

ASX Code: BML

TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED

DATE: 15 AUGUST 2016

**Progress report: Takane drill program in East Takane to test
new anomalous zones for Nickel + Copper +Cobalt +PGEs**

HEADLINES:

Progress on Drill program managed by BCL Limited (joint venture partner):

- Drill pads now cut and cleared for drilling.
- The Diamond drill rigs arrived on site last week.
- Drill rig logistics and services requirements have now been completed.
- Mmats1 at Takane (PL 54/98) has been selected for the first drill hole.
- The target depth is 425m.
- Target is for Nickel + Copper +Cobalt +PGEs.

The Board of Botswana Metals (“BML”) is pleased to report that BCL Limited (JV partner) has advised that they will today commence the first drill hole at the Mmats1 anomaly on PL 54/1998 Takane designed to test a priority Ni-sulphide target. All holes are designed to test very attractive Ni-sulphide targets that are marked by prominent VTEM anomalies and corresponding SQUID EM conductors coincident with ultramafic intrusions and anomalous Cu and Ni soil geochemistry.

Drilling has commenced at the Mmatsiane (Mmats1) prospect where a large (>1km), strongly conductive plate at a depth of approximately 400m interpreted to lie along the contact with an ultramafic intrusion that shows strong nickel and copper soil geochemical response.

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Prospect	East	North	Dip	Depth	Comment
Kudu1	655239E	7602406N	-90	425m	Very large conductor with EM response reminiscent of pyrrhotite.
Mak1	652533E	7600410N	-90	300m	Very strong conductor.
Mmats1	644976E	7596981N	-90	425m	Very large, strong conductor.
Mmats1	645245E	7597068N	-90	450m	Same conductor as above.

Table 1: Drill hole details for the program.

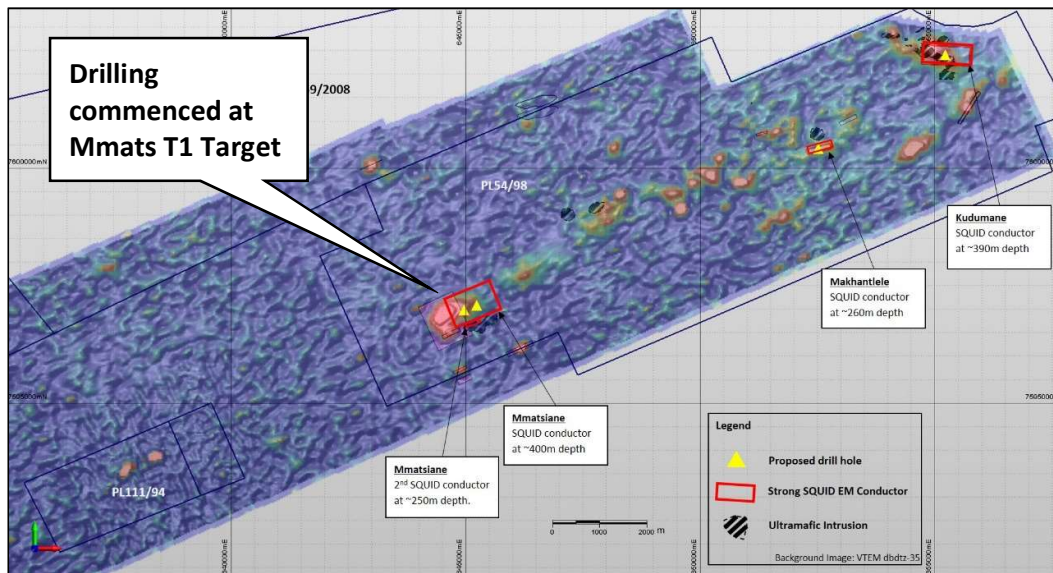


Figure 1: Regional plan view of PL54/98 showing the SQUID EM conductors (Red Rectangles) to be targeted by diamond drilling (Holes indicated by yellow triangles).

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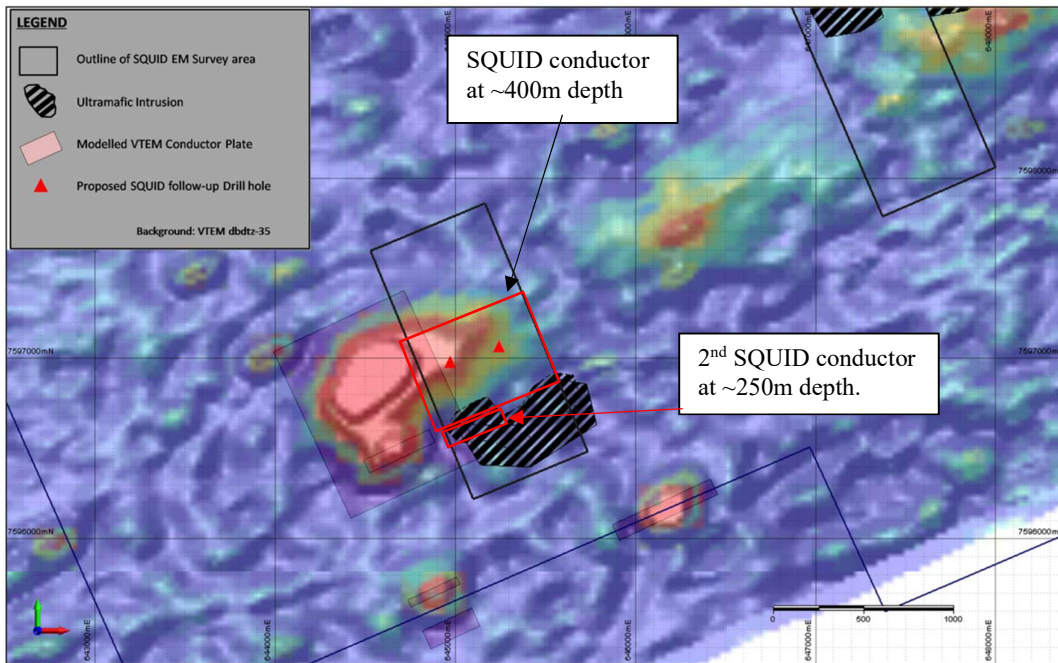


Figure 2: Mmats T1 Prospect: Location of the SQUID Survey (black rectangle) in relation to the VTEM anomalies (red blobs), VTEM conductor plates (faint pink rectangles) and mapped ultramafic bodies (black hashed shape). The red triangles indicate the position of the proposed drill holes.

The Board of BML is extremely excited to see ground broken in the first regional exploration drill hole targeting nickel sulphide mineralisation on PL 54/98. The area is over 10km away from the advanced Maibele North prospect and any discovery here would transform the Magogophate Shear Zone into a new mineralised province in Eastern Botswana.

The market will be kept informed as results from the program are received.

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.