

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 18 July 2016

TANTALUM (TA) – LITHIUM (LI) EXPLORATION BEGINS

The Board of Botswana Metals (“BML”) is pleased to advise that exploration for pegmatite-hosted tantalum-lithium mineralisation has commenced on the Company’s tenements in eastern Botswana. Ground exploration is focused on locating pegmatites as well as determining the source of the extremely strong historical tantalum stream sediment anomalies (*BML ASX release 23/05/2016*).

Work has commenced with geological mapping in areas of historically anomalous tantalum, particularly where anomalies are coincident with outcropping felsic lithologies. Although much of these areas are covered by a thin veneer of soil, initial mapping has already identified pebbles and float of pegmatitic material (Figure 1).

Follow up work including grid-based soil sampling and exploration trenching will be undertaken in priority Ta-anomalous areas. Any areas containing verified Ta or Li mineralisation will ultimately be drill-tested.

Soil Sampling Program

A soil sampling programme has commenced on four target areas which were initially defined by historical stream sediment anomalies. Table 1 and Figure 2 below show the program details.

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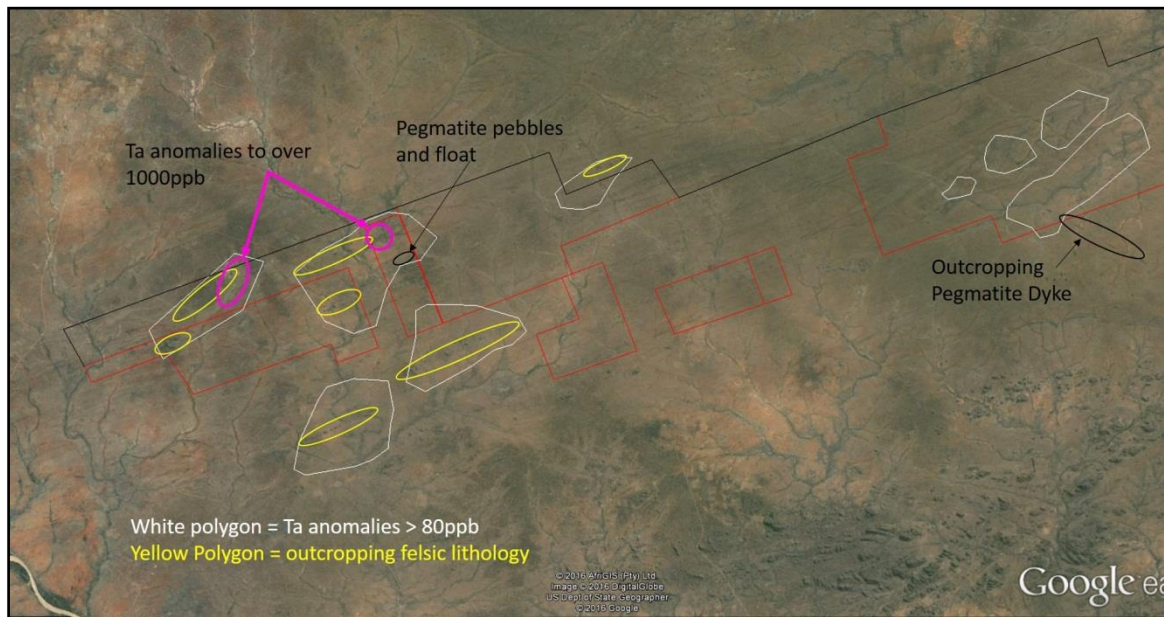


Figure 1: Areal view of BML's tenements in Eastern Botswana showing areas of tantalum anomalism (white polygons > 80ppb, purple polygons > 1000ppb), outcropping felsic rocks (yellow polygons) and areas containing pegmatitic outcrop and/or float (black polygons)

Table 1: Details of proposed soil sampling

TARGET	No. OF Lines	SAMPLES	LINE SPACING	SAMPLE SPACING	DAYS TO COMPLETE
1	43	1804	200	50	22
2	17	884	200	50	11
3	30	840	200	50	10
4	30	600	200	50	8
TOTAL	120	4128			51

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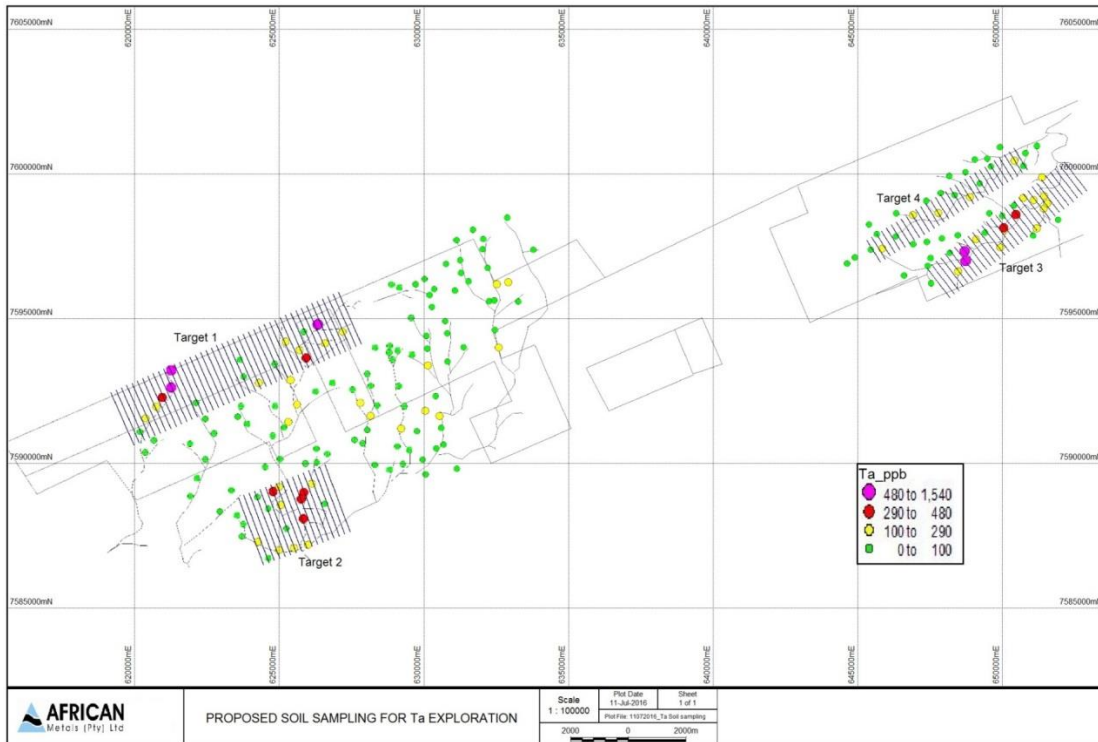


Figure 2: A map showing soil sampling grids planned over stream sampling anomalies

BML is extremely encouraged by the positive start to the Company’s refocused strategy for the discovery of “new age metals” and will keep the market informed on the progress of exploration as results come to hand.

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 Geoscientists. 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.