



23 December 2009

Company Announcements Office  
ASX Limited  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

Dear Sirs

**RENOUNCEABLE RIGHTS ISSUE**

Cougar Metals NL refers to the announcement dated 22 December 2009 in relation to the Renounceable Rights Issue.

Notifications will be dispatched to holders of contributing shares. **Attached** is a copy of the notification.

Yours faithfully

A handwritten signature in black ink that reads 'Randal Swick' in a cursive script.

**RANDAL SWICK**  
Executive Chairman



23 December 2009

Dear Contributing Share holder

**RENOUNCEABLE RIGHTS ISSUE**

On 22 December 2009, the Company announced the Record Date of 6 January 2010 for the purposes of determining security holders entitlements to participate in a Renounceable Rights Issue.

The Renounceable Rights Issue is being offered to holders of fully paid ordinary shares in the capital of Cougar Metals NL, as determined at the Record Date, on a three (3) for two (2) basis at an issue price of 2.1 cents per share.

In order for contributing share holders to be able to participate in the Renounceable Rights Issue, they will need to convert their contributing shares into fully paid ordinary shares **prior** to the Record Date.

Should you wish to convert your contributing shares to fully paid ordinary shares, please contact the Company's share registry, Security Transfer Registrars Pty Ltd, on (08) 9315 2333 to obtain and complete a conversion notice.

Securities issued as a result of a conversion of contributing shares should be considered speculative. If you do not understand this letter, the Conversion Notice and/or the terms of the Renounceable Rights Issue you should consult your stockbroker, solicitor, accountant or other professional advisor.

Yours faithfully

**RANDAL SWICK**  
Executive Chairman