



ASX Announcement
31 July 2017

Cougar Metals NL is a Perth based exploration company listed on the Australian Securities Exchange (ASX: CGM).

The Company is earning a 50% interest in the Toamasina Saprolitic Graphite Project located 50km south of the port city of Taomasina, in Madagascar. The project covers approximately 4400 Ha and provides a near term opportunity to develop a low capex, low opex, high quality graphite operation. The project will be drilled to complete a NI43-101 Preliminary Economic Study.

Cougar is also acquiring an 85% interest in the Ceara Lithium Project, located in north-eastern Brazil. The Project comprises 35 tenements with an area of ~60,000Ha covering the historical lithium mining centre at Solonopole the Cristal pegmatite swarm. The project is currently being field sampled.

Directors & Officers

Randal Swick – Executive Chairman
David Symons – Non Executive Director
Brian Thomas – Non Executive Director

Brett Tucker – CFO & Company Secretary

Capital Structure

Shares on Issue: 829,554,238
Last Price (28/07/17): \$0.007
Market Capitalisation: ~\$5.8 million

Substantial Shareholders

Marcia Swick – 33.3%
Savvy Capital Management – 16.7%

June 2017 Quarter Activities Report

HIGHLIGHTS:

Madagascar Graphite:

- Initial drill results from Main Zone confirm weathered mineralisation to depths of over 30 metres
- Initial Metallurgical results confirm high recoveries from standard flow sheet, high percentages of large flake high quality graphite
- Drilling in Main Zone continues with 365 samples from 32 holes currently being analysed at AGAT laboratories, Ontario. Further results expected early August.

Brazil Lithium

- Field work continues to focus on historical mining areas within the tenements.
- Several mining areas now sampled with 250 samples currently being processed at SGS laboratories, Brazil. Results expected mid to late August.

Brazil Drilling Division

- T3W drilling rig stored in Uruguay sold for 350,000 USD.
- Negotiations progressing on the sale of other assets.



ACTIVITIES REPORT

Madagascar Graphite quarterly activities:

Drilling commenced at the project on 26th April 2017 - initially targeting a recently identified zone of graphite mineralisation, centred 2km west-southwest of the primary target area, (the 'Main Zone'). This recently identified area has been termed the 'SW Zone' and is situated within 500m of the highway that transects the property.

Unseasonal cyclonic rains and associated access problems caused unfortunate delays in the initial phase of the drilling with drilling in the Main Zone commenced on 13th June 2017.

To date 12 holes in the SW Zone and 29 holes in the Main Zone have been completed, for a total of 1232m. These works have confirmed the near surface, weathered nature of the mineralisation. Blade drilling with air core reached depths between 17m and 42m and averaged 28m.

Initial Drill Results:

Initial drill results were received subsequent to the quarter and reported, together with JORC Table 1 information, to the ASX on 27 July, 2017. The initial drill results comprise six (6) holes in the recently identified Southwest Zone ("SW Zone") and three (3) holes in the Main Zone ("MZ").

The SW Zone returned lower grade material than expected with highlights being:

- RCVT0003: 8.00m @ 2.34% Cg, from 3.00m
- RCVT0008: 5.50m @ 3.31% Cg, from surface
- RCVT0009: 4.50m @ 3.37% Cg, from 4.00m

The Main Zone Results Include:

- RCVT0014: 11.50m @ 7.23% Cg, from surface;
- RCVT0015: 12.00m @ 4.14% Cg from 8.50m -
Incl. 4.50m @ 5.20% Cg, from 25.00m;
- RCVT0016: 19.50m @ 6.12% Cg, from 10.00m -
Incl. 4.50m @ 10.59% Cg, from 19.00m

Assays from a further 32 holes are currently being processed at AGAT laboratories, Ontario Canada. Results are expected early August.

Table 1: Significant Drilling Results:

Drill Hole	Easting	Northing	Dip	From m	To m	Interval m	%Cg
RCVT015	305125	7950367	90	08.5	20.5	12.0	4.14
<i>Incl.</i>				25.0	29.5	4.5	5.20
RCVT016	305044	7950281	90	02.5	04.0	1.5	3.78
<i>Incl.</i>				10.0	29.5	19.5	6.12
				19.0	23.5	4.5	10.59
				32.5	38.5	6.0	3.74
RCVT014	305048	7950215	90	0	11.5	11.5	7.23
RCVT009	303547	7949564	90	04.0	08.5	4.5	3.37
RCVT008	303614	7949487	90	0	05.5	5.5	3.31
RCVT003	303610	7949398	90	03.0	11.0	8.0	2.34

Note: Insufficient geological data currently exist to accurately determine true mineralisation widths as compared to intersection widths as listed in Table 1 above.

Table 2: Drill Collars

Hole Number	TYPE	AREA	mE (UTM)	mN (UTM)	mA MSL	Dip	EOH (m)
RCVT001	Aircore	SWZ	303621.00	7949566.00	35.0	90	030.0
RCVT002	Aircore	SWZ	303614.00	7949487.00	34.0	90	029.0
RCVT003	Aircore	SWZ	303610.00	7949398.00	28.0	90	014.0
RCVT004	Aircore	SWZ	303531.00	7949400.00	26.0	90	020.0
RCVT009	Aircore	SWZ	303547.00	7949564.00	73.0	90	032.5
RCVT010	Aircore	SWZ	303545.00	7949483.00	47.0	90	020.0
RCVT014	Aircore	MZ	305048.00	7950215.00	68.0	90	029.5
RCVT015	Aircore	MZ	305125.00	7950367.00	74.0	90	029.5
RCVT016	Aircore	MZ	305044.00	7950281.00	73.0	90	049.0

Initial Metallurgical Results:

Subsequent to the quarter the Company received results from two metallurgical samples collected from the Toamasina Project. The flotation test work, based on a standard graphite process flowsheet developed by Independent Metallurgical Operations (IMO), demonstrated that coarse high purity graphite flakes can be produced from this standard flowsheet.

Details of the test work and results (and JORC Table 1) were announced on 18 July 2017. Highlights from the test work include:

- Confirmed presence of significant quantities of coarse high-grade graphite concentrate from both high and low grade raw composites;
- The high-grade sample produced a concentrate with 28% >500 µm (Super Jumbo Flake) and 65% > 180 µm (Large Flake), at an overall concentrate grade of 98.4% Total Carbon
- The low-grade sample produced a concentrate with 53% > 180 µm (Large Flake) at an overall concentrate grade of 98.3% Total Carbon
- Results achieved at a coarse grind size of 1 mm using conventional flowsheet

Flotation test work based on IMO's standard graphite process flowsheet resulted in a high grade concentrate from both low and high grade composites as shown in the table below.

Table 3: Concentrates from High and Low Grade Composites

Size Fraction	High Grade Comp			Low Grade Comp		
	Mass	TC	LOI	Mass	TC	LOI
µm	%	%	%	%	%	%
500	28.4%	98.31	99.49	1.0%	98.52	99.04
300	21.3%	98.95	99.35	21.7%	98.52	99.04
180	15.4%	98.65	99.25	30.0%	98.92	98.63
150	6.6%	99.12	99.28	12.0%	97.29	98.36
106	7.0%	98.98	99.21	10.7%	97.11	98.44
75	6.0%	99.00	99.20	7.6%	98.17	98.31
-75	15.4%	96.53	96.27	17.0%	98.17	97.48
Calc Head	100.0%	98.37	98.88	100.0%	98.26	98.45

TC = Total Carbon by LECO, LOI = Loss on Ignition at 1000°C

All cash payments to DNI have been made by the Company, with the final payment of USD\$150,000 paid during the quarter.

The Company has requested from the project vendor, DNI Metals Inc., an extension of the deadline for completing a resource calculation which was due on 30 June 2017, as well as the completion of a Preliminary Economic Study to NI 43-101 standards by 31 October 2017, in accordance with the Definitive Agreement signed 24 March 2017. Cougar is expecting a response from DNI in the first week of August.



Brazilian Lithium Project

In August 2016 the company entered into an agreement with a Dubai based investment company (MMH) to acquire an 85% interest in its Ceara Lithium project covering the known lithium district of Solonopole and a lithium bearing pegmatite swarm at Cristais, Ceara, Brazil. The project covers approximately 60,000 Ha.

An initial mapping and field sampling program is now underway to target areas highlighted from a review of existing airborne geophysical data (See ASX announcement dated March 8, 2017) and concentrating on areas of historic mining activity.

Approximately 250 soil and rock chip samples are currently being dispatched for assay, with results expected in the coming weeks.

Drilling Business Update

As previously announced the Company made a decision to wind back drilling operations and liquidate its position in order for the Company to focus on its graphite and lithium assets exploration assets.

Further, the Company reports that it has sold a T3W drill rig located in Uruguay for approximately US\$350k.

Shoal Lake East Gold Project (Canada)

Work on the Shoal Lake East Gold Project remains in suspension pending compliance by KPM of the orders of the arbitration.

Please refer to www.cgm.com.au for further details on this project.

Pyke Hill Project (Western Australia)

No new work was conducted during the quarter. The Company continues to seek a sale or third parties who may have an interest in participating in the Project.

Please refer to www.cgm.com.au for further details on this project.

Corporate quarterly activities

During the quarter the Company successfully completed a placement to raise \$1.150 million before costs, with funds to be principally applied to the Toamasina Graphite Project, Ceara Lithium Project and corporate overheads.

On 8 June 2017 the Company announced the resignation of Mr Michael Fry as Director.

Mr Brian Thomas was appointed as a Director of the Company on 8 June 2017.



Mr Fry resigned as Company Secretary and CFO on 14 June 2017 and Mr Brett Tucker was appointed as a replacement.

The Company held a general meeting of shareholders on 31 July and results were separately announced to the market.

For further information please contact the undersigned via email using r.swick@cgm.com.au.

Yours sincerely
COUGAR METALS NL

A handwritten signature in black ink that reads "Randal Swick".

RANDAL SWICK
Executive Chairman and Managing Director

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Cougar Metals NL, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

Competent Persons Statements

The information in this report that relates to Exploration Results in relation to the Toamasina Saprolitic Graphite Project is extracted from ASX Announcements dated 18 July 2017 and 27 June 2017. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Exploration Results or Minerals Resource estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.



Summary of Tenements and Changes

In accordance with ASX Listing Rule 5.3, Cougar advises of the following:

Project (Australia)	Tenement Reference	Interest held by Cougar at 30 June 2017	Changes during the quarter (acquisitions /disposals)	Interest held by Cougar at 31 March 2017
Pyke Hill Nickel (Australia)*	M39/159	Ni/Co rights - 100%	-	Ni/Co rights - 100%
Shoal Lake Gold (Canada)	MH9	100%	-	100%
Shoal Lake Gold (Canada)	MH10	100%	-	100%
Shoal Lake Gold (Canada)	MH40	100%	-	100%
Shoal Lake Gold (Canada)	D259	100%	-	100%

* Cougar holds 100% of the Nickel and Cobalt Laterite rights in relation to the tenement, with tenement ownership to be transferred to Cougar upon the commencement of mining activities.

Project (International)	Tenement Reference	Interest held by Cougar at 30 June 2017	Changes during the quarter (acquisitions /disposals)	Interest held by Cougar at 31 March 2017
Toamasina Graphite Project	PE38642	Earning to 50%	-	Earning to 50%
Ceara Lithium Project	9666/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9667/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9668/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9669/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9670/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9671/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9672/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9673/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9674/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9675/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9676/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9677/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9678/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9679/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9680/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9615/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9681/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9682/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9616/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9617/2016	Earning to 85%	-	Earning to 85%



Ceara Lithium Project	9618/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9683/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9684/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9685/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9686/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9687/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9619/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9620/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9621/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	9622/2016	Earning to 85%	-	Earning to 85%
Ceara Lithium Project	1521/2017	Earning to 85%	-	Earning to 85%