

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 25 MARCH 2014

SHARE PLACEMENT

Botswana Metals Limited (ASX: BML) ("Company" and "BML") is pleased to announce that it has appointed Foxfire Capital Pty Ltd to manage a placement to raise \$500,000 (before costs) by the issue of 62,500,000 fully paid ordinary shares at \$0.008 per share with one free listed option (ASX: BML0B) exercisable at \$0.015 cents at any time up to 31 December 2016.

The issue will be made to professional and sophisticated investors pursuant to Section 708 of the Corporations Act 2001 with the shares to be issued under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

The free attaching one-for-one options (62,500,000) will require the approval of shareholders and a Notice of Extraordinary General Meeting will be dispatched shortly.

The issue is expected to be completed before the close of business on Friday 28 March 2014 with the majority of the investors participating being existing shareholders who have expressed strong support for the Company.

Investors have been very keen to participate in the placement and interest to date has exceeded the \$500,000 that the Company had sought to raise.

An Appendix 3B will be lodged once the shares have been issued.

Use of proceeds from the Placement

The funds raised from the Placement will provide working capital to fund the Corporate and Administration expenses of the Company for at least the next 12 months.

Immediate Exploration Activity

The Company's exploration activities will be focussed on the three major prospecting licences ("PLs") that are the subject of the Farm-In Joint Venture Agreement with BCL Limited.

BCL Limited is a world class Botswana mining and smelting operation owned by the Botswana Government and Norilsk Nickel.

Botswana Metals Limited

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Under the agreement BCL can spend a minimum of \$4M over two years to earn a 40% interest in PL 110/94, PL 111/94 and PL 54/98 and can increase its interest to 70% by funding the projects on these PLs to the completion of a Bankable Feasibility Study.

It is expected that the Joint Venture will commence a drilling program currently being formulated for Maibele North (Nickel + Copper + Platinum Group Elements) early in the next quarter (June 2014 quarter).

A proposed drill program for Airstrip copper (500 m to the West) and at Dibete (7 km to the South) is also being planned with a drilling plan to be completed shortly.

A review of the Company's other PLs is being conducted with a view of possibly farming out these other projects.

The Board wishes to thank all existing and new shareholders for their support.

Mr Patrick Volpe
Chairman

About BCL Limited

BCL is a mining and smelting company owned by the Botswana Government (94%) and Norilsk Nickel (6%). The company commenced operations in 1959 and is now one of the largest employers in Botswana.

BCL produces two types of finished matte containing nickel, copper and cobalt, and precious and platinum group metals to a smaller extent. The Selebi Phikwe ore deposits are owned and operated by BCL.

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) Ltd, a wholly owned subsidiary of BCL, has entered into the joint venture agreement with BML.

About 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 1,500 square 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 that 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

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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.

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 Selebi Phikwe).

About Foxfire Capital Pty Ltd

Foxfire Capital Pty Ltd ("Foxfire") holds Australian Financial Services Licence No. 390210. Mr Pat Volpe is a major Shareholder and Director of Foxfire. Fees payable to Foxfire for managing and assisting in the raising of the placement funds are at commercial rates (5% of funds raised). Mr Volpe and the other Directors and Shareholders of Foxfire will not participate in the share placement.

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