

TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED

DATE: 5 JULY 2016

BCL to exercise pre-emptive right over BML 100% owned PL 59/2008

The Board of Botswana Metals Limited ("BML") is pleased to advise that BCL Limited intends to exercise its pre-emptive right under the farm-in joint venture agreement over the 100% owned PL 59/2008 (PL 59).

PL 59 is to the east of the Maibele North JORC-compliant (2012) inferred resource and within the 16 km mineralised horizon along strike and, as previously announced, has potential to host additional sulphide mineralisation for Nickel + Copper + Cobalt and PGE's.

On 27 June 2016 BML announced that BCL will proceed with the Bankable Feasibility Study for Maibele North's JORC compliant resource which will focus initially on an open pit mining model at Maibele North.

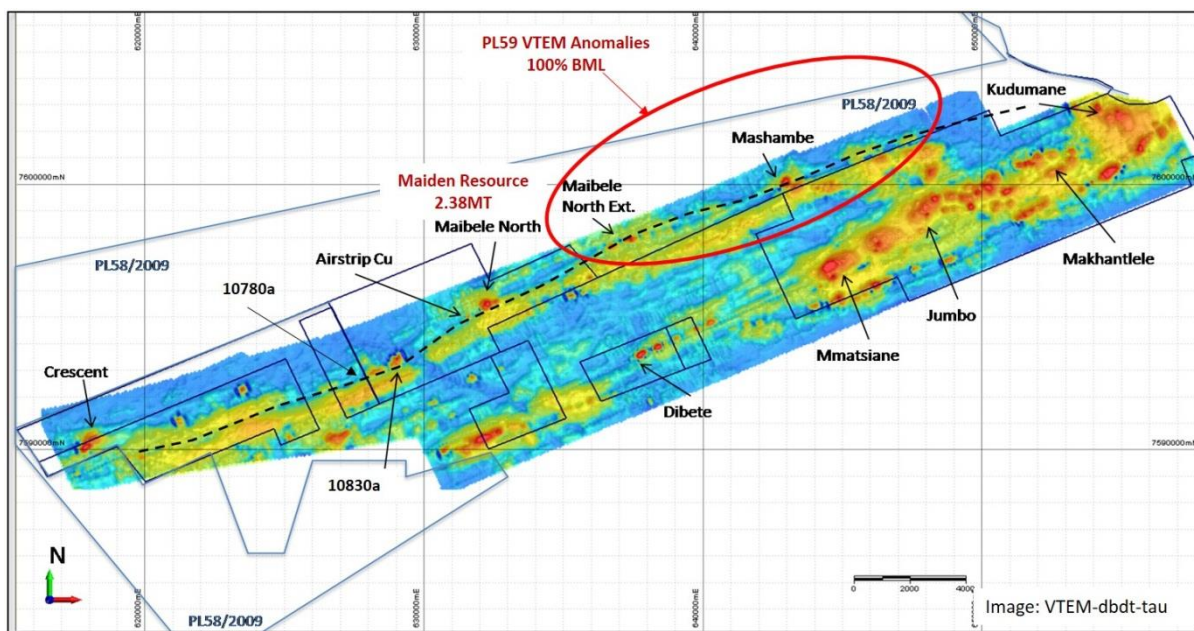


Figure 1: Regional VTEM image showing the interpreted 16km long mineralised horizon that hosts the Maibele North deposit with the conductive anomalies along strike on PL 59/2008.

BML has lodged an application with the Department of Mines in Botswana for an extension of PL 59 and the market will be kept informed as the JV agreement is formalised to incorporate PL 59 into the JV once notice of the extension is received (expected in early 2017).

Patrick Volpe
Chairman

Botswana Metals Limited
Mailing Address Suite 3, 16 Cotham Road, Kew, Victoria 3101
Registered Office Suite 506, Level 5, 1 Princess Street, Kew, Victoria 3101
P: +61 3 9855 1885; F: +61 3 9855 2885
Email info@botswanametals.com.au
www.botswanametals.com.au