BOTSWANA Metals Limited

ABN 96 122 995 073

ASX Code: BML

TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED

DATE: 5 OCTOBER 2015 "THIS IS A PRIORITY ITEM"

NEW NICKEL & ZINC TARGETS FOR 100% OWNED PL 59

SUMMARY OF FINDINGS: FOR PL 59/2008 - 100% OWNED BY BML

ZINC AT PL 59:

NEW ZINC ANOMALIES CONFIRMED

- Highly elevated Zinc geochemical anomalies identified on PL 59 at Mashambe project.

SQUID TECHNOLOGY FINDS NUMEROUS NICKEL DRILL TARGETS FOR PL 59:

- Squid EM surveys identify numerous strong conductors along strike of Maibele North (at least 6 EM conductors).
- The EM anomalies are only 4km east of the Maibele North JORC Ni +Cu+ PGE's resource (JV between BML & BCL Limited).
- Drilling is planned in October 2015 on 100% owned PL.

Media Statement: BML's Chairman Mr Pat Volpe said "All Squid EM anomalies recently drilled around Maibele North by the JV have intersected Ni & Cu sulphide mineralisation."

"If planned drilling at PL 59 hits sulphide mineralisation, this will open up the potential for a substantial increase to the known mineralisation and confirm the size of a significant strike length extending to the east of the Maibele North JV ground into the 100% owned BML licence PL 59."

"A new and additional project focus will be born for our company." Mr Volpe said.

The Board of Botswana Metals Limited is extremely excited by the positive SQUID results on its 100% owned PL 59/2008 (PL 59). These strong results are reminiscent of the features indicative of Ni-sulphide mineralisation at Maibele North and should drilling of the new targets be successful it will signify a new discovery zone and open up the potential for further discovery on BML's 100% owned ground.

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Several elevated Zinc geochemical anomalies were also identified.

Details:

Botswana Metals Limited is pleased to advise that results and interpretations from the SQUID EM surveys recently undertaken on BML's 100% owned prospecting licence PL 59/2008 (PL 59) during have been received.

The SQUID TDEM program was undertaken over 3 prospects on PL 59 that are interpreted to lie directly along strike from Maibele North where the SQUID has been used to great effect in discovering additional mineralisation. The surveys detected significant conductors at all three prospects and will be followed up by a drilling program designed to test the highest priority targets.

Survey Highlights:

- A total of 6 significant isolated conductors detected across the 3 prospects.
- Depth to top of conductors range from 155m to 240m.
- Cumulative strike length of the 6 conductors is over 2km.
- All conductors are in favourable structural settings associated with ultramafic intrusions and anomalous geochemistry.
- To date every SQUID anomaly drilled at Maibele North has intersected Sulphides.
- A focused drill program targeting the highest priority conductors is planned.

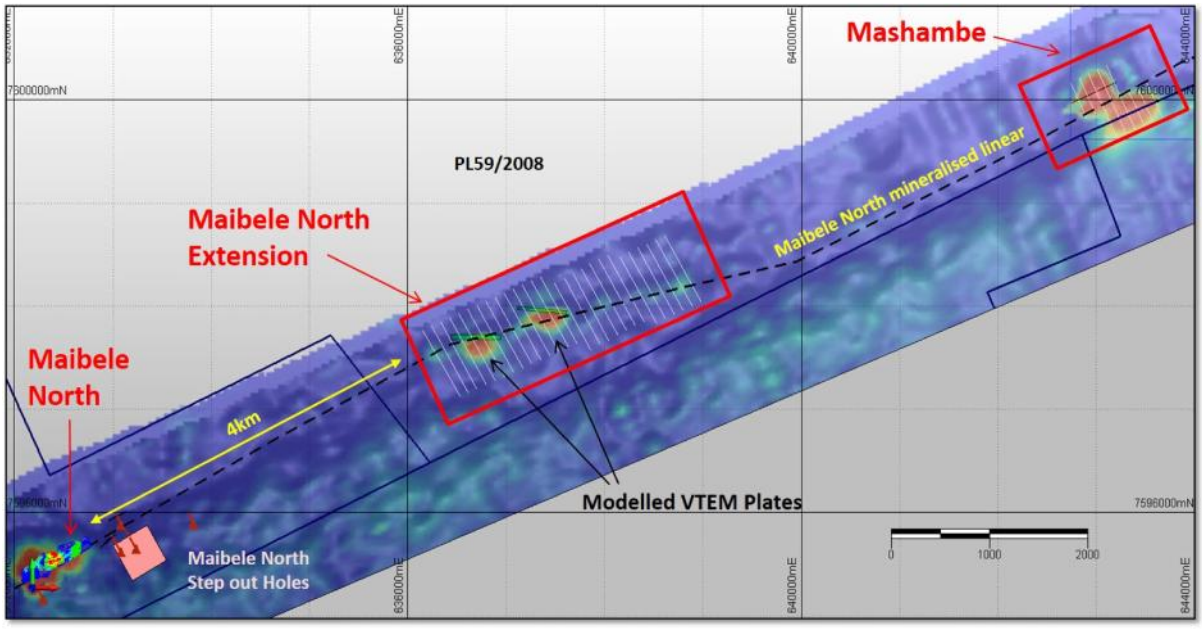

Figure 1: VTEM image showing the position of the PL 59 prospects along strike from Maibele North.

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Program Details:

PL 59/2008 is a particularly attractive exploration target because it contains a number of prospects that lie along strike from Maibele North on a geological horizon that is interpreted to be a preferential host to Ni - Cu mineralisation in the district.

The PL contains three priority prospects, Maibele North Extension, Mashambe and Mashambe NE that all show good indicators of potential Ni + Cu mineralisation similar to that displayed at Maibele North and have been discovered through soil geochemical surveys, geological mapping and airborne VTEM surveys.

The prospects lie along an interpreted geological horizon that contains a number of Ni + Cu occurrences including the Maibele North Resource, with Maibele Extension some 4 km east of Maibele North and Mashambe a further 6km east of Maibele North Extension.

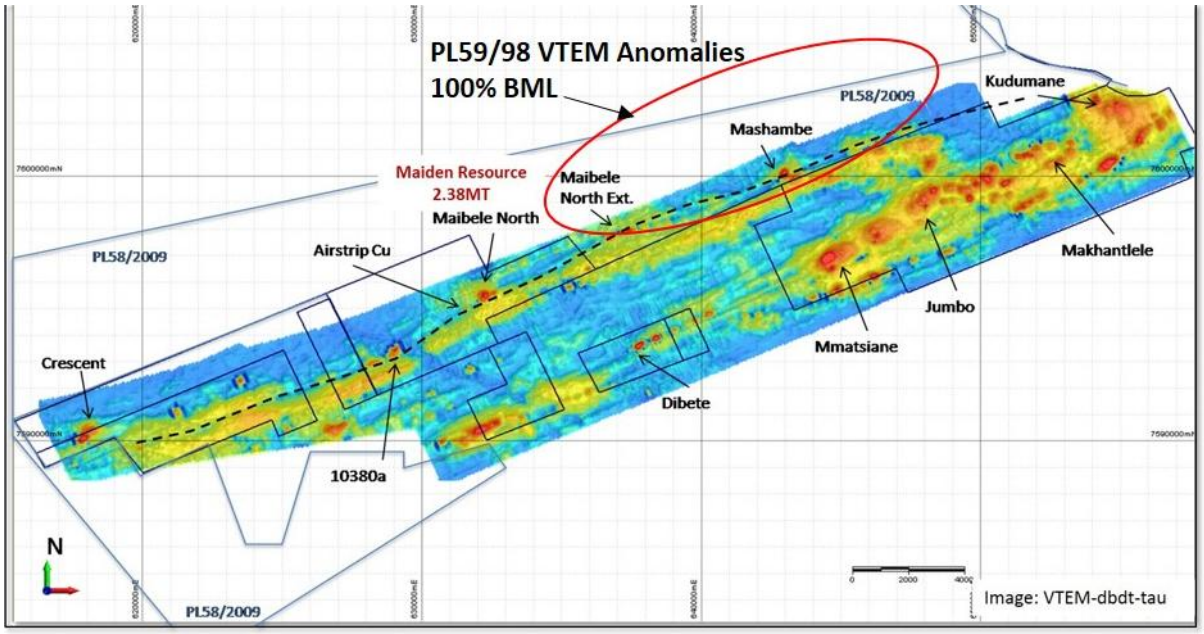

Figure 2: Shows the potential strike length and its direction through BMLs 100% owned PL 59/2008. The three VTEM anomalies show up in red at Maibele North Extension and Mashambe.

Spectral Geophysics from Gaborone, Botswana, was commissioned to undertake the program that included a total of six separate loops across the 3 prospects: 4 at Maibele North Extension and 1 each at Mashambe and Mashambe NE. Spectral Geophysics were the contractors who successfully identified new conductors currently being drilled at nearby Maibele North.

The details of the survey and loops are:

- SENSOR – Jena Jesse Deep 3 component SQUID.
- RECEIVER – Emit SMARTEM24 16 Channel.
- TRANSMITTER – Monex Geoscope tx50.

- TRANSMITTER LOOP SIZE – 800m X 500m.
- LINE SPACING – 150m.
- LINE LENGTH – 1000m.
- STATION SPACING – 50m with 25m infill.
- TRANSMITTER BASE FREQUENCY – 1 Hz.

Results

Maibele North Extension – Four Loops (E1, E2, E3, E4)

- 3 isolated, discreet conductors defined from loops E1,E2,E4.
- Cumulative total strike length of conductors ~ 900m.
- Conductance increases from west to east.
- Average depth to top of conductors in the range 110 -165m.
- Average dip of conductors in the range 57° - 75°.
- Conductance of plates for E1, E2 in the range 100s – 500s.
- Conductance of plates for E4 >1500s.

Additional Prospect Information

- ~4km from Maibele North.
- Ultramafic Rocktypes present.
- Two modelled VTEM Conductors – 11420a, 11470a.
- Favourable Cu and Ni soil geochemical anomalies.

Mashambe – One Loop (E1)

- 2 isolated, discreet conductors defined from loop E1 (one of which could be related to casing stuck in old drill hole).
- Total strike length of conductors ~ 700m.
- Average depth to top of conductors in the range 220 -240m.
- Average dip of conductors in the range 66° - 71°.
- Average conductance of plates in the range 280s – 310s.

Additional Prospect Information

- 10km from Maibele North, 6km from Maibele North Extension.
- Ultramafic Rocktypes present.
- Associated modelled VTEM Conductor – 11870b.
- Favourable Cu and Ni soil geochemical anomalies.

Mashambe North East – One Loop (E1)

- 1 isolated, discreet conductor defined from loop E1.
- Total strike length of conductor ~ 440m.
- Average depth to top of conductor in the range 155 -170m.
- Average dip of conductors in the range 70° - 80°.
- Average conductance of plates in the range 300s – 460s.
- Good conductor with favourable structural setting.
- Conductor located just within the JV tenement PL 54/98.

Additional Prospect Information

- 15km from Maibele North, 4km from Mashambe.
- Ultramafic Rocktypes present.
- Associated modelled VTEM Conductor 12100a.
- Favourable Cu and Ni soil geochemical anomalies.

Mashambe: Zinc geochemical anomalies:

It should also be noted that highly elevated Zinc soil geochemical anomalies exist at Mashambe and rock chips of up to 0.79g/t Au have been collected at Mashambe Northeast. These, along with any other features of interest will be followed up in the course of the exploration program.

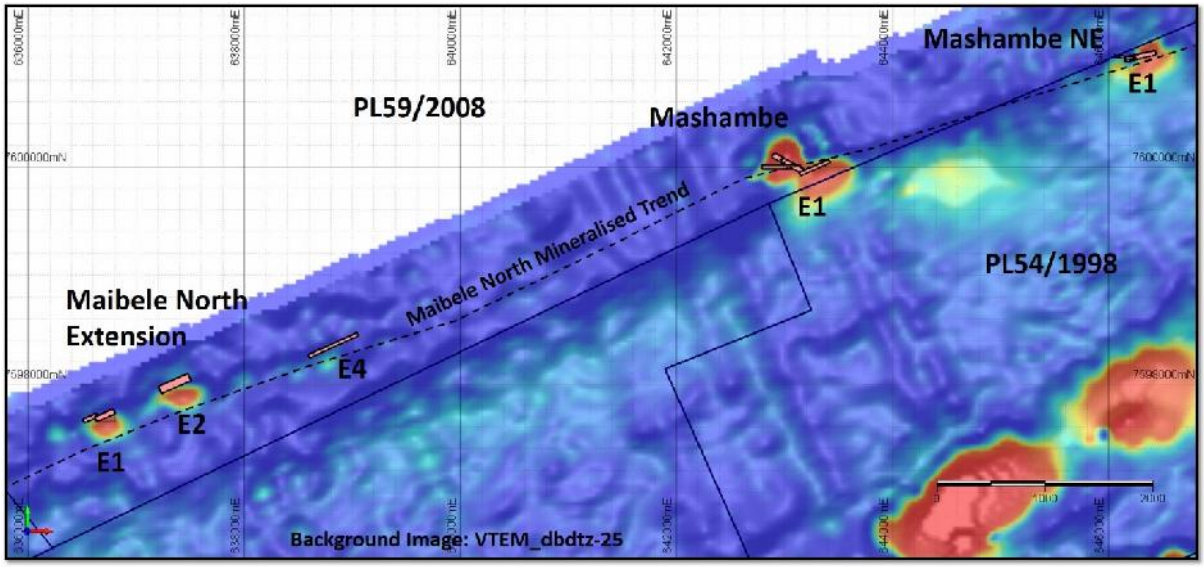

Figure 3: Location of the PL 59 SQUID conductors (pink rectangles) at the 3 prospects over the regional VTEM image.

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Proposed Drill Program

An initial program of 3 drill holes for 775m is proposed to test the conductors at Maibele North Extension. These conductors rank as the highest priority targets due to:

- Close proximity along strike to Maibele North.
- Multiple conductors of increasing conductivity (to over 1500s).
- Shallow depth (~165m).
- Multiple targets of a cumulative strike to 900m – possibly indicates a large system with potential for numerous orebodies.

The drill program is expected commence in October 2015 and the market will be informed when drilling commences.

SQUID EM TECHNOLOGY:

A SQUID (superconducting quantum interference device) is a very sensitive magnetometer used to measure extremely subtle magnetic fields, based on superconducting loops containing Josephson junctions. The SQUID technology has many uses and is often employed in the medical industry in such application as Magnetic Resonance Imaging (MRI). In minerals exploration, the SQUID EM technique can be used to accurately detect very deep conductors potentially associated with sulphide accumulations.

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.

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APPENDIX 1 – JORC Code, 2012 Edition – Table 1

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.*	• **Sample geochemical data referenced in this release are from surface soil sampling programs.** • **Where referenced, soil samples are taken at regular spacing from an appropriate grid across a prospective area** • **The top 5cm of material above and below the site must be removed to avoid contamination issues. Samples to be taken from the B horizon at depths of approximately 30 - 45cm.** • **Soil is then taken from the bottom of the pit and a 2Kg bulk sample (approx.) will be taken at each site. Sample preparation will vary from project to project. Samples may be sieved to separate the coarse and fine fractions for analysis** • **The parameters describing this sample location are collected on the soil sample sheet and these must be completed as fully as possible** • **The Sample_ID should be confirmed with the sample location. The Sample_ID must be written on the outside of the kraft geochem packet. A sample ticket must be dropped into the geochem envelope.** • **The sample ticket tag must be completed with the Data and Time of Sampling and the person who sampled. It must be completed in PEN, not in pencil.** • **Do not wear jewellery.** • **All soil samples referenced in this release were assayed at an independent laboratory (ALS, South Africa) via the AQUA-REGIA ACID DIGESTION AND ICP-AES method before interpretation** • **No new drilling has been referenced in this release. Any reference to drill holes relates to historic holes.**

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CRITERIA	JORC Code Explanation	Commentary
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.).*	• **No new drilling has been referenced in this release. Any reference to drill holes relates to historic holes.** • **Historic holes have been either NQ core, HQ core or Reverse Circulation percussion methods**
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.*	• **No new drilling has been referenced in this release. Any reference to drill holes relates to historic holes.**
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.*	• **No new drilling has been referenced in this release. Any reference to drill holes relates to historic holes.**
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.*	• **No new drilling has been referenced in this release. Any reference to drill holes relates to historic holes.** • **For soil sampling:** • **The insertion of QA/QC samples is undertaken. Blanks, standards or field duplicates are added approximately every twenty samples. Good blank material is pool filter sand. Low grade standards are recommended over high grade as the assay values are likely to be at lower levels.** • **Field duplicates must be a portion of a larger sample collected in the field so as to reflect a good reproducibility (i.e. collect sample, sieve and split into two samples, one original and one duplicate).**

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CRITERIA	JORC Code Explanation	Commentary
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• **Any new soil results discussed in this release have been analysed in the field using a handheld XRF machine.** • **The details of the instruments used include:** • **Olympus Innov-X Delta Premium portable XRF analyzer is used with a Rhenium anode in soil and mines mode at a tube voltage of 40kV and a tube power of 200µA. The resolution is around 156eV @ 40000cps. The detector area is 30mm2 SDD2. A power source of Lithium ion batteries is used. The element range is from P (Z15 to U (Z92). A cycle time of 120 seconds Soil Mode was used and beam times were 40 seconds. A propylene3 window was used. No calibration factors were applied.** • **Blanks and standards are analysed at after every 5th XRF sample.** • **Surface XRF analysis of this type is used to determine element anomalism relative to a regional background. Concentrations are considered approximate only and anomalism is determined as statistically relative to the determined regional background levels.**
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.*	• **The data were examined by the senior personnel on site.** • **The primary data were audited and verified and then stored in a SQL relational database.** • **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.*	• **The data were recorded in longitude/latitude WGS84.** • **The terrain is largely flat.** • **Soil sampling points and geophysical survey lines are located on the ground using a handheld GPS with an accuracy of <5m** • **All historic drillholes have been surveyed using DGPS with an accuracy of <1m.**
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.*	• **Soil Samples are typically taken from a grid established over the prospective area.** • **Sample lines are spaced is at an interval deemed appropriate to cover the features of interest (e.g. 200m or 100m)** • **Sample spacing along lines is at an interval deemed appropriate to cover the features of interest (e.g. 50m**

CRITERIA	JORC Code Explanation	Commentary
		spacing) • Areas of anomalous response are often followed up with infill soil sampling lines between the original lines (e.g.100m or 50m spacing)
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.*	• **Soil sample lines are generally orientated perpendicular to the geological or interpreted structural or mineral trends of interest** • **Sample spacing along lines is at an interval deemed appropriate to cover the features of interest (e.g. 25m, 50m or 100m spacing)**
Sample security	• *The measures taken to ensure sample security.*	• **Samples were taken and transported by BML personnel to the BML site office Prior to analyses the samples are locked in the BML office**
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• **The data were examined by the independent consultant Mr. Steve Groves of Perth in Australia and considered appropriate**

Section 2 Reporting of Exploration Results

(Criteria in this section apply to all succeeding sections)

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 PL 59/2008 which is a granted Exploration Licence held by African Metals (Pty) Ltd, a 100% owned subsidiary of Botswana Metals Limited.** • **PL 59/2008 is 100% owned by African Metals (Pty) Ltd and is not subject to the Joint Venture agreement with BCL Limited.** • **PL 59/2008 expires on 30 September 2016 and is currently 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 Cardia Mining and Botswana Metals.** • **Botswana Metals considers all previous exploration work to have been undertaken to an appropriate professional standard.**

CRITERIA	JORC Code Explanation	Commentary
Geology	- *Deposit type, geological setting and style of mineralisation.*	• **The Prospecting Licence PL 59/2008 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.**
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**
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*	• **N/A**

CRITERIA	JORC Code Explanation	Commentary
	metal equivalent values should be clearly stated.	
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').*	• **N/A**
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 sectional views.*	• **Plan view and/or cross section maps of the reported exploration results 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 be practiced to avoid misleading reporting of Exploration Results.*	• **No grades or drill intercepts are referred to in this announcement.** • **Reference is made to interpreted geophysical and/or geochemical anomalies that have been delineated by relative comparisons to background responses.**
Other substantive exploration data	- *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• **Interpretations in this release have incorporated data, images and models from airborne and ground geophysical surveying.** • **In 2011, a comprehensive helicopter-borne VTEM (Versatile Time Domain Electromagnetic) Survey was undertaken across BML's tenements in Botswana** • **The survey included the collection of EM, magnetic and terrain data.** • **Flight height - 75m** • **Line Spacing – 150m** • **Data processing and model construction was undertaken offsite by consultant geophysicists** • **In 2015, ground geophysical surveys were undertaken using the SQUID EM technology. These were fixed loop surveys recommended by the consultant geophysicist. All processing and modelling of data was**

CRITERIA	JORC Code Explanation	Commentary
		completed off site by Cas Lotter of Spectral Geophysics, Gaborone, Botswana. • **The details of the survey and loops referred to in this document are:** o **SENSOR – Jena Jesse Deep 3 component SQUID** o **RECEIVER – Emit SMARTEM24 16 Channel** o **TRANSMITTER – Monex Geoscope tx50** o **TRANSMITTER LOOP SIZE – 800m X 500m** o **LINE SPACING – 150m** o **LINE LENGTH – 1000m** o **STATION SPACING – 50m with 25m infill** o **TRANSMITTER BASE FREQUENCY – 1 Hz**
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.*	• **This announcement describes the immediate work program for BML's regional exploration areas.** • **Early stage work such as geological mapping, soil sampling and ground geophysics will be undertaken with a view to generating drill targets in prospective areas**