

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 13 JULY 2015

12 ADDITIONAL STEP OUT HOLES SHOWS CONFIDENCE BY BCL

The Board of Botswana Metals Limited (BML) is pleased to advise that 12 additional step out holes for 4,350m of new drilling in addition to the 8,000m drilling currently in progress has been requested by BCL, the Joint Venture partner with BML on the Maibele North Project.

These 12 additional step out holes are in addition to the 5 step out holes in the current program (2 already drilled) and will take the total drill metres in the program to 12,350m.

BML's Chairman said: "this decision demonstrates the confidence the JV partners have regarding the potential of Maibele North. Recent step out drilling has confirmed that Ni-Cu sulphide mineralisation of the type that forms the JORC inferred Nickel – Copper + PGEs resource extends at least 200m below and a further 450 m to the east from the known ore body and is still open. These additional holes further demonstrate the commitment of BCL to the project and compliment the aggressive 8000m drill program already implemented by the JV, with three rigs now on site which could be increased in the short term".

"The decision to drill 12 additional holes for 4,350 metres stepping out along strike to the east of the Maibele North Resource follows the three successful step out holes that targeted VTEM and SQUID TDEM targets that all intersected mineralisation. The same process has been used to identify the new 12 drill targets" **He said.**

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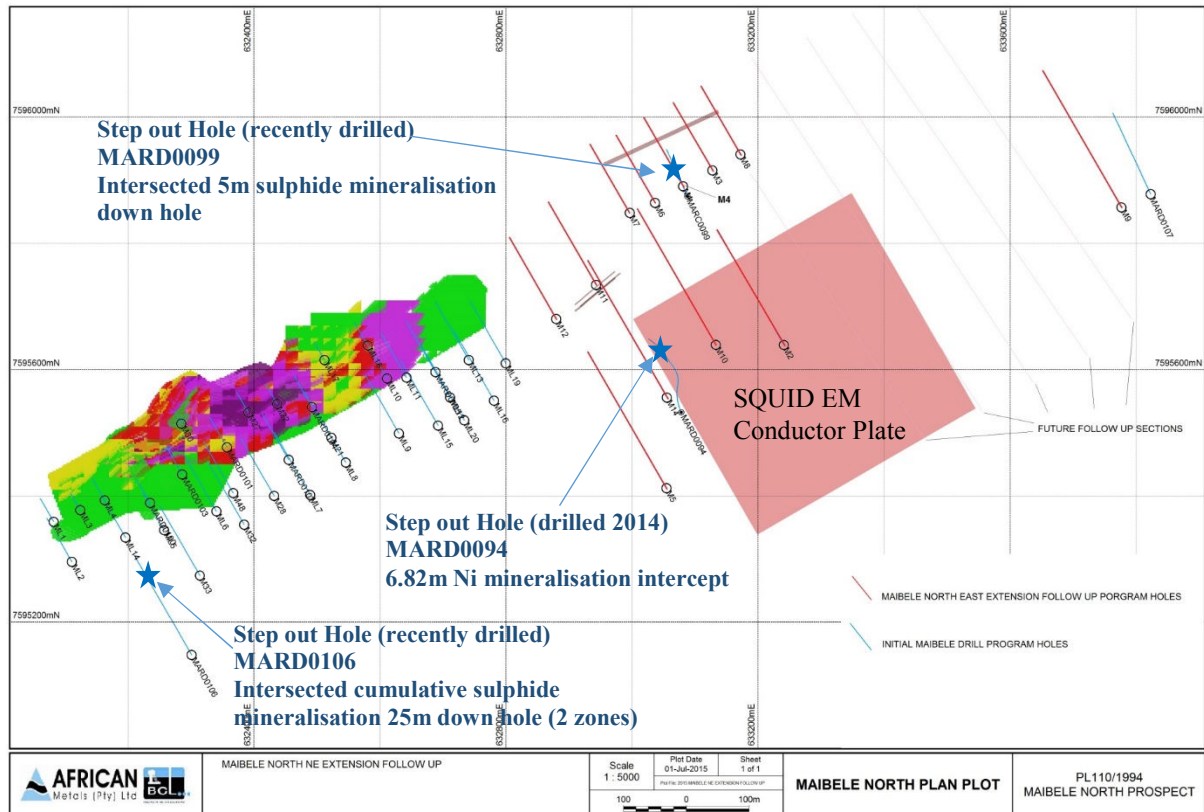


Figure 1: shows the Maibele North orebody and in red the 12 additional step out holes that will be drilled in addition to the 5 step out holes shown in blue

The Board believes this additional 4,350 m of drilling to the 8000m of drilling currently in progress is material and as this advice was only received after the closed of business on Friday by BML, the Board believes that shareholders should be given the extra week to reassess their position given this positive decision.

BML has extended the current SPP for a further week to close on 17 July 2015. The SPP issue so far has raised ~\$500,000 (as at the close of business on 10 July 2015).

Application of Funds - PL59/2008

BML is planning to apply some of these funds for exploration to identify drill targets on its 100% owned Prospecting Licence (PL 59/2008). This PL is the eastern extension along strike to the known Maibele North resource held by the JV.

PL 59/2008 has several VTEM anomalies and BML will use the SQUID TDEM technology over these to select drill targets.

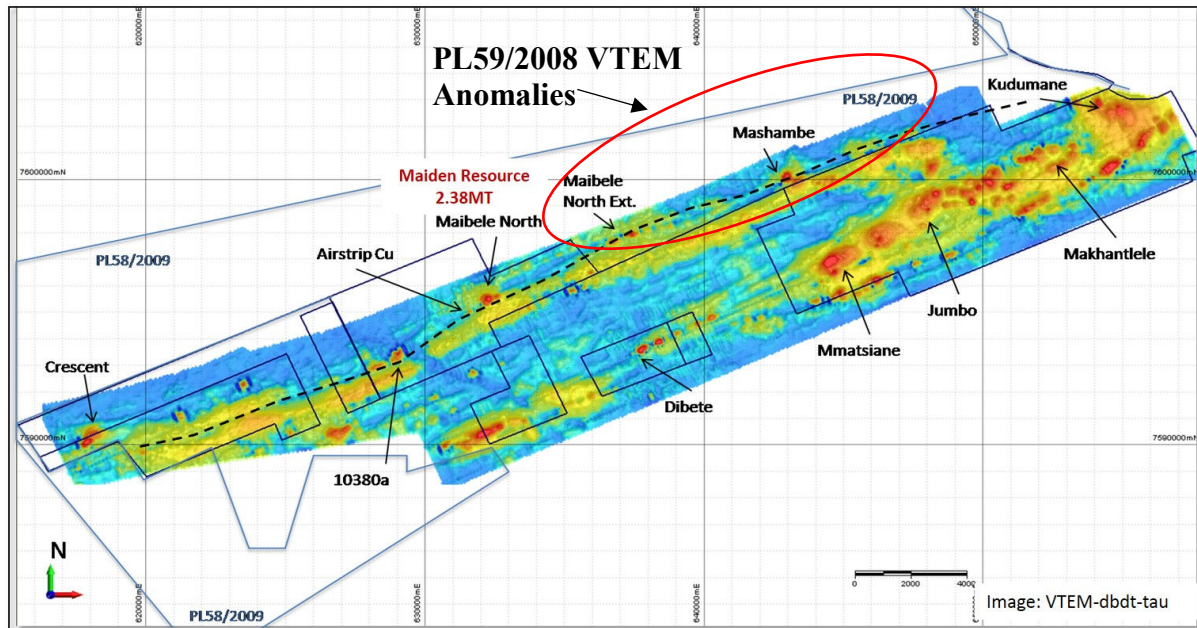


Figure 2: shows the VTEM anomalies over a potential 16km strike of which PL 59/2008 has at least two significant VTEM anomalies to be explored: named Maibele North Extension and Mashambe.

This PL is 100% owned by BML.

BML has been approached by several parties showing interest in subscribing to shares in the company outside the SPP, however the Board will review its position at the close of the SPP.

**Patrick Volpe
Chairman**

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 '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.