a)  <sup>+</sup>Securities described in Part 1

(b)  All other <sup>+</sup>securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

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<sup>+</sup> See chapter 19 for defined terms.

Tick to indicate you are providing the information or documents

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

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42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

Number	+Class

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+ See chapter 19 for defined terms.



## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b><i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i></b>	
<b><i>Insert</i></b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	188,135,318
<b><i>Add</i></b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><b><i>Note:</i></b></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p style="text-align: center;">NIL</p> <p style="text-align: center;">NIL</p> <p style="text-align: center;">NIL</p>
<b><i>Subtract</i></b> the number of fully paid +ordinary securities cancelled during that 12 month period	NIL
<b>“A”</b>	188,135,318

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply</b> “A” by 0.15	28,220,298
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	NIL  NIL  NIL
“C”	NIL
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
“A” x 0.15  <i>Note: number must be same as shown in Step 2</i>	28,220,298
<b>Subtract</b> “C”  <i>Note: number must be same as shown in Step 3</i>	NIL
<b>Total</b> [“A” x 0.15] – “C”	28,220,298  <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	188,135,318
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	18,813,532
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>“E”</b>	NIL

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+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10  <i>Note: number must be same as shown in Step 2</i>	18,813,532
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	NIL
<b>Total [“A” x 0.10] – “E”</b>	18,813,532  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.