BOTSWANA Metals Limited

ACN 122 995 073

ASX Code: BML

TO: **COMPANY ANNOUNCEMENTS OFFICE**
ASX LIMITED

DATE: **12 FEBRUARY 2016**

NON-RENOUNCEABLE RIGHTS ISSUE
OFFER DOCUMENT

The Company releases the Offer Document for the 7 for 9 non-renounceable Rights Issue of up to 505,572,770 new fully paid ordinary shares at 0.2 cent ($0.002) per share to raise up to $1,011,145 (before costs) as announced to the ASX on 9 February 2016.

The Record Date for determining shareholders in Australia and New Zealand ("Eligible Shareholders") entitled to participate in the Rights Issue is 18 February 2016.

The Offer Document and a personalised Entitlement and Acceptance Form will be despatched to all Eligible Shareholders on 23 February 2016.

Pat Volpe
Chairman

Botswana Metals Limited
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PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE OFFER DOCUMENT

7-FOR-9 PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE OFFER OF NEW FULLY PAID ORDINARY SHARES AT AN ISSUE PRICE OF 0.2 CENT ($0.002) PER SHARE

THIS RIGHTS ISSUE OFFER CLOSES AT 5:00 PM (MELBOURNE TIME) ON 7 MARCH 2016 (UNLESS EXTENDED)

Important Notice

This is an important Offer Document which is accompanied by an Entitlement and Acceptance Form for you to subscribe for new fully paid ordinary shares in Botswana Metals Limited. Please read both documents carefully. If after reading the Offer Document you have any questions about the Offer or the New Shares then you should consult your stockbroker, accountant or other professional adviser.

The Offer made pursuant to this Offer Document is for a rights issue of continuously quoted securities (as defined in the Corporations Act) of the Company. This Offer Document is not a disclosure document for the purposes of Chapter 6D of the Corporations Act and has not been lodged with ASIC. The Company is offering the securities under this Offer Document without disclosure to investors under Chapter 6D of the Corporations Act pursuant to section 708AA of the Corporations Act. Accordingly, the level of disclosure contained in this Offer Document is less than that required under a prospectus and Eligible Shareholders should consider all relevant facts and circumstances, including their knowledge of the Company and disclosures made to ASX, before deciding whether to accept the Offer.

The New Shares offered by this Offer Document should be considered speculative.

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BOTSWANA
Metals Limited

ABN 96 122 995 073

12 February 2016

Dear Shareholder,

As announced to the market on 9 February 2016, the Company is undertaking a pro-rata non-renounceable rights issue on a 7-for-9 basis to raise up to $1,011,145 (before costs) by the issue of up to 505,572,770 new shares at 0.2 cent ($0.002) per share.

The attached Offer Document sets out the terms of the Offer and contains other important information.

The Offer is only extended to those shareholders of the Company with a registered address in Australia or New Zealand.

Shareholders should consult their professional advisor before applying for shares under the attached Offer Document.

Yours sincerely,
BOTSWANA METALS LIMITED



Pat Volpe
Chairman

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PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE
OFFER DOCUMENT

1. THE OFFER – AT A GLANCE

Renounceable Rights Issue
Issue price per New Share 0.2 cent ($0.002).
Offer of approximately $1,011,145 of New Shares (before Offer costs).
Eligible Shareholders' Entitlement: 7 New Shares for every 9 Shares held on the Record Date.
Rights to New Shares are non-renounceable and not tradeable.

2. TIMETABLE

Event	**Date**
Announcement of the Offer and lodgement of Appendix 3B with the ASX	9 February 2016
Letter to Option holders	10 February 2016
Lodgement of Offer Document with ASX	12 February 2016
Notice sent to shareholders containing information required by Appendix 3B	15 February 2016
Existing Shares quoted on "ex" basis	16 February 2016
Record Date to determine Entitlements under the Offer (**Record Date**)	18 February 2016 5:00 pm (AEST)
Lodgement of section 708AA notice with the ASX	23 February 2016
Offer Document and Entitlement and Acceptance Form despatched to Eligible Shareholders (**Opening Date**)	23 February 2016 9:00 am (AEST)
Last day to extend Offer	29 February 2016
Final date and time for receipt of acceptance and payment in full (**Closing Date**)	7 March 2016 5:00 pm (AEST)
New Shares quoted on a deferred settlement basis	8 March 2016
Company to notify ASX of under subscriptions	10 March 2016
Despatch of transaction confirmation statements (holding statements) (**Issue Date**)	15 March 2016
Deferred settlement trading ends	15 March 2016
Date of quotation of New Shares issued under the Rights Issue	16 March 2016

The Company reserves the right (subject to the Corporations Act, the Listing Rules and other applicable laws) to vary the dates of this Timetable including (without limitation) extending the Closing Date or accepting late Applications, either generally or in particular cases, without notice. As such the date the New Shares are expected to commence trading on ASX may therefore vary.

3. IMPORTANT INFORMATION

3.1. Contact details

If you have not received a personalised Entitlement and Acceptance Form, or if you have any queries on how to complete the Entitlement and Acceptance Form, please contact the Company on (03) 9855 1885 between 9:00 am and 5:00 pm (AEST) Monday to Friday.

3.2. Offer Document not a prospectus

The Offer Document has been prepared by the Company, and is not a prospectus or disclosure document for the purposes of Chapter 6D of the Corporations Act, and has not been lodged with ASIC.

The Company is offering the securities under this Offer Document without disclosure to investors under Chapter 6D of the Corporations Act, pursuant to section 708AA of the Corporations Act, which allows the Company to offer shares to existing shareholders subject to compliance with the conditions set out in that section.

The Offer Document does not contain all the information that Eligible Shareholders may require to make an informed decision as to whether or not to apply for New Shares. Eligible Shareholders should consider all relevant facts and circumstances, including their knowledge of the Company and disclosures made to ASX, before deciding whether to accept the Offer.

It is important that you read and understand the information regarding the Company which is publicly available, prior to accepting the Offer.

Publicly available information includes:

- the Annual Report of the Company and other announcements released to ASX; and
- the 'Cleansing Notice' that the Company lodged with ASX.

The above information is available via the ASX website at http://www.asx.com.au/ under stock code BML.

Neither ASIC nor ASX has any responsibility for the content of this document.

3.3. Speculative investment

The New Shares offered under this Offer Document should be considered speculative.

3.4. Entitlement and Acceptance Forms

Accompanying this Offer Document is a personalised Entitlement and Acceptance Form that sets out your Entitlement.

There is no minimum application and you may take up your Rights in whole or in part.

3.5. Opening and Closing of the Offer

Offers under the Rights Issue will open at 9:00 am (Melbourne time) on 23 February 2016 ("Opening Date") and will close at 5:00 pm (Melbourne time) on 7 March 2016 ("Closing Date"). Subject to the requirements of the Act, the Directors reserve the right to extend the Closing Date without prior warning.

The Company also reserves the right not to proceed with the whole or part of the Offer at any time prior to the Issue Date. In that event, Application Monies will be refunded in full without interest.

3.6. Acceptance of Applications for Shares

If your Entitlement and Acceptance Form is not completed properly, or if the accompanying payment is for the wrong amount, the Directors may elect to treat it as valid or may reject it.

The decision of the Directors as to whether to treat any Application for New Shares as valid or invalid and how to construe, amend or complete it will be final. The Directors may complete any blanks or spaces left in any Entitlement and Acceptance Form from you and, by lodging that form, you appoint the Directors, and each of them, as your joint and several attorneys for such purpose and authorise all such amendments, insertions and alterations.

If the Company elects, in its absolute and unfettered discretion, to treat any such incomplete or incorrectly completed Application, or any Application accompanied by the wrong amount as invalid and to therefore reject the Application, the Application Monies will be refunded without interest.

A completed and lodged Entitlement and Acceptance Form, together with a cheque, bank draft or money order for the Application Money, or the payment of your Application Moneys by Electronic Funds Transfer, constitutes a binding and irrevocable Application for the number of New Shares specified in the Entitlement and Acceptance Form or which could be subscribed for by the Application Moneys paid by you.

3.7. Speculative nature of Offer and projects and relevant risk factors

You should:

- have regard to the speculative nature of the Company's projects and exploration activities and to the risks discussed in section 7 of this Offer Document;
- understand that the Company's proposed activities as referred to herein are speculative and subject to a high level of risk and that the matters referred to in the risk factors could result in diminution of the value of your investment; and
- read this Offer Document carefully and in its entirety, with emphasis on the risk factors detailed in section 7, before deciding to invest in the Company.

3.8. Eligible shareholders

A person is eligible to participate in the Offer if at the Record Date:

- the person is a registered holder of Shares; and
- the person has a registered address in Australia or New Zealand.

3.9. Ineligible shareholders

The Company has decided that it is unreasonable to make the Offer to any Shareholder with a registered address outside Australia or New Zealand at the Record Date having regard to:

- the small number of Shareholders with addresses outside Australia and New Zealand;
- the number and value of the Shares they hold; and
- the cost to the Company of complying with applicable legal and regulatory requirements outside Australia and New Zealand.

Accordingly the Offer is not being extended to Shareholders with a registered address outside Australia or New Zealand. In accordance with Listing Rule 7.7.1(b) the Company will send each holder to whom it will not offer the Shares, details of the Rights Issue and an advice that the Company will not offer Shares to those holders.

The Entitlements of Ineligible Shareholders will lapse and the relevant New Shares will form part of the Shortfall.

3.10. Nominee sale procedure

No nominee has been approved by ASIC to act as nominee to sell the New Shares that might have otherwise been issued to shareholders outside Australia and New Zealand.

Accordingly, Applicants under the Offer will not be able to rely on the exception allowed by item 10 of section 611 of the Corporations Act which would otherwise permit an Applicant to acquire a voting power of more than 20% in the Company as a result of accepting the Offer without breaching section 606 of the Corporations Act. As a consequence, subsequent to the Closing Date, the Company will not issue and allot New Shares (including Shortfall Shares) to any Applicant or other person if the result of any such allotment would result in any person (and that person's Associates) acquiring a relevant interest in in excess of 20% of the issued capital of the Company subsequent to the Closing Date. This may result in the Company scaling back Applications from Eligible Shareholders below their Entitlements to ensure that no breach of section 606 of the Corporations Act occurs.

Without limiting the above, it is the responsibility of Eligible Shareholders to ensure that their participation under the Offer does not result in them breaching section 606 of the Corporations Act. Eligible Shareholders, by lodging Applications for New Shares, acknowledge and accept the right and obligation of the Company to not allot or issue New Shares to them which would result in any breach by them of section 606 of the Corporations Act and direct the Company to so act.

3.11. Foreign jurisdictions

The Company has not investigated the regulatory requirements for the issue of securities outside Australia and New Zealand. The distribution of this Offer Document in jurisdictions other than Australia and New Zealand may be restricted by law and any failure to comply with such restrictions might constitute a violation of applicable securities laws.

This Offer Document and the accompanying Entitlement and Acceptance Form, and any document that is related to any of them do not, and are not intended to, constitute an offer of Shares in any jurisdiction which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register the New Shares or otherwise permit a public offering of those shares in those jurisdictions.

Lodgement of the Entitlement and Acceptance Form or payment by Electronic Funds Transfer constitutes a representation to the Company by the Applicant that there has been no breach of any such law. To the extent that a Shareholder holds Shares on behalf of another person resident outside Australia or New Zealand, it is the responsibility of the Shareholder to ensure that any acceptance complies with all applicable foreign laws. Eligible Shareholders who are nominees, trustees or custodians should seek independent advice as to how to proceed.

The distribution of the Offer Document or the accompanying Entitlement and Acceptance Form outside Australia and New Zealand may be restricted by law. In particular, the documents must not be taken into or distributed or released in the United States of America. Any person who comes into possession of the Offer Document or the Entitlement and Acceptance Form should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws and the Company disclaims any liability in relation to any such violation.

The New Shares offered to residents of New Zealand under this Offer Document are offered in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). This Offer Document and the accompanying Entitlement and Acceptance Form have not been registered, filed or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Offer Document is not an investment statement or prospectus under New Zealand law.

4. OFFER

4.1. Background

On 9 February 2016 the Company announced its intention to undertake a non-renounceable rights issue to raise up to $1,011,145 before costs by the issue of up to 505,572,770 Shares at an issue price of 0.2 cent ($0.002) each.

4.2. General Structure

The Offer is a 7 for 9 pro-rata non-renounceable rights issue at 0.2 cent ($0.002) per New Share to raise up to $1,011,145 (before the costs of the Offer). The Offer is open to Eligible Shareholders being those Shareholders who have a registered address in Australia or New Zealand on the Record Date. Fractional entitlements will be rounded up to the nearest whole New Share.

The table below summarises the capital structure of the Company before and after the Offer on the assumption the Offer is fully subscribed. At this stage, and as the Offer is only partially underwritten, it is not possible to determine what the actual capital of the Company will be if the rights issue is not fully subscribed or if the Shortfall (if any) is unable to be placed.

	No. Shares
Shares on issue at date of Offer Document	650,022,133
Maximum number of New Shares to be issued pursuant to the Offer	505,572,770
TOTAL SHARES ON ISSUE AFTER THE OFFER *	1,155,594,903

* Assuming subscription in full.

The Company has previously issued a total of 410,233,933 options to acquire fully paid ordinary shares exercisable at 1.5 cents ($0.015) per option with an expiry date of 31 December 2016.

Subject to the absolute and unfettered right of the Company to extend the Closing Date (subject to compliance with ASX Listing Rules) the Offer will open on the Opening Date and close on the Closing Date.

4.3. Offer Price

The price payable for each New Share is 0.2 cents ($0.002) cash per New Share payable in full on application.

Eligible Shareholders will not be required to pay brokerage or other fees in respect of any New Shares acquired under the Offer.

Eligible Shareholders should note that the market price of Shares may rise and fall between the date of this Offer Document and the date on which the New Shares are allotted. Accordingly, the price paid for each New Share under the Offer may be higher or lower than the market price of Shares at the time of this Offer or at the time the New Shares are allotted under the Offer.

The market price of the Shares can be obtained at http://www.asx.com.au/ by searching under stock code BML.

4.4. Non-Renounceable

The Offer is non-renounceable which means that the Entitlement to New Shares under the Offer cannot be sold, traded or transferred.

Entitlements not taken up will lapse.

4.5. Minimum Subscription

The Rights Issue is subject to a minimum subscription of $300,000. In the event that the Company does not succeed in raising $300,000 from:

(a) Applicants under the Offer;

(b) the placement of any Shortfall; and

(c) the issue of New Shares to the Underwriters,

within the period allowed by the ASX Listing Rules then the Company will not issue any New Shares and all monies subscribed by Applicants will be refunded in full without interest.

The Company will hold all Application Moneys received on trust until such time that the minimum subscription is reached and the New Shares are issued.

4.6. Underwriting – Trayburn

Trayburn has agreed to partially underwrite the Rights Issue up to a maximum of 151,135,489 New Shares for a total underwritten value of $302,270.98. The underwriting is strictly on the basis that the number of New Shares to be allocated to Trayburn will be scaled back so that the voting power of Trayburn and its Associates in the Company does not exceed 20% after the issue of shares to Applicants, the placement of any Shortfall and the issue of the New Shares to the Underwriters.

Mr Patrick John Volpe, the Chairman and a substantial shareholder of the Company, is a director and substantial shareholder of Trayburn.

Trayburn will be paid a fee of 5% (plus GST) of the amount underwritten.

The Underwriting Agreement entered into by the Company and Trayburn is on normal commercial terms and conditions and gives Trayburn the right to withdraw in certain specified circumstances.

The potential impact of the Underwriting Agreement on the voting power of Trayburn and its Associates is discussed in section 6.4 of this document.

4.7. Underwriting - Monvale

Monvale as trustee for The Omissam Trust has agreed to underwrite the Rights Issue up to a maximum of 25,000,000 New Shares for a total underwritten value of $50,000.00. The underwriting is strictly on the basis that the number of shares to be allocated to Monvale will be scaled back so that the voting power of Monvale and its Associates in the Company does not exceed 20% after the issue of shares to Applicants, the placement of any Shortfall and the issue of the New Shares to the Underwriters.

Mr Massimo Livio Cellante, a Director and shareholder of the Company, is a Director of Monvale and a beneficiary of The Omissam Trust.

Monvale will be paid a fee of 5% (plus GST) of the amount underwritten.

The Underwriting Agreement entered into by the Company and Monvale is on normal commercial terms and conditions and gives Monvale the right to withdraw in certain specified circumstances.

The potential impact of the Underwriting Agreement on the voting power of Monvale and its Associates is discussed in section 6.4 of this document.

4.8. Shortfall Facility

The maximum number of New Shares that an Eligible Shareholder may apply for under the offer is the Shareholder's full Entitlement.

Eligible Shareholders cannot apply for additional New Shares in excess of their Entitlement.

4.9. Placement of Shortfall

In the event that a Shortfall remains after the close of the Offer, the Directors have given Foxfire the right to place the Shortfall Shares at its absolute and unfettered discretion with persons interested in subscribing for New Shares. Any placement of Shortfall Shares shall be made by Foxfire to sophisticated, professional or exempt investors under section 708 of the Corporations Act. Any such placement shall be made subject to the Corporations Act and the Listing Rules and will be completed within three months of the close of the Offer.

The Company has directed Foxfire to place the Shortfall Shares to a spread of investors where possible. Foxfire must ensure that no applicant for Shortfall Shares is permitted to acquire those shares if the acquisition would result in that person having a voting power in the Company in excess of 20% (after the placement of the Shortfall Shares).

No related party of the Company (including Directors and their Associates) will participate in the placement of any Shortfall Shares.

Foxfire holds an Australian Financial Services Licence and has been appointed to place the Shortfall Shares on a best endeavours basis. Foxfire will be paid commission on normal standard commercial terms and conditions. The rate of commission is 5% (plus GST) of the total funds raised from the placement of any such Shortfall Shares.

By way of example, if the Shortfall was 10,000,000 Shortfall Shares and they are placed at the Issue Price of 0.2 cent ($0.002) per share then Foxfire would be paid commission of 5% (plus GST) of the $20,000 raised by placement of those Shortfall Shares: being $1,000 (plus GST).

Mr Patrick John Volpe, the Chairman and a substantial shareholder of the Company, is a consultant to, and substantial shareholder of, Foxfire.

4.10. New Shares Issued

The Directors will proceed with the allotment of the New Shares which are the subject of this Offer Document as soon as possible after the Closing Date.

A transaction confirmation statement, which is essentially a holding statement, will be issued to Applicants confirming the issue of the New Shares.

New Shares will rank equally with other Shares on issue.

All Application Money shall, pending achieving the Minimum Subscription and allotment and issue of the New Shares, be held by the Company in trust in a bank account established solely for the purpose of depositing Application Money received. Any interest earned on those moneys shall be to the account of the Company.

It is the responsibility of Applicants to determine their allocation of New Shares prior to dealing in those securities. Any Applicants who sell or otherwise deal in any Shares before they receive their transaction confirmation statements will do so at their own risk.

The Entitlement and Acceptance Form which accompanies this Offer Document contains a warranty that the Applicant has personally received the complete and unaltered Offer Document prior to completing the Entitlement and Acceptance Form, or where the Applicant pays the Application Moneys by Electronic Funds Transfer, prior to making such payment.

The Company reserves the right to not accept an Application from a person if it has reason to believe that, when that person was given access to the Entitlement and Acceptance Form, they were not provided with the Offer Document or any relevant supplementary Offer Document or any of these documents were incomplete or altered. In any such case, the Application Money received from the Applicant will be refunded in full without interest.

4.11. Application for Listing

The Company will apply to ASX for quotation of the New Shares issued under the Offer. If ASX does not grant quotation of the New Shares within three months of the date the Offer opens, then the Company will refund all Application Monies, without interest, as soon as possible. The fact that ASX may list the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares.

ASX takes no responsibility for the contents of this Offer Document, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of the content of this Offer Document

4.12. Costs of the Offer

The estimated costs of the Offer (excluding GST) payable by the Company are as follows:

Description	Amount $
ASX fee*	4,939.00
Printing and collating documents and postage	25,000.00
Share registry fees	3,000.00
Underwriting fee – Trayburn	15,113.55
Underwriting fee – Monvale	2,500.00
TOTAL ESTIMATED COSTS	**50,552.55**

* The ASX fee is calculated on the basis that Rights Issue raises the full amount of $1,011,145 resulting in the issue of 505,572,770 New Shares.

In addition to the above costs, Foxfire will be paid a fee of 5% (plus GST) of the amount raised from the placement of any Shortfall Shares. It is not possible for the Company to estimate the number of Shortfall Shares that will be placed by Foxfire and therefore the Company is unable to estimate the fee that may be payable to Foxfire.

5. HOW TO APPLY

5.1. Entitlement

The Entitlement of an Eligible Shareholder is set out in the Entitlement and Acceptance Form accompanying this Offer Document which will be sent to Eligible Shareholders on the Dispatch Date.

Eligible Shareholders will be entitled to 7 New Shares for every 9 Shares held as at the Record Date. This Entitlement is subject to the right of the Company to scale back the number of New Shares issued to any Applicant if the acceptance of the Application by that Eligible Shareholder would result in breach of section 606 of the Corporations Act.

Fractional entitlements will be rounded up to the nearest whole New Share.

Shareholders with multiple holdings of Shares will receive more than one set of Offer Documents and will have a separate Entitlement for each holding.

5.2. Choices

If you are an Eligible Shareholder, you may:

- take up all of your Entitlement;
- take up part of your Entitlement and allow the balance of your Entitlement to lapse;
- allow all of your Entitlement to lapse.

5.3. Applying for New Shares

The Entitlement and Acceptance Form will allow you to apply for a lesser number of New Shares than your Entitlement. An Eligible Shareholder may take up all or part of their Entitlement by completing

their personalised Entitlement and Acceptance Form which should accompany this Offer Document, and returning it together with the correct Application Monies by no later than the Closing Date.

The Company may, but is not obliged to, accept any Application received after the Closing Date if the Application is postmarked prior to the Closing Date.

If an Application is rejected for any reason then the Company will refund the excess Application Monies to the Eligible Shareholder without interest.

5.4. Applying for additional Shares

The maximum number of New Shares that an Eligible Shareholder may apply for under the Offer is their Entitlement. Shareholders may not apply for additional New Shares in excess of their Entitlement.

5.5. Payment

Payment of Application Monies (Application Monies must be equal to the Offer Price multiplied by the total number of New Shares applied for) will only be accepted in Australian currency, and as follows:

(1) Through Electronic Funds Transfer. To pay by EFT Eligible Shareholders must make their payment to the Company using the Bank account details and unique payment reference number set out in their personalised Entitlement and Acceptance Form. An Eligible Shareholder with multiple holdings will have multiple payment reference numbers.

To ensure you receive your Entitlement in respect of a particular holding, you must use the payment reference number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

Eligible Shareholders making payment via EFT do not need to complete and return their personalised Entitlement and Acceptance Form. However returning the Form to the Company will assist in reconciling the Application Monies received.

Applicants must be aware that their own financial institutions may impose earlier processing cut-off times for electronic payments. It is the responsibility of Applicants to ensure that payment is submitted through EFT with sufficient time so that it is received before the close of the Offer.

(2) By cheque, bank cheque or money order as follows:

- complete your personalised Entitlement and Acceptance Form;
- attach your payment of Application Monies which must be drawn on an Australian Bank, Australian branch of a Financial Institution or by money order and be made payable in Australian currency;
- address the cheque, bank cheque or money order to 'Botswana Metals Limited – Share Subscription Account' and cross it 'Not Negotiable'; and
- return the completed Entitlement and Acceptance Form and payment by no later than the Closing Date to:

Botswana Metals Limited Rights Issue
Suite 3
16 Cotham Road
Kew, Victoria 3101
Australia

Cash payments will not be accepted. Receipts for payments will not be issued. The Company does not accept any responsibility if Applicants do not follow the instructions above.

If the amount of Application Monies provided are insufficient to pay in full for the number of New Shares applied for (or the full Entitlement in the case of payment by EFT) then the Applicant will be regarded as having applied for such whole number of New Shares as is covered in full by the Application Monies provided. Alternatively, the Company may in its discretion reject the Application, in which case the Application Monies will be refunded without interest.

5.6. Effect of Application

By applying for New Shares under the Offer (including by way of payment through EFT), an Eligible Shareholder is taken to:

(1) agree to be bound by the terms and conditions set out in this Offer Document and the accompanying Entitlement and Acceptance Form;

(2) acknowledge that the investment in Shares is speculative and is subject to a wide range of risks including risks as detailed in this Offer Document;

(3) represent and warrant that they satisfy the criteria of being an Eligible Shareholder as set out in this Offer Document;

(4) represent and warrant that their acquisition of the number of Shares specified on the Entitlement and Acceptance Form will not result in a breach of section 606 of the Corporations Act;

(5) irrevocably apply for the issue of the number of Shares specified on the Entitlement and Acceptance Form and agree to accept those securities;

(6) authorise the Company to place the Eligible Shareholder's name on the Register of Members of the Company in respect of the Shares;

(7) acknowledge that, whether or not the Eligible Shareholder has done so, the Eligible Shareholder has had the opportunity to read the public announcements by the Company that are available on the ASX website at http://www.asx.com.au/ by searching under the Company's stock code;

(8) acknowledge that the Eligible Shareholder has sufficient experience and expertise to make, and has made, its own assessment as to the nature and quality of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company, before deciding to subscribe for the Shares, including, as necessary, by obtaining independent professional advice, and that the Eligible Shareholder was satisfied as to those matters before lodging any Application for the Shares;

(9) agree that no warranty or representation (express or implied) has been given or made by any of the Company, any person on behalf of the Company or by, or on behalf of, any of the Directors or officers of the Company as to:

- the merits or otherwise of subscription for Shares;
- the value of the Shares;
- the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;
- the value of the assets of the Company; or

- the completeness or accuracy of the information available to the Eligible Shareholder regarding the Company;

(10) acknowledge that the Eligible Shareholder has decided to subscribe for the Shares based solely on its own investigations;

(11) release and discharge (to the maximum extent permitted at law) the Company and each of its Directors, officers and agents from any action or claim for any loss or damage which the Eligible Shareholder may suffer as a result of the subscription for Shares or as a result of the occurrence of any future act matter or thing which may adversely affect the value of any such Shares, or the existence or value of the assets of the Company; and

(12) agree to be bound by the Constitution.

Any Application under the Offer (including by way of payment through EFT) cannot be withdrawn once it is lodged.

5.7. Allowing Entitlement to lapse

Eligible Shareholders who do not wish to accept the Offer can take no action and all of their Entitlement will lapse and their shareholding will be diluted.

6. PURPOSE AND EFFECT OF OFFER

6.1. Use of funds

Funds raised under the Rights Issue may be used as follows:

- to pay the costs of the Rights Issue;
- for working capital (including to pay the corporate and administrative overheads of the Company);
- to pay creditors of the Company (including Directors for accrued and unpaid fees); and
- if justified, minimal exploration on the Company's prospecting licences that are outside the BCL joint venture, in particular PL 59/2008.

The Minimum Subscription, if achieved, will ensure that, barring any unforeseen circumstances, the Company has sufficient funds to sustain its operations for at least two quarters.

If the Minimum Subscription is not achieved then the Directors will consider the other options available to the Company which include:

- scaling back, or closing, the operations in Botswana;
- the sale, joint venture or relinquishment of all or part of the exploration licence portfolio in Botswana;
- the raising of further equity and debt capital; and/or
- seeking other opportunities that may enhance the ability of the company to raise funds for the benefit of shareholders.

There can be no guarantee that any or all of these events will occur in which case the Company may not be able to continue as a going concern.

6.2. What is the effect of the Offer on Shareholders and on control of the Company

If Eligible Shareholders take up their full Entitlement under the Offer they will not be diluted by the Offer. If Eligible Shareholders do not exercise their Entitlement under the Offer, or only exercise part of their Entitlement, they will be diluted. Ineligible Shareholders will have their holdings diluted by the Offer. The extent of any dilution will depend on the level of participation in the Offer.

Although an Eligible Shareholder can avoid dilution of their interest by taking up their full Entitlement, such Shareholders will be diluted by subsequent capital raisings by the Company which are not made on a pro-rata basis.

The effect of the Offer on control of the Company will depend upon a number of factors including:

- the level of Eligible Shareholder participation in the Offer and the identity of Eligible Shareholders who do participate in the Offer; and
- if applicable, the level of Shortfall remaining following the close of the Offer, the identity of investors who participate in any placement of the Shortfall and the level of such investor participation; and
- if applicable, the number of New Shares taken up by the Underwriters.

It is not possible for the Directors to predict the final level of participation and Shortfall under the Offer, or the identity of Eligible Shareholders who will subscribe for their Entitlements.

The Directors are also unable to state with certainty the identity of any prospective subscribers under the Shortfall, or the total number of Shortfall Shares which will or can be placed.

Assuming that none of the subscribers for the Shortfall are existing Shareholders, , then the maximum dilutionary effect on existing Shareholders will be as follows based on the assumptions stated.

75% of the Shortfall Shares are placed

Event	Number of New Shares issued under Entitlements	Number of New Shares issued under Shortfall	Total number of Shares on issue post Offer	Maximum dilution to existing Shareholders
Offer fully subscribed	505,572,770	0	1,155,594,903	0.00%
Offer 75% subscribed	379,179,578	94,794,895	1,123,996,606	42.17%
Offer 50% subscribed	252,786,385	189,589,789	1,092,398,307	40.50%
Offer 25% subscribed	126,393,193	284,384,684	1,060,800,010	38.72%
No subscriptions	0	379,179,578	1,029,201,711	36.84%

50% of the Shortfall Shares are placed

Event	Number of New Shares issued under Entitlements	Number of New Shares issued under Shortfall	Total number of Shares on issue post Offer	Maximum dilution to existing Shareholders
Offer fully subscribed	505,572,770	0	1,155,594,903	0.00%
Offer 75% subscribed	379,179,578	63,196,597	1,092,398,308	40.50%
Offer 50% subscribed	252,786,385	126,393,193	1,029,201,711	36.84%
Offer 25% subscribed	126,393,193	189,589,789	966,005,115	32.71%
No subscriptions	0	252,786,385	902,808,518	28.00%

25% of the Shortfall Shares are placed

Event	Number of New Shares issued under Entitlements	Number of New Shares issued under Shortfall	Total number of Shares on issue post Offer	Maximum dilution to existing Shareholders
Offer fully subscribed	505,572,770	0	1,155,594,903	0.00%
Offer 75% subscribed	379,179,578	31,598,298	1,060,800,009	38.72%
Offer 50% subscribed	252,786,385	63,196,596	966,005,114	32.71%
Offer 25% subscribed	126,393,193	94,794,895	871,210,221	25.39%
No subscriptions	0	126,393,193	776,415,326	16.28%

None of the Shortfall Shares are placed

Event	Number of New Shares issued under Entitlements	Number of New Shares issued under Shortfall	Total number of Shares on issue post Offer	Maximum dilution to existing Shareholders
Offer fully subscribed	505,572,770	0	1,155,594,903	0.00%
Offer 75% subscribed	379,179,578	0	1,029,201,711	36.84%
Offer 50% subscribed	252,786,385	0	902,808,518	28.00%
Offer 25% subscribed	126,393,193	0	776,415,326	16.28%
No subscriptions	0	0	650,022,133	0.00%

All the Shortfall Shares are placed

Event	Number of New Shares issued under Entitlements	Number of New Shares issued under Shortfall	Total number of Shares on issue post Offer	Maximum dilution to existing Shareholders
Offer fully subscribed	505,572,770	0	1,155,594,903	0.00%
Offer 75% subscribed	379,179,578	126,393,193	1,155,594,904	43.75%
Offer 50% subscribed	252,786,385	252,786,385	1,155,594,903	43.75%
Offer 25% subscribed	126,393,193	379,179,578	1,155,594,904	43.75%
No subscriptions	0	505,572,770	1,155,594,903	43.75%

The potential effect of the Offer on the control of the Company is as follows:

1. If all Eligible Shareholders take up their full Entitlements, there would be no significant effect on the control of the Company, as the Offer is made pro-rata and in that case no Entitlements would lapse or revert to the Shortfall.

2. If Eligible Shareholders do not take up their full Entitlements under the Offer, then the interests of those Eligible Shareholders will be diluted.

3. The proportional interests of Ineligible Shareholders will be diluted because those Ineligible Shareholders are not entitled to participate in the Offer.

The effect of the Offer, and in particular, the effect of the placement of any Shortfall Shares, on control of the Company are mitigated for the following reasons:

- no nominee will be appointed for the purposes of section 615 of the Corporations Act and accordingly an Eligible Shareholder or an Underwriter is not permitted to acquire New Shares under the Rights Issue if the acquisition results in the Shareholder having a voting power in excess of 20% on a post-Offer basis;

- any Shortfall Shares are to be placed to a spread of investors if possible and no Shortfall Shares will be issued or allotted to any person which would result in that person having a voting power in excess of 20% after placement of any Shortfall Shares (refer to section 4.9 above);

- no related party of the Company (including Directors and their Associates) may acquire any Shortfall Shares; and

- the Underwriting Agreements specifically provide that the number of New Shares to be taken up by the Underwriters will be scaled back to ensure that neither of the Underwriters nor their Associates has a voting power in excess of 20% on a post-Offer basis.

6.3. Shares held by Directors and Substantial Shareholders

Directors and related entities are Eligible Shareholders and may participate in the Rights Issue however they may not acquire any Shortfall Shares.

Furthermore, as stated in sections 4.6 and 4.7, Trayburn (an entity associated with Mr Patrick John Volpe) and Monvale (an entity associated with Mr Massimo Livio Cellante) have each agreed to partially underwrite the Rights Issue.

Directors currently have the following holdings of Shares:

Director	Registered Holder of Shares	Number of Shares held	Voting power %
Patrick John Volpe	Vermar Pty Ltd Trayburn Pty Ltd Patrick John Volpe	78,827,897	12.13%
Massimo Livio Cellante	Bell IXL Investments Pty Ltd Cellante Securities Pty Ltd	27,529,729	4.24%
Paul Woolrich	Paul Woolrich Anne Woolrich Woolrich & Associates Pty Ltd	3,902,777	0.60%

Mr Patrick John Volpe, and his Associates Vermar Pty Ltd and Trayburn Pty Ltd, are currently the only substantial shareholders in the Company.

The voting power of Directors in the Company may increase as a result of the Rights Issue depending on the following factors:

- the level of participation by Directors and related entities;
- the number of New Shares taken up by Eligible Shareholders other than the Directors and their related entities;
- the number of Shortfall Shares placed; and
- the number of New Shares taken up by the Underwriters.

6.4. Effect of the Offer on the voting power of the Underwriters and their associates

The following table demonstrates the effect that the Rights Issue will have on the voting power of the Trayburn and its Associates Patrick John Volpe (Director of the Company) and Vermar Pty Ltd assuming that Trayburn and its Associates fully take up their Entitlements and Trayburn takes up the maximum number of New Shares permitted under the relevant Underwriting Agreement.

% take up by other holders	Number of New Shares issued to other holders	Number of New Shares issued to Trayburn and Associates	Total number of New Shares issued	Total number of Shares on issue post Offer	Voting power of Trayburn and Associates
100%	444,262,184	61,310,587	505,572,770	1,155,594,903	12.13%
75%	333,196,638	147,100,000	480,296,638	1,130,318,771	19.99%
50%	222,131,092	119,350,000	341,481,092	991,503,225	19.99%
25%	111,065,546	91,650,000	202,715,546	852,737,679	19.99%
0%	0	63,850,000	63,850,000	713,872,133	19.99%

The following table demonstrates the effect that the Rights Issue will have on the voting power of Monvale and its Associates Bell IXL Investments Pty Ltd and Cellante Securities Pty Ltd assuming that Monvale's Associates fully take up their Entitlements and Monvale takes up the maximum number of New Shares permitted under the relevant Underwriting Agreement.

% take up by other holders	Number of New Shares issued to other holders	Number of New Shares issued to Monvale and Associates	Total number of New Shares issued	Total number of Shares on issue post Offer	Voting power of Monvale and Associates
100%	484,160,759	21,412,011	505,572,770	1,155,594,903	4.24%
75%	363,120,569	46,412,011	409,532,580	1,059,554,713	6.98%
50%	242,080,379	46,412,011	288,492,390	938,514,523	7.88%
25%	121,040,190	46,412,011	167,452,201	817,474,334	9.05%
0%	-	46,412,011	46,412,011	696,434,144	10.62%

The above tables do not take into account any placement of the Shortfall. As the Underwriters and their Associates are related parties and cannot take up any Shortfall Shares, any placement of the Shortfall will reduce the voting power of the Underwriters and their Associates.

6.5. Allocation of Shortfall

The Directors are aware that if the Offer is significantly undersubscribed, any placement of the Shortfall may have control effects on the Company. Accordingly the Directors have instructed Foxfire to allocate the Shortfall (if any) in accordance with the policy described below, which is designed to mitigate potential control effects of any placement of the Shortfall.

If there is a Shortfall after the close of the Offer, Foxfire has the sole discretion to place the Shortfall with various sophisticated, professional or exempt investors. To the extent that it is commercially practicable and taking into account the Company's funding requirements, Foxfire will endeavour to place the Shortfall to a spread of such investors, in order to mitigate any control effects which may arise from issuing the Shortfall to a single or small number of investors.

In any event, no subscriber will be permitted to acquire New Shares under the Shortfall to the extent that such acquisition would result in that subscriber having a voting power in the Company in excess of 20% (after the close of the Offer and the placement of the Shortfall).

In determining the allottees under the placement of the Shortfall, Foxfire and the Company will ensure that none of the Shortfall is allotted to related parties of the Company.

6.6. Offer Structure

In structuring the Offer, the Directors considered whether there may be any factors that may give rise to unacceptable circumstances. On the basis of the following key considerations, the Directors determined that the structure of the Rights Issue was appropriate and unlikely to give rise to unacceptable circumstances:

- the Company had cash at bank of approximately $184,000 at the end of the December 2015 and has an apparent need for funds as demonstrated by an operational budget prepared for the next twelve months;

- funds are required to sustain the operations of the Company;

- the Offer price is 0.2 cent ($0.002) per New Share, which represents a 50% discount to the last sale price of 0.4 cent ($0.004) for Shares on 8 February 2016 (being the day before the Rights Issue was announced). The pricing of the Offer was designed to be at a discount to encourage shareholders to take up their Entitlements so as to reduce the level of Shortfall (and any consequent control effects arising from placement of that Shortfall), whilst eliminating the likelihood of any person acquiring a significant voting power in the Company (through the Shortfall placement) at a substantial discount; and

- the structure of the Offer will enable the Company to achieve a fair outcome for its shareholders as all Eligible Shareholders will have a pro-rata entitlement to subscribe for New Shares. It is the Director's view that any facility for Eligible Shareholders to take up New Shares in excess of their Entitlements may have the likely consequence of distorting the relative shareholdings in the Company (contrary to the principles of a pro-rata offer) and that such a distortion will not be in the best interests of the Company or the Shareholders as a whole. If the Offer is not generally taken up by Shareholders, then those participating in a Shortfall facility may otherwise acquire New Shares not in proportion to their shareholdings; on the contrary if the Offer is restricted to pro rata entitlements (with no Shortfall facility), all Shareholders have a pro-rata opportunity to contribute and participate. In the event that there is a Shortfall, the Directors consider that their allocation policy (as detailed above) will ensure an even spread of Shortfall allocation such that any control effects are, where possible, mitigated.

7. RISK FACTORS

The risks described in this section and elsewhere in this Offer Document are not necessarily exhaustive. Applicants should realise that any company with resource-based operations is subject to a wide range of risks, many of which may not be foreseeable.

Before deciding to invest in the Company, Applicants should read this document carefully, in its entirety and with particular emphasis on the risk factors detailed in this Offer Document. There are risks associated with holding shares in the Company and in applying for New Shares. Some, but not all, of those risks are described in this section.

Investors should be aware that an investment in the Company involves many risks which may be far higher than the risks associated with an investment in other companies.

Applicants should refer to announcements made by the Company to ASX. This information is available from the ASX website (www.asx.com.au) where the Company's ASX code is BML. The Company's website is www.botswanametals.com.au.

Applicants should review past announcements made by the Company in order to fully appreciate such matters, and the manner in which the Company operates, before making a decision regarding the rights issue and whether they take up their Entitlement, in full or in part.

Applicants should note that no guarantee or representation is, or can be, made with respect to the payment of dividends, returns of capital or the market value of the New Shares offered for subscription.

The business operations of the Company will be subject to risks which may impact adversely and severely on its future performance. These risks may adversely affect the value of any shares in the Company. The value of shares in the Company and of its underlying assets will depend on factors beyond the immediate control of the Directors. Shareholders and proposing investors face the risk that, while the Directors will seek to achieve its stated aims, it may not be able to do so.

Eligible Shareholders should consult their professional advisers before deciding whether to invest.

7.1. General risks

The following general risks may significantly impact the Company, its performance and the price of the Shares:

- economic conditions in Australia and internationally;
- investors' sentiment and share market conditions;
- changes in fiscal and monetary policy by Governments;
- changes in taxation and other laws;
- natural disasters;
- war or terrorist attacks;
- opposition of environmental or community groups to the Company's activities through any companies in which it may invest;
- changes in commodity prices and foreign exchange rates;
- inability of the Company to obtain any necessary regulatory approvals; and
- availability of credit.

7.2. Specific risks

The following specific risks may significantly impact the Company, its performance and the price of its Shares:

- the principal assets of the Company are prospecting licences PL 110/94, PL 111/94 and PL 54/98 in Botswana ("the three PLs") which are due to expire on 31 March 2016 and are the subject of a pending extension application to the Department of Mines in Botswana ("DOM"). There can be no guarantee that the extensions will be granted and the decision whether or not to extend the three PLs is entirely at the discretion of the DOM and an extension may not be granted or may be granted for a period less than is sought by the Company. If the DOM refuses to grant extensions to the three PLs then those PLs will expire and the Company will lose its right title and interest therein;
- the Company is party to a Farm-in Joint Venture Agreement with BCL Limited ("BCL") in respect of the three PLs the term of which ends on 31 March 2016. There can be no guarantee that BCL will continue to participate in the exploration of the three PLs after 31 March 2016. In addition should the Company be unsuccessful in obtaining an extension of the three PLs (as discussed in the previous bullet point) the Farm-in Joint Venture Agreement may be terminated;
- in April 2015 the Company declared a maiden inferred resource at its Maibele North prospect and is awaiting an updated resource estimate currently being prepared;
- as the Company is not generating revenue and is not cash flow positive, it can only continue as a going concern by raising equity or debt capital to fund its operations and there can be no guarantee that such funds will be available;
- the overall performance of management and the ability of management to manage business operations;

- the loss of one or more key managers or executives;

- there can be no guarantee that funds expended by the Company on exploration will result in the realisation of any value for the Company;

- there can be no guarantee as to the timing of the realisation of value by the Company from its exploration activities;

- additional funding may be required to fund exploration expenditure or the acquisition of assets and investments, there can be no guarantee that the Company will be able to secure such additional funding;

- additional funds may be raised in a manner that is dilutive to existing shareholders in the Company, for example by the private placement of Shares or other securities;

- the Company is not presently profitable and may never be so;

- any mineral discovery by the Company may not be commercially viable or recoverable, that is no resources within the meaning of the JORC Code may be able to be established and it may be that consequently no reserves can be established;

- legitimate native title rights may exist over exploration areas in which the Company has an interest, or will in the future acquire such an interest;

- given that the Company's past and proposed investments have focussed on mining exploration, investors need to be aware that the business of exploration and mining activities involves a significant degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. To the extent that the Company's present and future investments involve exploration activities the future prosperity of the Company will depend on factors that include successful exploration and the establishment of resources and reserves;

- there is no assurance that expenditure to be made on future exploration and/ or development activities by the Company will result in discoveries that can be commercially or economically exploited since exploration is inherently a speculative endeavour. Even if an apparently viable resource is identified, there is no certainty that it can be economically exploited. In particular, even if resource and reserve estimates are able to be established, it should be noted that resource and reserve estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource and reserves estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development plans which may, in turn, adversely affect the Company's operations;

- the costs of exploration and development can exceed planned expenditure due to the inherent uncertainties involved in exploration and development. Exploration and development operations can be hampered by force majeure circumstances and cost overruns for unforeseen events, including unexpected variations in geology and equipment malfunction. Losses resulting from any of these risks could have a material adverse effect on the Company's financial resources or could result in a total loss of the assets affected, and accordingly, may affect the market price of the Shares. Project development and production contains risks by its very nature. To prosper, it depends on the design and construction of efficient production/processing facilities, competent operation and managerial performance and proficient marketing of the product;

- apart from being able to obtain all legal and regulatory approvals necessary to commence operations, success in exploration is dependent on many factors such as:
    - the discovery and/or acquisition of economically recoverable reserves;
    - access to adequate capital for project development;
    - design and construction of efficient development and production infrastructure within capital expenditure budgets;
    - securing and maintaining title to interests;
    - obtaining regulatory consents and approvals necessary for the conduct of exploration, development and production;
    - securing plant and equipment, particularly when equipment utilisation rates are high, when competition for such equipment may also be high; and
    - access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants;
- generally:
    - there can be no assurance that any exploration on current or future interests will result in the discovery of an economically recoverable or commercially viable resource and may result in a total loss of the investments by the Company;
    - whether or not income will result from projects undergoing exploration and development programs depends on successful exploration and establishment of production and transmission facilities. Factors including costs and commodity prices affect successful project development and operations; and
    - drilling activities carry risk and as such, activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, well control issues, shortages or delays in the delivery of drill rigs or other equipment.

8. ADDITIONAL INFORMATION

8.1. No financial product advice

This document is not, and is not to be taken to be, financial product advice or a recommendation to acquire New Shares. The document has been prepared without taking into account the objectives, financial situation or needs of individual investors. All investors should consider all relevant information having regard to their own objectives, financial situation and needs and consult a stockbroker, accountant or other independent financial adviser before making an investment decision.

8.2. Representations

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this document or in a release by the Company to the ASX. Any information or representation in relation to the Offer which is not contained in this document may not be relied upon as having been authorised by the Company.

To the maximum extent permitted by law the Company and its respective advisers and respective affiliates or related bodies corporate and any of their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offer or this Offer Document being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

8.3. Taxation

None of the Company, its officers, employees or advises is giving or is able to give advice about the specific tax consequences arising from the Offer. All investors should satisfy themselves of any possible tax consequences by consulting their own professional tax advisers.

8.4. Discretion of the Directors

Without limiting the other powers and discretions set out in this document, the Directors may:

- implement the Offer in the manner they think fit (subject always to the Listing Rules and the Corporations Act); and

- settle any difficulty, anomaly or dispute which may arise either generally or in a particular case in connection with, or by reason of, the operation of the Offer or a matter in this Offer Document as they think fit, whether generally or in relation to any Shareholder or any Shares, and the determination of the Directors is conclusive and binding on all relevant Shareholders and other persons to whom the determination relates.

8.5. Governing law

This Offer Document, the Offer and the contracts formed on acceptance of Applications made under the Offer are governed by the laws of the State of Victoria. Each person who applies for New Shares under the Offer submits to the jurisdiction of the Courts of the State of Victoria.

9. RIGHTS ATTACHING TO NEW SHARES

9.1. Rights and liabilities

The following is a general description of the more significant rights and liabilities attaching to the New Shares:

- New Shares will be fully paid on issue and holders will have no further liability to the Company in respect of those Shares;

- at the date of the Offer, all Shares are of the same class and rank equally in all respects. Specifically, the New Shares issued pursuant to the Offer will rank equally with the existing Shares on Issue;

- subject to any special rights or restrictions (at present there are none), at any meeting each member present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each Share held;

- subject to any special rights or restrictions (at present there are none), any dividends that may be declared by the Company are payable on all Shares in proportion to the amount paid up;

- the rights attaching to the Shares may only be varied by the consent in writing of three quarters of the issued shares of that class, or with the sanction of a special resolution passed at a meeting of the holders of the Shares of the affected class;

- subject to the Company's Constitution, the Corporations Act or any other applicable laws of Australia and the Listing Rules, the Shares are freely transferrable. The Directors may refuse to register a transfer of Shares only in limited circumstances, such as were the Company has a lien over the Shares;

- each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be provided to Shareholders under the Company's Constitution, the Corporations Act and the Listing Rules;

- the Company's Constitution provides for the sale of unmarketable parcels provided that notice is given to the relevant shareholders stating that the Company intends to sell their Shares unless an exemption notice is received by a specified date;

- if the Company is wound up, the liquidator may, with the sanction of a special resolution:

  - divide among the Shareholders the whole or any part of the Company's property; and

  - decide how the division is to be carried out between the Shareholders; and

- subject to any special rights (at present there are none), any surplus assets on a winding up are to be distributed to Shareholders in proportion to the number of Shares held by them irrespective of the amounts paid or credited as paid.

This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, the Listing Rules and the Company's Constitution.

9.2. Constitution

A copy of the Constitution can be obtained from ASIC or from the ASX website at http://www.asx.com.au/ by searching under stock code BML. The Constitution may also be inspected at the Company's registered office during normal business hours.

10. DEFINITIONS

In this Offer Document unless the context or subject matter otherwise requires:

Applicant	A person who submits an Application.
Application	The submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through EFT in accordance with the instructions on the Entitlement and Acceptance Form.
Application Monies	The aggregate amount payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through EFT calculated as the Offer Price multiplied by the Number of New Shares applied for.
ASIC	Australian Securities and Investments Commission.
Associate	Has the meaning given to it in the Corporations Act.

ASX	ASX Limited (ACN 008 624 691) or the securities exchange operated by ASX Limited as the context requires.
Company	Botswana Metals Limited (ACN 122 995 073).
Closing Date	The closing date of the Offer as specified in the Timetable (unless extended).
Constitution	The Constitution of the Company.
Corporations Act	Corporations Act 2001 (Cth).
Director	A director of the Company.
EFT or **Electronic Funds Transfer**	Electronic funds transfer from a bank account in Australia to the Company's nominated bank account.
Eligible Shareholder	A Shareholder holding Shares on the Record Date whose registered address is in Australia or New Zealand.
Entitlement	The pro-rata entitlement of an Eligible Shareholder to subscribe for New Shares under the Offer.
Entitlement and Acceptance Form	The Entitlement and Acceptance form accompanying this Offer Document in respect of the Offer.
Foxfire	Foxfire Capital Pty Ltd (ACN 147 300 865).
Ineligible Shareholder	A Shareholder with a registered address outside Australia or New Zealand as at the Record date.
Issue Date	The issue date of the Offer as specified in the Timetable.
Listing Rules	The Listing Rules of the ASX.
Monvale	Monvale Investments Pty Ltd (ACN 094 587 774) as trustee for The Omissam Trust.
New Share	A new fully paid ordinary share in the capital of the Company to be issued under the Offer.
Offer or **Rights Issue**	The non-renounceable rights issue of 505,572,770 New Shares on the basis of seven (7) New Shares for every nine (9) Shares held at an issue price of 0.2 cent ($0.002) cash per New Share payable in full on application to raise approximately $1,011,145 before costs, pursuant to this Offer Document.
Offer Document	This document which sets out the terms of the Offer.
Offer Price	0.2 cent ($0.002) cash per New Share.
Opening Date	The opening date of the Offer as specified in the Timetable.
Record Date	The time and date for determining Entitlements under the Offer as specified in the Timetable.
Share	A fully paid ordinary share in the capital of the Company.

Shareholder	A holder of a Share as recorded in the Register of Members of the Company.
Shortfall or **Shortfall Shares**	Those New Shares not validly applied for by Shareholders under the Offer by the Closing Date.
Timetable	The timetable set out in section 2 of this Offer Document (as varied from time to time).
Trayburn	Trayburn Pty Ltd (ACN 006 048 639).
Underwriters	Trayburn and Monvale.