



C O U G A R
M E T A L S N L

**Brazil focused junior explorer with high quality
exploration assets and cash flow**



Alta Floresta Gold Tenements, Brazil

- Large land holding in areas that have produced over 5 million ounces. Current holding 2150 sq Km.
- Systematic exploration during 07/08 has identified a large tonnage resource target within the Alta Floresta project
- Established exploration base
- Reduced expenditure for 08/09 while maintaining key areas in an uncertain market



Pyke Hill Nickel Deposit WA

- JORC compliant Measured and Indicated Resource of 14.7M tonnes grading 0.9% Ni and 0.06% Co at 0.5%Ni cutoff grade.
- Metallurgical test work during 07/08 highlighted that the (lower) saprolite horizon is amenable to atmospheric leaching. This holds more than 60% of the resource and 60% of the contained nickel metal.
- Interest from several parties prior to the softening of commodity prices
- Holding costs \$54,000 p.a.



Exploration Strategies for 08/09

- Continuing strategic project reviews, and retaining only core exploration areas.
- Minimal exploration activity during the current wet season
- Exploration program reviews to be held in Feb/March 09
- Pyke Hill project suspended awaiting firmer commodity prices
- Current Rights Issue aimed to secure working capital requirements for the calendar year 2009.
- Exploration programs to be structured in accordance with available funding



GEO L Ó G I C A
S O N D A G E N S

**Cougar Metals Brazilian Mineral
Drilling Business**



- Established 1st July 2007 to take advantage of the poorly serviced exploration drilling market in Brazil
- Delivering a high quality drilling service to the Brazilian market
- Utilizing existing skills within the management group of Cougar Metals
- High market barriers prevent other foreign service providers entering the Brazilian market
- Large competitive advantage in productivity, safety and versatility
- Offering our clients significant cost reductions at a time when funds are tight



Current Rig Fleet

Diamond Rigs

- 1 Truck Mounted (4x4) UDR200D
- 2 Track Mounted UDR200DLS
- 2 Skid Mounted Machsonda 1200 (leased)

Reverse Circulation

- 1 Truck Mounted (4x4) KL150 Light RC/Aircore rig
- 1 Track Mounted Thor 5000 – HD RC Drilling Rig



GeoLogica Sondagens attracting the attention of foreign explorers in Brazil

UDR200DLS Diamond Drill Rig



- Modern rig design
- Access to difficult terrain
- Manufactured and supported in South America
- Increased productivity and safety standards
- Standardizing on the UDR200DLS reduces training, spare parts and servicing costs

Reverse Circulation Drilling Rigs



- Truck mounted KL150, compact versatile rig
- New track mounted Thor 5000 purpose built for the Brazilian market
- Boosted air (700psi) RC rigs in Brazil
- Reducing clients costs
- Increasing productivity



- 95% of all exploration drilling in Brazil is done with diamond core drilling
- Typical production from local drilling contractors 50% lower than that of GeoLogica using modern rigs
- Targeting RC drilling in the Iron Ore sector. Brazil is the largest iron ore miner globally yet does not use RC drilling technique currently.
- Financial crisis adds pressure for miners to reduce costs and trial RC drilling.
- Complex taxation, employment and importation laws provide high barrier to entry by foreign competitors.
- Expansion plans currently on hold to maximize cash position.



Summary

- High quality large tonnage Porto Estrela target ready in 09 for initial drill testing, after detailed geophysical survey work completed.
- GeoLogica Sondagens established during a period of high demand to provide Cougar Metals with an ongoing cash flow
- Increasing cash revenues from GeoLogica Sondagens to support exploration activities in 08/09
- GeoLogica Sondagens offers the exploration market significant cost reductions through RC drilling in a time of tight funds
- Careful management of Cougar Metals cash during this period of downturn