

ASX Code: BML

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 7 DECEMBER 2015

MARKET UPDATE – BCL JOINT VENTURE

The Board of Botswana Metals Limited (ASX: BML) advises that it will apply to the Department of Mines in Botswana (“DOM”) to extend PL 110/94, PL 111/94 and PL 54/98 (“the three PLs”) ahead of the licence expiry date of 31 March 2016.

The three PLs are currently subject to a Farm-in Joint Venture Agreement with BCL Limited.

WorleyParsons Limited (ASX: WOR) have been appointed by the Joint Venture and are in the process of completing a Pre-Feasibility Study ahead of a decision to proceed to a Technical Study and an Environmental Impact Assessment, as required by the DOM, to support a Mining Licence application.

The Pre-Feasibility Study is now expected to be completed in the first quarter of 2016.

Accordingly BCL and BML have agreed that BML will apply for an extension of the three PLs pursuant to the *Mines and Minerals Act 1999* of Botswana (as amended) to allow sufficient time to complete the necessary detailed reports required to support a Mining Licence (or Retention Licence) application should the Pre-Feasibility Study justify BCL approving such an application.

It is expected that the WorleyParsons Pre-Feasibility Study report will also reassess the current JORC-compliant inferred resource estimate at Maibele North that was calculated in early 2015. The new estimate will incorporate the results from the 2015 drilling program undertaken at PL 110/94 that has been ongoing since the release of the initial JORC resource estimate (over 10,000m has been drilled in 2015).

The objective is to reclassify the resource to a JORC category required to submit a Mining Licence application (indicated and/or measured) and determine if the additional drilling in 2015 supports a potential material increase in the resource tonnage.

It is expected that BCL will meet their expenditure commitment in 2016 and earn a 40% interest in the three PLs as per the terms of the Farm-in Joint Venture Agreement.

The market will be kept informed as to progress.

Pat Volpe
Chairman

Botswana Metals Limited

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About the BCL Farm-In Joint Venture on PL 110/94, PL 111/94 and PL 54/98

BCL Investments (Pty) Limited ("BCL"), a wholly owned subsidiary of BCL Limited, under the Farm-in Joint Venture Agreement, can spend an initial AUD\$4 million on a drilling program to earn 40% of the three PLs. BCL has the option to continue to fund the projects to the completion of a Bankable Feasibility Study ("BFS") to earn a 70% interest.

The Company will retain a 30% interest after the BFS is completed, at which time the management of the projects will be transferred to BCL.

BCL Limited is 100% owned by the Government of Botswana.

About WorleyParsons Limited

WorleyParsons delivers projects, provides expertise in engineering, procurement and construction and offers a wide range of consulting and advisory services. The company covers the full lifecycle, from creating new assets to sustaining and enhancing operating assets, in the hydrocarbons, mineral, metals, chemicals and infrastructure sectors. WorleyParsons is listed on the ASX – ticker symbol WOR.

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