



ASX Code: BML

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 10 FEBRUARY 2016

**NON-RENOUNCEABLE RIGHTS ISSUE
LETTER TO OPTION HOLDERS**

Following the Company's announcement yesterday of its intention to undertake a non-renounceable rights issue to raise up to \$1,011,145 before costs, the Company releases the attached letter which has been sent to the Company's option holders.

**Pat Volpe
Chairman**

Botswana Metals Limited

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10 February 2016

«NAME1»
«NAME2»
«NAME3»
«NAME4»
«NAME5»
«NAME6»

Dear Option holder,

Notification of pro-rata non-renounceable rights issue

Botswana Metals Limited ("the Company") has announced its intention to undertake a pro-rata non-renounceable rights issue on a 7-for-9 basis at 0.2 cent (\$0.002) per new share ("the Offer") to holders of ordinary shares in the Company with a registered address in Australia or New Zealand as at 5:00pm (Melbourne time) on Thursday 18 February 2016 ("Record Date").

You hold options over unissued shares in the Company. If you want to ensure that you receive an entitlement to participate in the Offer in relation to some or all of these unissued shares (assuming you have a registered address in Australia or New Zealand), you will need to exercise the appropriate number of your options by Tuesday 16 February 2016 to allow sufficient time before the Record Date to allow the underlying unissued shares to be issued to you.

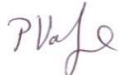
In determining whether or not to exercise some or all of your options, you should take into account all relevant information, having regard to your own objectives, financial situation and needs. You should also consider that the exercise price for your options is above the current ASX price for shares in the Company, and above the issue price under the Offer.

You are encouraged to read in full the Company's Offer Document containing the terms of the Offer which will be lodged with the Australian Securities Exchange ("ASX") on Friday 12 February 2016 together with the Company's announcements released to the ASX. A copy of the Offer Document will be available on the ASX website at www.asx.com.au (ASX: BML).

The timetable for the Offer is subject to change and is indicative only. The Company reserves the right to amend the timetable including, subject to the Corporations Act and the ASX Listing Rules, extending the closing date. The Company also reserves the right not to proceed with the whole or part of the Offer at any time prior to the issue date.

If you have any queries please contact the Company on (03) 9855 1885.

Yours sincerely,
Botswana Metals Limited



Pat Volpe
Chairman

Botswana Metals Limited

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