BOTSWANA Metals Limited

ASX:BML

ABN:
96 122 995 073

Issued Capital:
1,824,315,814 ordinary shares

Directors:
Mr Patrick Volpe (Chairman)
Mr Steve Groves (Director/Geologist)
Mr Josh Letcher (Non-executive)
Mr Ed Bulseco (Non-executive)

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About Botswana Metals

Botswana Metals is exploring for nickel, copper, cobalt, tantalum and lithium within its ~1,500 square kilometre exploration portfolio. These "new world" metals are becoming increasingly important as the world switches to cleaner sources of energy.

The company announced a maiden JORC Inferred Resource of 2.38Mt on 28th April 2015 from drilling within a small 185 square kilometre section of its exploration portfolio in which it had entered a joint venture with BCL. At the time cobalt was not included in the resource calculation.

Historical drilling outside of the joint venture ground has intercepted further nickel as well as significant intercepts of copper and cobalt.

A soil sampling program detected traces of lithium and tantalum which warrant further exploration.

Large tracts of BML's exploration portfolio remain unexplored.

ASX ANNOUNCEMENT

21 AUGUST 2017

COMPLETION OF PLACEMENT AND BOARD APPOINTMENTS

Completion of Placement

Botswana Metals Limited has issued 362,000,000 fully paid ordinary shares at an issue price of 0.1 cent ($0.001) cash per share paid in full on application to raise $362,000 (before costs) by placement to professional and sophisticated investors.

Board Appointments

The Board of Botswana Metals Limited (ASX: BML) is pleased to announce the following changes to the composition of the Board.

Appointment of Mr Joshua Letcher as Non-Executive Director

Mr Letcher has experience working in various operational and technical roles within the African and Australian mining industry. He was the founder of Allotropes Diamonds Pty Ltd and was responsible for its acquisition with Newfield Resources Ltd (ASX: NWF) which provided the company with A$4m working capital.

As CEO of Allotropes, Mr Letcher was responsible for the development of the project from exploration to trial mining. The roles in that capacity included project management, plant construction and commissioning, exploration management and asset acquisition.

Appointment of Mr Edwin Bulseco as Non-Executive Director

Mr Bulseco has significant financial markets experience working for several leading boutique corporate advisory firms across Australia and had several years equity research experience before moving into corporate finance. Mr Bulseco has experience working across a broad range of sectors and transactions. He is currently Non-Executive Director of ASX-listed Greenpower Energy Ltd (ASX: GPP) and Transcendence Technologies Ltd (ASX: TTL). Mr Bulseco is also founder of boutique Perth corporate advisory firm Xcel Capital Pty Ltd.

Prior to working in financial markets, Mr Bulseco worked with a global energy company in commercial and strategy roles internationally and in Australia.

Resignation of Mr Matthew Hudson

Mr Hudson has resigned as a non-executive Director of the Company due to other commitments. The Board records its sincere appreciation to Mr Hudson for his service and wishes him well with his future endeavours.

Cleansing Notice

The following information is provided in accordance with Sections 708A(5)(e) and 708A(6) of the *Corporations Act 2001* (Cth) ("the Act"):

(a) the securities were issued without disclosure to investors under Part 6D.2 of the Act;

(b) this notice is given under Section 708A(5)(e) of the Act;

(c) as at the date of this notice, the Company has complied with:

(i) the provisions of Chapter 2M of the Act as they apply to the Company; and

(ii) Section 674 of the Act; and

(d) as at the date of this notice, there is no information that is 'excluded information' (as defined in Sections 708A(7) and 708A(8) of the Act).

Information required under ASX Listing Rule 3.10.5A

(a) The dilutive effect of the placement on existing shareholders is as follows:

	Number	**Dilution**
Shares on issue prior to placement:	1,462,315,814	
Shares issued under ASX LR 7.1:	219,347,372	12.0%
Shares issued under ASX LR 7.1A:	142,652,628	7.8%
Dilution to pre-placement shareholders who did not participate in the placement:		**19.8%**
Shares on issue after the placement:	**1,824,315,814**	

(b) The Board believes that the benefits flowing from funds being raised quickly under ASX Listing Rules 7.1 and 7.1A, as opposed to a protracted process such as a rights issue, outweighed the inability of shareholders to participate. The additional funds will allow further exploration at the Group's projects in Botswana and provide working capital.

(c) The placement was not underwritten.

(d) As announced to the ASX on 13 August 2017, the Company executed a mandate with Xcel Capital Pty Ltd to raise $362,000 (before costs). The Company will pay Xcel Capital Pty Ltd a fee of 5% (plus GST) of the funds raised by the placement plus reasonable out-of-pocket expenses

Mr Bulseco is a founding shareholder and Director of Xcel Capital Pty Ltd.

Appendix 3B

An Appendix 3B is attached.

Mr Patrick Volpe
Chairman

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

BOTSWANA METALS LIMITED

ABN

96 122 995 073

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	ORDINARY SHARES (ASX: BML).
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	362,000,000 ORDINARY SHARES.
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	FULLY PAID ORDINARY SHARES.

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	YES.
5	Issue price or consideration	0.1 CENT ($0.001) CASH PER SHARE.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	NET FUNDS RAISED WILL BE USED FOR WORKING CAPITAL FOR THE OPERATIONS IN AUSTRALIA AND BOTSWANA INCLUDING EXPLORAITON AND ADMINISTRATION COSTS.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	YES.
6b	The date the security holder resolution under rule 7.1A was passed	30/11/2016
6c	Number of +securities issued without security holder approval under rule 7.1	219,347,372
6d	Number of +securities issued with security holder approval under rule 7.1A	142,652,628

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	NIL.
6f	Number of +securities issued under an exception in rule 7.2	NIL.
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	YES. ISSUE DATE: 18/08/2017 ISSUE PRICE: 0.1 CENT ($0.001) PER SHARE 15 DAY VWAP: 0.1 CENT ($0.001) PER SHARE SOURCE: COMPANY
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A.
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	RULE 7.1: NIL RULE 7.1A: 3,578,953
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	18/08/2017

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	1,824,315,814	ORDINARY SHARES.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	N/A.	N/A.

+ See chapter 19 for defined terms.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	THE COMPANY DOES NOT YET HAVE A DIVIDEND POLICY. PAYMENT OF FUTURE DIVIDENDS WILL DEPEND UPON THE FUTURE PROFITABILITY AND FINANCIAL POSITION OF THE COMPANY.

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A.
12	Is the issue renounceable or non-renounceable?	N/A.
13	Ratio in which the +securities will be offered	N/A.
14	+Class of +securities to which the offer relates	N/A.
15	+Record date to determine entitlements	N/A.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A.
17	Policy for deciding entitlements in relation to fractions	N/A.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A.
19	Closing date for receipt of acceptances or renunciations	N/A.

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A.
21	Amount of any underwriting fee or commission	N/A.
22	Names of any brokers to the issue	N/A.
23	Fee or commission payable to the broker to the issue	N/A.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A.
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A.
28	Date rights trading will begin (if applicable)	N/A.
29	Date rights trading will end (if applicable)	N/A.
30	How do security holders sell their entitlements *in full* through a broker?	N/A.
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	N/A.
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A.
33	+Issue date	N/A.

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(*tick one*)

(a) X +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ..... Date: 21/08/2017
(Company Secretary)

Print name: MR RAMON JIMENEZ

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital			
Step 1: Calculate "A", the base figure from which the placement capacity is calculated			
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,158,345,803		
Add the following:	Number	Date	Issue Type
• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2	20,011	05/01/2017	Issue of shares on exercise of options.
• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval	250,000,000	17/02/2017	Placement of shares pursuant to ASX LR 7.3 approval at 2016 AGM
• Number of partly paid +ordinary securities that became fully paid in that 12 month period	53,950,000	11/04/2017	Issue of shares pursuant to Directors' Fee Plan as approved at 2016 AGM.
Note: • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*			
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	0		
"A"	1,462,315,814		

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"			
"B"	0.15 *[Note: this value cannot be changed]*		
Multiply "A" by 0.15	219,347,372		
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used			
Insert number of +equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	Number 219,347,372	Date 18/08/2017	Type Placement of shares pursuant to ASX LR 7.1.
"C"	219,347,372		
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1			
"A" x 0.15 *Note: number must be same as shown in Step 2*	219,347,372		
Subtract "C" *Note: number must be same as shown in Step 3*	219,347,372		
Total ["A" x 0.15] – "C"	0		
	[Note: this is the remaining placement capacity under rule 7.1]		

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities		
Step 1: Calculate "A", the base figure from which the placement capacity is calculated		
"A" *Note: number must be same as shown in Step 1 of Part 1*	1,462,315,814	
Step 2: Calculate 10% of "A"		
"D"	0.10 *Note: this value cannot be changed*	
Multiply "A" by 0.10	146,231,581	
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used		
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	Number 142,652,628	Date 18/08/2017
"E"	142,652,628	

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	146,231,581
Subtract "E" *Note: number must be same as shown in Step 3*	142,652,628
Total ["A" x 0.10] – "E"	3,578,953
	Note: this is the remaining placement capacity under rule 7.1A