

DATE: 19 AUGUST 2014

ASX Code: BML

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

SGS S.A selected to process Maibele North drill samples.

The Board of Botswana Metals Limited is pleased to advise that 286 diamond drill core samples will be despatched today from BCL Limited (“BCL”) to SGS S.A, a global corporation with independent laboratory (“lab”) operations in South Africa (SGS South Africa Pty Ltd, (“SGS”)).

The diamond drill core samples will be analysed by SGS for grade by metres intercepted, mainly for nickel, copper, platinum group elements, and other base metals. The drill core samples will also be analysed for metallurgical (“met”) test work for compatibility to the BCL plant and smelter.

The turnaround time for the lab results is expected to be in the order of four weeks, however this time estimate should be seen as a guide only, as other unforeseen factors may arise.

The samples to be despatched include the eight met holes completed as part of the initial 30 drill hole (6000 metre) program.

The market will be informed of the independent lab results as soon as they are known.

About SGS S.A:

SGS S.A. (formerly Société Générale de Surveillance) is a multinational company headquartered in Geneva, Switzerland which provides inspection, verification, testing and certification services. It has more than 80,000 employees and operates over 1,650 offices and laboratories worldwide.

The services offered by SGS include the inspection and verification of the quantity, weight and quality of traded goods, the testing of product quality and performance against various health, safety and regulatory standards, and to make sure that products, systems or services meet the requirements of standards set by governments, standardization bodies or by SGS customers.^[2]

The Joint Venture will utilise the services of SGS operations located in Johannesburg, South Africa, as an independent laboratory. They are recognized as the global benchmark for quality and integrity.

Pat Volpe
Chairman

Botswana Metals Limited

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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.

About BCL Limited

BCL Limited ("BCL") is a world-class Botswana nickel mining and smelting operation owned by the Botswana Government

The company commenced operations in 1959 and is now one of the largest private sector employers in Botswana.

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

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) Limited is a wholly owned subsidiary of BCL Limited. BCL employs approximately 5,000 people in the township of Selebi Phikwe that has a population of 50,000.

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

BCL Investments (Pty) Limited ("BCL"), under the joint venture agreement, can spend an initial AUD\$4 million on a drilling program to earn 40% of the projects over these areas. BCL has the option to

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continue to fund the projects to the completion of a Bankable Feasibility Study (“BFS”) to earn a 70% interest.

At that point BCL will have the off-take rights at commercial prices, to any ore mined. It is planned to truck ore to the BCL smelter operations at Selebi Phikwe for processing, which is situated 55 km to the southwest of our projects.

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.

The longevity of the BCL mine is dependent on additional ore outside of its existing Nickel resources being made available. BML is in a prime position to potentially provide additional ore to the BCL mine and smelter.

There are three Prospecting Licenses (PLs) under the joint venture agreement that cover 180SQKM of BML’s 1,000 SQKM exploration portfolio. The joint venture area covers three known mineralisation zones and an area to the East with twenty three VTEM anomalies. The three mineralised areas are known as Maibele North (Nickel + Copper + PGE’s), Airstrip Copper (Copper + Silver) and Dibete (Copper + Silver). To the east of these mineralised areas, the PL known as Takane has the twenty three VTEM anomalies recently identified and will be the subject of further exploration in this untested zone.

About Botswana Metals Limited:

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 1,000 sq. km all located in Botswana.

BML’s objective is to discover an economic base and precious metals deposit in eastern Botswana on the well-known Limpopo Belt, which 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 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.

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55km to the south of the three discoveries is the BCL Limited mine and smelter. BML entered into a farm in agreement with BCL that became effective on 1 April 2014. BML has solid logistical support and the projects benefit from excellent infrastructure.

The Company is managed by experienced personnel with 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 (Selebi Phikwe).

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