

12 OCTOBER 2017

COMPANY UPDATE AND SPP CLEANSING NOTICE

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)

Registered Office:

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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.

Drill program

The drill program at PL 111/94 announced to the ASX on 13 August 2017 is continuing. Samples from the first 8 holes out of the 18 hole program have been sent to SGS, an independent laboratory in South Africa, for analysis. It is expected that results from these samples will be received by the end of October. The visual inspection of RC percussion drill chips has confirmed intersections of malachite and chalcocite for potential copper and silver mineralisation (refer ASX announcement released on 18 September 2017). The SGS laboratory results should confirm the extent of any copper and other mineralisation. The Company last drilled the area in 2011. The drill program will be completed in the December quarter and all further results received by the end of the December quarter.

Consultancy agreement – Mr P J Volpe

Subject to the passing of resolutions at the Annual General Meeting of the Company in November 2017, Mr P J Volpe will resign as Executive Chairman of the Company and from the Board of Directors following the AGM to pursue other exploration ventures. The Company will retain the benefit of Mr Volpe's expertise and experience by engaging him as a consultant directly or through his consultancy company for a period of six months for a fee of \$10,000 per month (plus GST). In addition, subject to shareholder approval, the Company will issue Mr Volpe or his consultancy company 8M options (on a pre-consolidated basis) exercisable at \$0.00125 (0.125 cents) each expiring on 1 July 2021.

Issue of options subject to shareholder approval

The Company will seek shareholder approval at the Annual General Meeting to issue a total of 24M options (on a pre-consolidated basis) to Directors (other than Mr P J Volpe) and 10M options to a contractor exercisable at \$0.00125 (0.125 cents) each expiring on 1 July 2021.

Change of company name

Subject to shareholders passing the required special resolution at the Annual General Meeting, the name of the Company will be changed to SIX SIGMA METALS LIMITED. The new name has been reserved with ASIC.

Share purchase plan

The Company refers to its ASX announcement released 8 September 2017 regarding the Share Purchase Plan ("SPP") to be offered to shareholders with a registered address in Australia or New Zealand. The SPP enables eligible shareholders to apply for new fully paid ordinary shares at an issue price of \$0.00082 (0.082 cents) per new share. The offer of shares under the SPP will be made without a Prospectus or Disclosure Document in reliance on ASIC Class Order [CO 09/425].

In addition, subject to shareholder approval, applicants under the SPP will receive one (1) free attaching option for every three shares subscribed, with an exercise price of \$0.00125 (0.125 cents) and an expiry date of 1 July 2021. If shareholder approval is not obtained, no options will be issued and applicants will not receive a refund of any of their application money nor will they be entitled to be paid any compensation by the Company. The options will be issued under a Prospectus which will be lodged with ASIC and ASX in due course.

The Company reserves the right not to proceed with the whole or part of the SPP at any time prior to the issue of the new shares and, if the SPP does not proceed, application monies will be refunded in full without interest.

Cleansing Notice

Notice is given under paragraph 7(f)(ii) of ASIC Class Order [CO 09/425] that:

- (a) the Company will make offers to issue shares under a Share Purchase Plan without disclosure to investors under Part 6D.2 of the *Corporations Act 2001* ("the Act"); and
- (b) this notice is given in accordance with ASIC Class Order [CO 09/425]; and
- (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 excluded information (in accordance with the requirements of subsections 708A(7) and (8) of the Act) as if this notice were a notice under paragraph 708A(5)(e) of the Act.

Mr Patrick Volpe
Chairman

Competent Person

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 Australian Institute of Geoscientists. Mr Groves is Director of, and 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.