

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 23 DECEMBER 2011

Drilling Update

The Board of Botswana Metals Limited ("BML") wishes to advise that drilling will stop on 23 December 2011 and is anticipated to resume in February 2012.

Outstanding results are expected to be available during the first quarter of 2012 and any significant results will be reported to the market.

The drilling to December 2011 focused on conductor targets at Airstrip as well as metallurgical twin holes at Dibete.

A summary of the recently received (to 22 December 2011) assay results from the drilling at the Airstrip conductors are as follows:

- So far 9 out of a total of 17 IP conductors have been drill tested with assays confirming 8 conductors are mineralised (C1, C2, C6, C7, C8, C10, C11, C12, C14 and C17).
- Additional assay results are expected from drilling on C12 and C13 conductors.
- 5 of the 17 known conductors still not drill tested at all, while others have limited drilling and warrant further detailed drilling.
- ACRD 101 drilled at C12 intersected 3m @ 4.8% Cu & 151g/t Ag from 39.5m including 1m @ 11% Cu & 329g/t Ag from 41m.

BML will lodge an application for an extension of Prospecting Licence 110/94 prior to 31 December 2011 in line with the requirements of the Botswana *Mines and Minerals Act 1999*. The licence will expire on 31 March 2012 and advice regarding the application from the Department of Geological Survey is not expected before this date.

Market Cap

approx \$7M at 5c per share

Cash

\$1.4M

Issued Capital

143,717,844 ordinary shares
71,857,670 listed options at 10c

Substantial shareholders

1. Vermar Pty Ltd 16.20%
2. Bell IXL Investments Ltd 7.65%
3. Polarity B Pty Ltd 6.23%

Directors

Mr Patrick Volpe (Chairman)
Mr Massimo Cellante
(Non-executive Director)
Dr Paul Woolrich
(Non-executive Director)

www.botswanametals.com.au

Registered Office

Suite 5, Level 1,
310 Whitehorse Road
Balwyn, Victoria, 3103

P +61 3 98307676

F +61 3 98363056

Contact

Pat Volpe
P +61 3 98307676

ABN 96 122 995 073

Table 1 Highlights of new results

Conductor No	Hole No	From	To	Interval m	Cu %	Ag g/t
Conductor 6	ACRD033	62m	69m	7m	0.8%	11.9
Conductor 6		62m	62.5m	inc 0.5m @	3.8%	55.6
Conductor 6	ACRD046	103.5m	104m	0.5m	1.2%	21.2
Conductor 6	ACDD 072	136.5m	138.5m	2m	0.5%	22.2
Conductor 12	ACDD 076	0m	13m	13m		9
Conductor 12		3m	6m	inc 3m @		28.5
Conductor 12		5m	6m	inc 1m @		54
Conductor 17	ACDD 082	0m	4m	4m		10.8
Conductor 17		0m	2m	Inc 2m @		14.4
Conductor 12	ACRD096	48m	49.5m	1.5m	2.64%	16.93
Conductor 12	ACRD097	54.5m	55m	0.5m	3.14%	106
Conductor 12	ACRD 098	88.5m	89m	0.5m	1.21%	18.8
Conductor 12	ACRD101	39.5m	42.5m	3m	4.8%	151.2
Conductor 12		41m	42m	Inc 1m @	11.02%	329
Conductor 12	ACRD102	66m	67m	1m	5.54%	8.15
Conductor 12		72.5m	74m	1.5m	2.42%	50.97
Conductor 12		73m	73.5m	0.5m	6.15%	124
Conductor 12	ACRD 103	21m	24m	3m	2.23%	19.5
Conductor 12	ACRD 104	37m	38m	1m	1.92%	16.8

Table 2 below includes all new anomalous drill results received to date on this recent 2011 drill program referenced by IP conductors at Airstrip.

Location of all conductors and holes are shown on Figures 1 and 2.

Table 2 New Anomalous Results from Airstrip Copper

Conductor No	Hole No	From	To	Interval m	Cu %	Pb %	Zn %	Ag g/t
Conductor 14	ACRC030	40m	43m	3m			0.4%	0.8
Conductor 6	ACRD033	62.m	69m	7m	0.8%			11.9
Conductor 6	ACRD033	62.m	62.5m	inc 0.5m @	3.8%			55.6
Conductor 6	ACRD033	70m	71m	1m	0.7%			3.3
Conductor 6	ACRD033	73.5m	74m	0.5m	0.3%			1.8
Conductor 6	ACRD033	78m	80m	2m	0.2%			1.9
Conductor 6	ACRD036	93.5m	94m	0.5m	0.3%			2.9
Conductor 6	ACRD036	98.5m	99m	0.5m	0.4%			1.8
Conductor 6	ACRD044	125.5m	127m	1.5m	0.3%			3.3
Conductor 6	ACRD044	129m	130m	1m	0.3%			3.9
Conductor 6	ACRD044	133.5m	134m	0.5m	0.2%			1.4
Conductor 6	ACRD044	150.5m	151m	0.5m	0.3%			2.2
Conductor 6	ACRD044	152.5m	153m	0.5m	0.8%			7.8
Conductor 6	ACRD044	156m	158m	2m	0.4%			3.8
Conductor 6	ACRD044	158.5m	159m	0.5m	0.2%			1.4
Conductor 6	ACRD045	128.5m	130m	1.5m	0.2%			4.6
Conductor 6	ACRD045	140m	140.5m	0.5m		0.21%	0.38%	1.1
Conductor 6	ACRD046	103.5m	104m	0.5m	1.2%			21.2
Conductor 6	ACRD046	140m	141m	1m	0.2%			0.4
Conductor 6	ACRD046	174.5m	175m	0.5m	0.5%			5.1
Conductor 6	ACRD046	177m	177.5m	0.5m	0.2%			0.5
Conductor 6	ACRD046	179m	179.5m	0.5m	0.3%			4.3
Conductor 6	ACRD051	128.5m	129.5m	1m	0.4%			0.7
Conductor 6	ACRD052	112m	112.5m	0.5m	0.3%			1.9
Conductor 6	ACDD 072	44m	44.5m	0.5m	0.4%			5.0
Conductor 6	ACDD 072	136.5m	138.5m	2m	0.5%			22.2

Conductor No	Hole No	From	To	Interval m	Cu %	Pb %	Zn %	Ag g/t
Conductor 12	ACDD 076	0m	13m	13m				9.0
Conductor 12	ACDD 076	0m	2m	inc 2m @				3.9
Conductor 12	ACDD 076	3m	6m	inc 3m @				28.5
Conductor 12	ACDD 076	5m	6m	inc 1m @				54.0
Conductor 12	ACDD 076	7m	8m	inc 1m @				13.2
Conductor 12	ACDD 076	10m	11m	inc 1m @				4.9
Conductor 12	ACDD 076	12m	13m	inc 1m @				2.3
Conductor 12	ACDD 076	21.5m	23m	1.5m	0.2%			
Conductor 12	ACDD 076	30m	31m	1m	0.4%			0.7
Conductor 7	ACDD 077	4m	5m	1m				2.2
Conductor 7	ACDD 077	10m	11m	1m				3.1
Conductor 7	ACDD 077	17m	18m	1m	0.5%			
Conductor 7	ACDD 077	19m	19.5m	0.5m	0.2%			
Conductor 7	ACDD 077	20m	20.5m	0.5m	0.2%			
Conductor 7	ACDD 078	0m	2m	2m				7.2
Conductor 2	ACDD 079	1m	3m	2m				3.8
Conductor 2	ACDD 079	12m	13m	1m				4.3
Conductor 1	ACDD 080	0m	4m	4m				6.2
Conductor 1	ACDD 081	0m	1m	1m				2.0
Conductor 17	ACDD 082	0m	4m	4m				10.8
Conductor 17	ACDD 082	0m	2m	2m				14.4
Conductor 17	ACDD 083	0m	6m	6m				3.8
Conductor 17	ACDD 085	0m	2m	2m				7.2
Conductor 2	ACRD086	53m	54m	1m	0.48%			0.60
Conductor 11	ACRD094	27m	28m	1m	1.69%			9.10

Conductor No	Hole No	From	To	Interval m	Cu %	Pb %	Zn %	Ag g/t
Conductor 12	ACRD096	42m	42.5m	0.5m	0.35%	0.42%	0.01%	9.60
Conductor 12	ACRD096	43.5m	44m	0.5m	0.14%	0.01%	0%	3.1
Conductor 12	ACRD096	46.5m	47m	0.5m	0.62%	0.08%	0.01%	6.50
Conductor 12	ACRD096	48m	50.5m	2.5m	1.69%	0.02%	0.03%	11.04
Conductor 12	ACRD096	48m	49.5m	Inc 1.5m	2.64%	0.01%	0.03%	16.93
Conductor 12	ACRD096	51.5m	52m	0.5m	0.25%	0.24%	0.09%	1.00
Conductor 12	ACRD096	53.5m	55.5m	2m	1.1%	0.46%	0.22%	1.95
Conductor 12	ACRD096	53.5m	54.5m	Inc 1m	2%	0.15%	0.1%	1.15
Conductor 12	ACRD097	54m	56m	2m	1.39%	0%	0%	48.70
Conductor 12	ACRD097	54.5m	55m	Inc 0.5m	3.14%	0%	0%	106.00
Conductor 12	ACRD 098	67m	69m	2m	0.137%	0%	0%	3.00
Conductor 12	ACRD 098	88m	89.5m	1.5m	0.81%	0.13%	0.07%	13.63
Conductor 12	ACRD 098	88.5m	89m	Inc 0.5m	1.21%	0.34%	0.2%	18.80
Conductor 12	ACRD 098	90m	90.5m	0.5m	6.54%	0%	0%	149
Conductor 12	ACRD 098	91m	92m	1m	0.4%	0.01%	0%	11.05
Conductor 12	ACRD 098	92.5m	95m	2.5m	0.42%	0%	0%	5.28
Conductor 12	ACRD101	39.5m	42.5m	3m	4.8%	0.11%	0%	151.20
Conductor 12	ACRD101	41m	42m	Inc 1m	11.02%	0.04%	0%	329.00
Conductor 12	ACRD101	58m	59m	1m	0.63%	0%	0%	5.95
Conductor 12	ACRD102	16m	17m	1m	0.21%	0%	0%	0.00
Conductor 12	ACRD102	20m	21m	1m	0.3%	0%	0%	0.00
Conductor 12	ACRD102	26m	27m	1m	0.26%	0%	0%	0.00
Conductor 12	ACRD102	34m	35m	1m	0.27%	0%	0%	0.20
Conductor 12	ACRD102	66m	67.5m	1.5m	3.85%	0.10%	0.07%	5.93
Conductor 12	ACRD102	66m	67m	Inc 1m	5.54%	0.13%	0.11%	8.15

Conductor No	Hole No	From	To	Interval m	Cu %	Pb %	Zn %	Ag g/t
Conductor 12	ACRD102	69m	69.5m	0.5m	1.05%	0.02%	0%	9.50
Conductor 12	ACRD102	72.5m	74m	1.5m	2.42%	0.01%	0%	50.97
Conductor 12	ACRD102	73m	73.5m	Inc 0.5m	6.15%	0%	0%	124.00
Conductor 12	ACRD 103	20m	24m	4m	1.73%	0.08%	0%	15.08
Conductor 12	ACRD 103	21m	24m	Inc 3m	2.23%	0.08%	0%	19.50
Conductor 12	ACRD 103	53.5m	54.5m	1m	0.32%	0%	0%	1.80
Conductor 12	ACRD 104	31m	34m	3m	0.49%	0%	0%	3.97
Conductor 12	ACRD 104	36m	39m	3m	0.88%	0%	0%	7.33
Conductor 12	ACRD 104	37m	38m	Inc 1m	1.92%	0%	0%	16.80
Conductor 12	ACRD 104	40m	42m	2m	0.2%	0%	0%	0.10
Conductor 12	ACRD 104	43m	45m	2m	0.24%	0%	0%	0.00

Note: All depths are downhole distances and intervals may not be true thicknesses.

Cut offs applied to laboratory results are 0.2% for Cu, Pb, Zn and Ni and 2 g/t Ag, and 0.2g/t Au

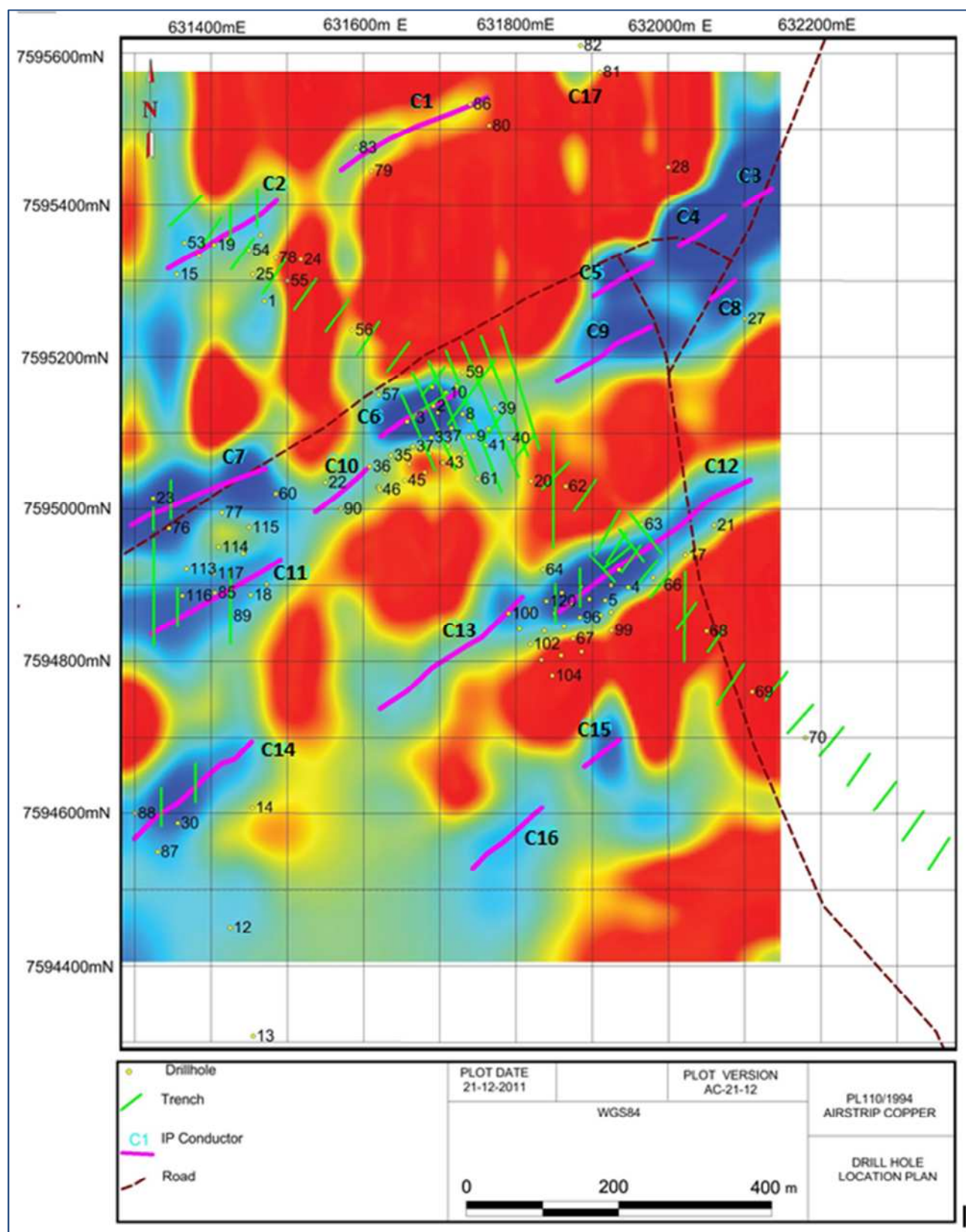


Figure 1: Relationship of drill holes to named conductors and results of shallow trenching at Airstrip Copper Prospect.

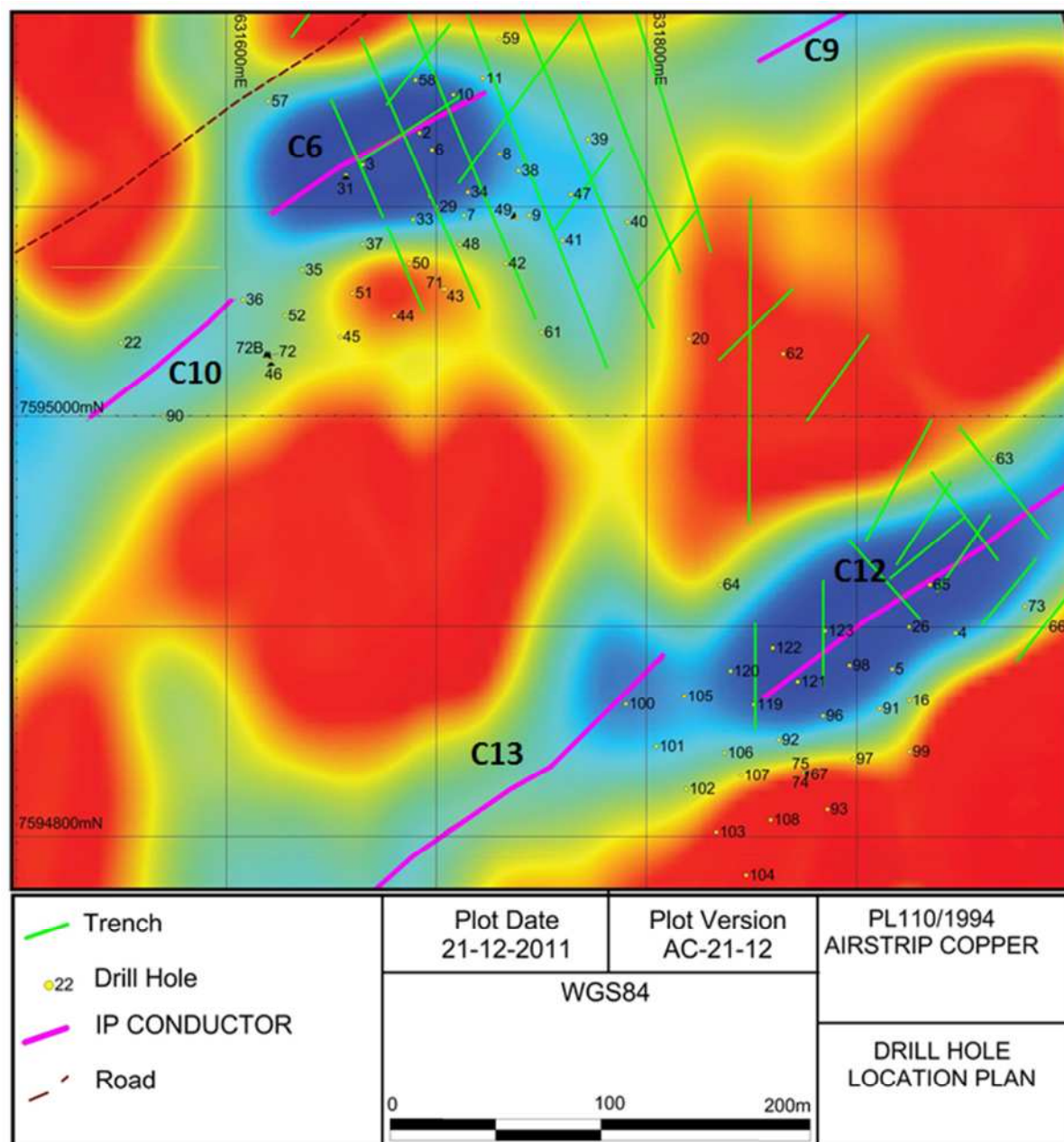


Figure 2: Detail of Drilling in the Airstrip Copper C6 and C12 areas.

Additional results will be released as they become available.

Pat Volpe
Chairman

Competent Persons Statement.

The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Temby, a consultant employed by Anpet Exploration Pty Ltd and a member of The Australian Institute of Geoscientists.

Mr Temby has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Temby consents to the inclusion in this report of matters based on his information in the form and context in which it appears.