

11 February 2019

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Dear Shareholder,

RE: COUGAR METALS NL - NON-RENOUNCEABLE ENTITLEMENT ISSUE

As announced on ASX on 11 February 2019, Cougar Metals NL (ACN 100 684 053) (**Company**) is undertaking a non-renounceable entitlement issue offer of 1 fully paid ordinary share (**Share**) for every 1 Share or for every 1 Contributing Share held by those Shareholders registered at 7.00pm (WST) on 18 February 2019 (**Record Date**) with a registered address in Australia or New Zealand (**Eligible Shareholders**) at an issue price of \$0.002 per Share together with 1 free new Option for each 2 new Shares issued exercisable at \$0.01 on or before 31 March 2022 (**Option**) (**Entitlement**) to raise up to A\$1.96 million before costs (**Entitlement Issue**).

The Entitlement Issue is not underwritten.

The Directors have put in place a Top Up Facility that allows Eligible Shareholders to apply for additional Shares and Options (**Securities**) in excess of their Entitlement at the same price of \$0.002 per Share together with 1 free new Option for each 2 new Shares issued exercisable at \$0.01 on or before 31 March 2022.

The Entitlement Issue is accompanied by an offer for shortfall securities (**Shortfall Offer**) at the same issue price per Share under the Offer and Top Up Facility (together the **Offers**).

The Company lodged a prospectus for the Offers (**Prospectus**) with ASIC and ASX on 11 February 2019 and a copy is available at the Company's website www.cgm.com.au or under the ASX Code CGM on the ASX announcements website http://www.asx.com.au/asx/statistics/announcements.do

The Company has determined, pursuant to the *Corporations Act 2001* (Cth) and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers under the Entitlement Issue to shareholders with a registered address outside of shareholders with a registered address in Australia and New Zealand.

Accordingly, in compliance with the Corporations Act 2001 (Cth) and Listing Rule 7.7.1(a) of the ASX Listing Rules, the Company wishes to advise that it will not be extended the Entitlement Issue to shareholders with a registered address outside of Australia and New Zealand (Ineligible Shareholders).

Your shareholding is currently registered to an address outside of Australia and New Zealand. Accordingly, you are not eligible to participate in the Entitlement Issue or Shortfall Offer.



Questions

If you have any questions concerning the offers, or the actions you are required to take to subscribe for Shares, please contact your financial advisor or please contact Ben Donovan, Company Secretary, on +61 (08) 9482 0580 or by email to admin@cgm.com.au

Yours sincerely

BEN DONOVAN COMPANY SECRETARY COUGAR METALS NL