



COUGAR  
METALS NL

*“In the pursuit of Gold in Brazil”*

**7 December 2011**



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The information in this presentation that relates to exploration results is based on information compiled by Dr Christopher Stephens, who is a consultant to the Company. Dr Stephens is Principal of CJ Stephens Consulting Pty Ltd and is a member of the Australian Institute of Geoscientists (AIG) and the Australia Institute of Mining and Metallurgy (AusIMM). Dr Stephens has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Dr Stephens consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Information included in the presentation is dated 5 December 2011.

# Company Snapshot

## Capital Structure

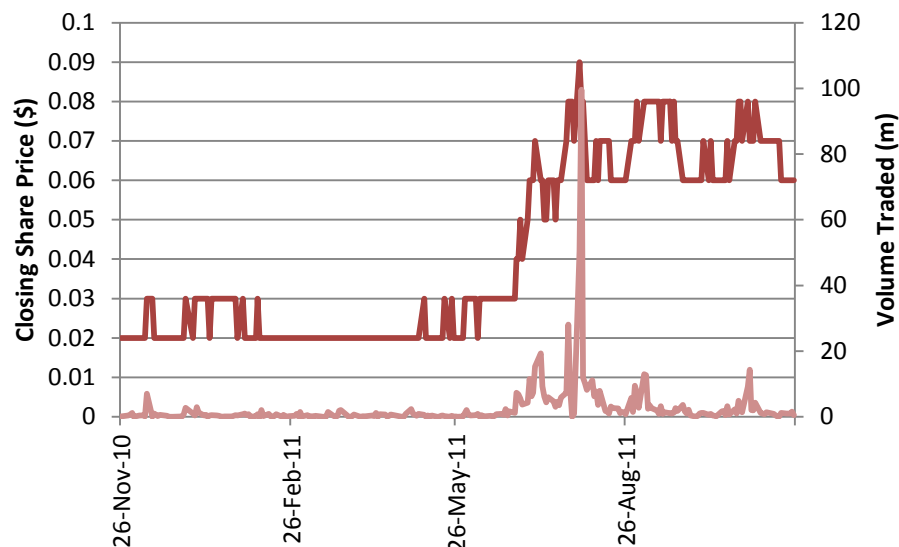
Shares (ASX:CGM)	406,223,576
Options	24,000,000
Contributing Shares*	3,425,725
52 week range	\$.02 - \$.11
Last Price (5/12/11)	\$0.065
<b>Market Capitalisation</b>	<b>\$26.4m</b>

\* Issue Price 12.5c, 0.1c paid

## Board of Directors

Name	Position
Randal Swick	Managing Director/Chairman
Jeff Moore	Non-Executive Director
Paul Hardie	Non-Executive Director

## 12 Month Share Price Graph



## Substantial Shareholders

Holder	Shares	Holding
Rosanne Swick	138,366,224	34.06%
Marcia Swick	80,250,000	19.76%
<i>Top 20</i>	<i>257,503,065</i>	<i>63.41%</i>

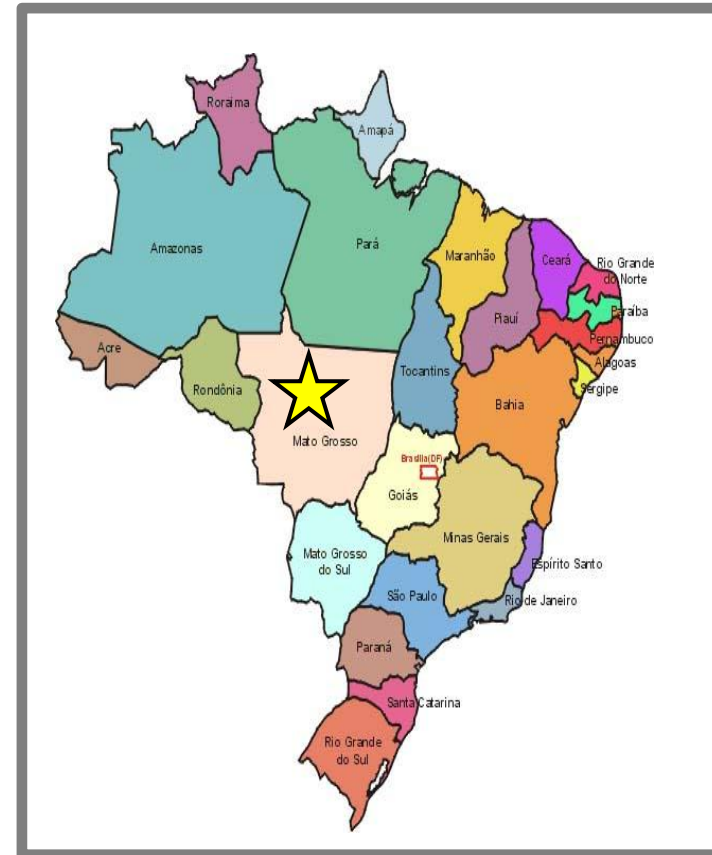
# Company Overview

- ASX listed; South American based company.
- Small gold producer from developing high grade u/g mine, mineralisation is open at depth with potential for parallel ore bodies.
- Holder of approx. 1,450km<sup>2</sup> highly prospective ground (which has 5M+ ounce production history).
- Owner operator of 12 rig drilling fleet providing CGM with reliable, cost effective drilling services and generating strong revenues (FY2011 Revenue: \$18.8M).
- Cash positive, tightly managed, and preparing for an aggressive year of exploration.
- FY 2011 Revenue: \$21.8M, EBITDA: \$5.96M, Market Cap: \$ 26 M.



# Alta Floresta Belt

- Alta Floresta
  - Historic production (1980 - 2000) of 5M+ oz
  - Disjointed tenement holding until recently (Cougar).
  - Minimal modern exploration.
- Successes to date:
  - >1m ounce gold hardrock discovery by Rio Novo Gold Inc at Guarantau (Peixoto).
  - Paraibia Mine (privately owned): reportedly produced 12t of gold between 1996 and 2006. Mining is ongoing and mineralisation remains open at depth 200m+.
  - Cajueiro – 200,000 oz.
  - Ze Vermelho (Cougar; resource pending).

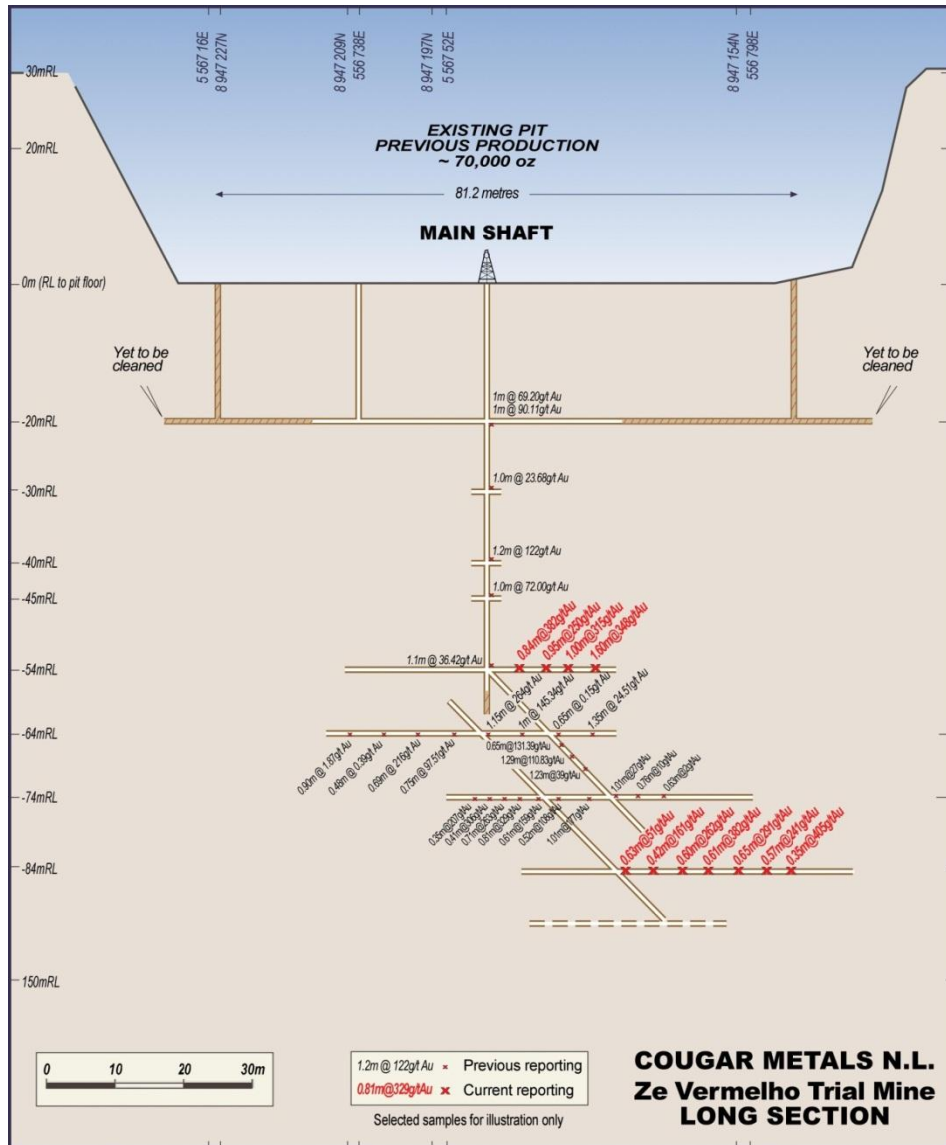


# Ze Vermelho Gold Mine

- Mined in 90's. 70,000 Oz from open pit. 4 shafts sunk to explore for mineralisation at depth.
- Deepest shaft re-opened in 2010.
- High grade ore shoot located at -54 level by driving 6m NW.
- Gold associated with disseminated and massive pyrite.
- Drives developed at -54,-64,-74,-84 and currently -94 level to define resource.
- Mineralisation open up and down dip.



# Ze Vermelho – Schematic



## Recent Channel Samples

Level	width (m)	Grade (g Au/t)
-54	0.84	382
-54	0.95	250
-54	1.00	315
-54	1.60	348
-84	0.60	262
-84	0.61	382
-84	0.65	291
-84	0.57	241
-84	0.35	405

## Average level results

Level	Av width (m)	Length (m)	Av Grade (g Au/t)
-54	0.62	18.4	97
-64	0.81	31.2	144
-74	0.86	37.2	121
-84	0.53	27.0	127



# Ze Vermelho – Production

- Currently producing ~42kgs (~1,300 oz) of gold per quarter through gravity processing only. Approx. 40% recovery.
- Cyanide circuit commissioned in November 2011 to treat gravity tails.
- Cyanide circuit expected to recover 80% of contained gold in tailings.
- Currently 3,500+ tonnes of tailings @ 1oz/tonne estimated.





# Ze Vermelho – Cyanide Circuit

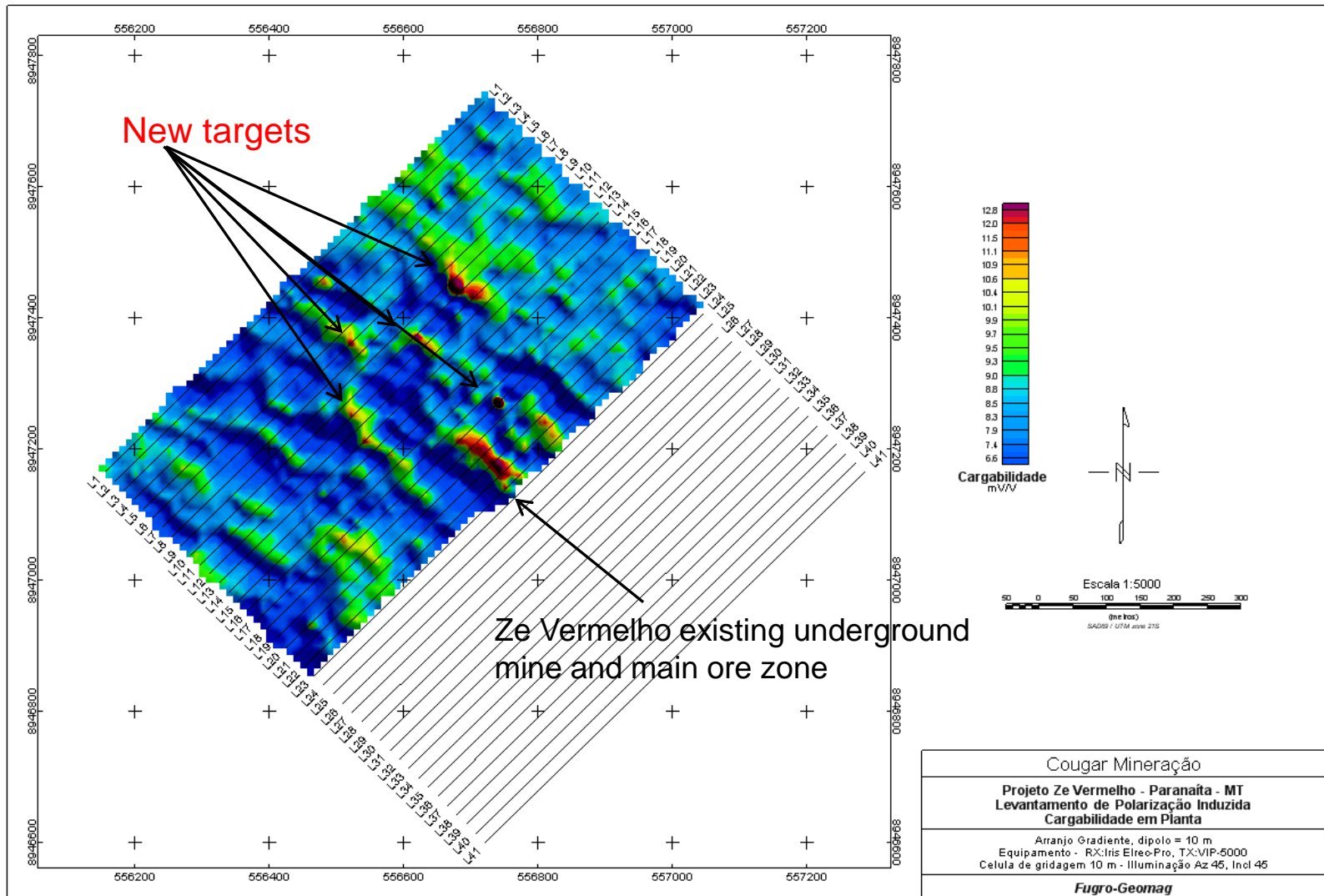


# Ze Vermelho – Geophysics

- Currently undertaking a geophysical survey over an area of 800m x 800m.
- Program to comprise IP (induced polarisation) and TDEM (time-domain-electro-magnetic) to identify disseminated and massive sulphides.
- ZV high grade gold is pyrite associated . Bonanza grades in Massive sulphides
- Preliminary results covering approximately 25% of the area returned— see following slide.
- A drilling program to test the generated targets will be implemented as soon as the geophysics program is completed.



# ZV – Initial Geophysics Results





# 2012 Exploration Program

- Cougar will be aggressively exploring its tenement holdings during 2012.
- Focus on Ze Vermelho and Cidinha (an advanced target which has returned encouraging results from an initial drill program undertaken in October/November 2011).
- Additional geophysical surveys over selected targets including Cidinha.
- Many additional targets at or near drill ready.
- 10,000m RC drill program planned at Apiacas in search for large disseminated bodies, following up broad mineralisation previously intercepted.

# Drilling Business

- 12 Rig Fleet – 8 owned, 1 under finance lease, 3 rented.
- Cost effective and quality service provided to CGM with surplus capacity used to generate income.
- Strong earning potential – FY 2011 \$18.9M revenue (\$4M profit)
- Large, poorly serviced market.
- Now recognised as a quality provider.
- Clients include Beadell, Avanco, Serabi, Mundo plus numerous local companies.



# In Summary

Cougar is better placed than at any time in its short history due to:

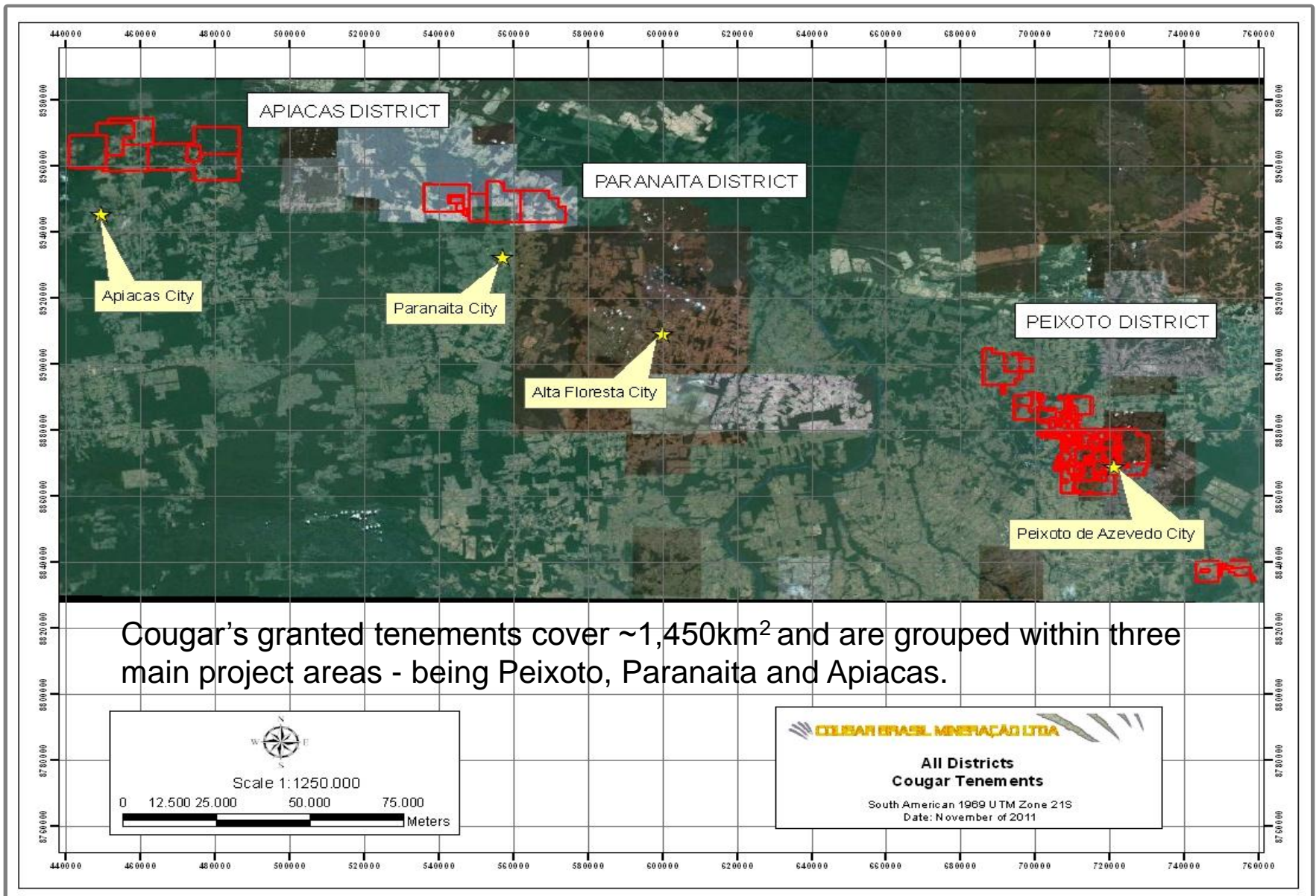
- Producing strong cash-flows at Ze Vermelho with the potential to increase significantly as the cyanide circuit becomes fully operational.
- Highly encouraging results from initial IP survey data requiring immediate follow-up and drill testing.
- Encouraging first round of drilling results from Cidina Gold Prospect.
- Numerous other high class targets within granted tenement areas to focus exploration efforts.
- Well-performing drilling business generating strong cashflows and providing ability to undertake exploration programs cost effectively and on own timetable.
- Ability to self fund aggressive exploration programs.



## **APPENDIX 1**

### **TENEMENT MAPS OF COUGAR'S GRANTED TENEMENTS IN ALTA FLORESTA PROJECT**

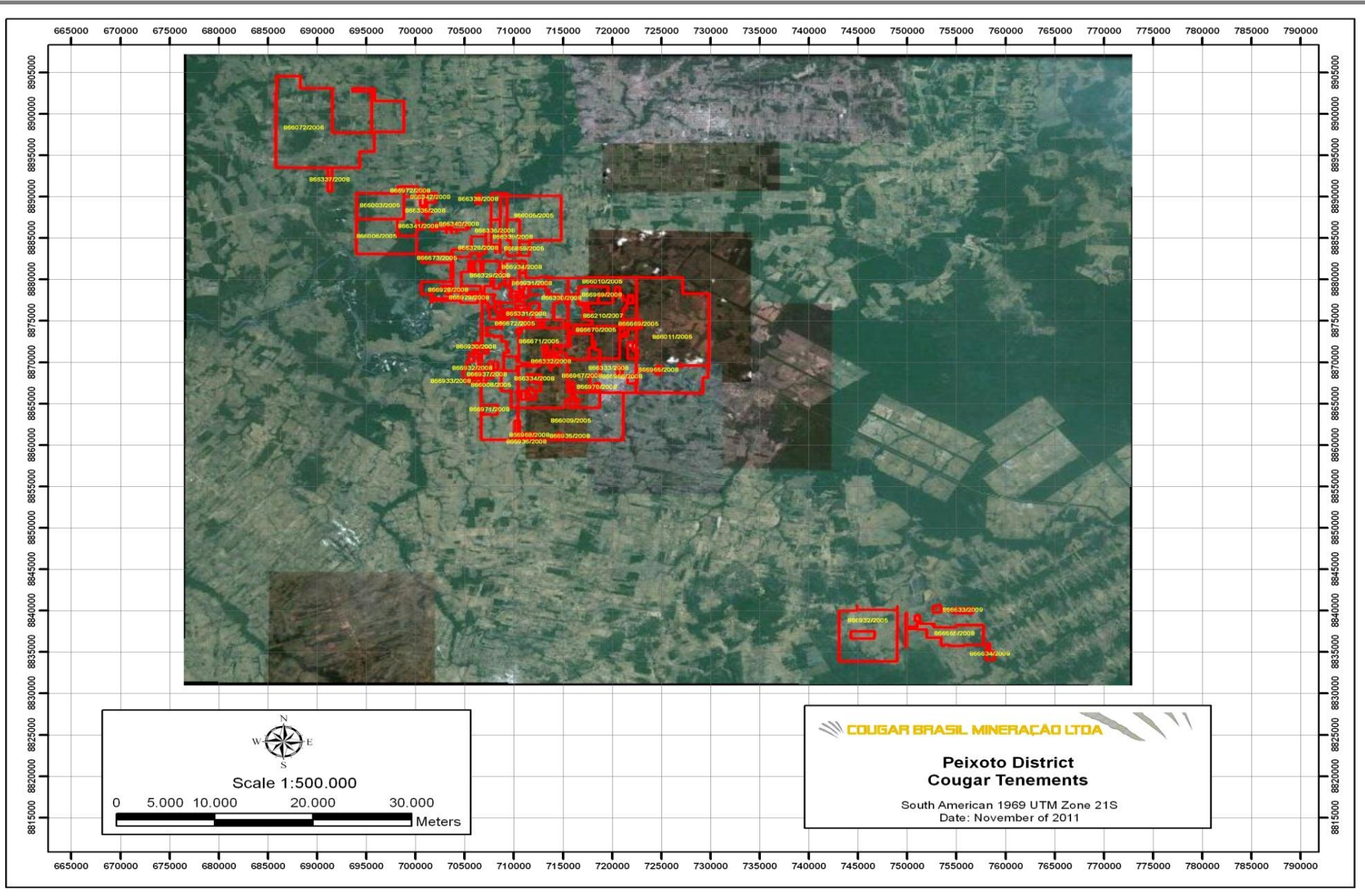
# Alta Floresta Tenement Map



Cougar's granted tenements cover ~1,450km<sup>2</sup> and are grouped within three main project areas - being Peixoto, Paranaíta and Apiacas.

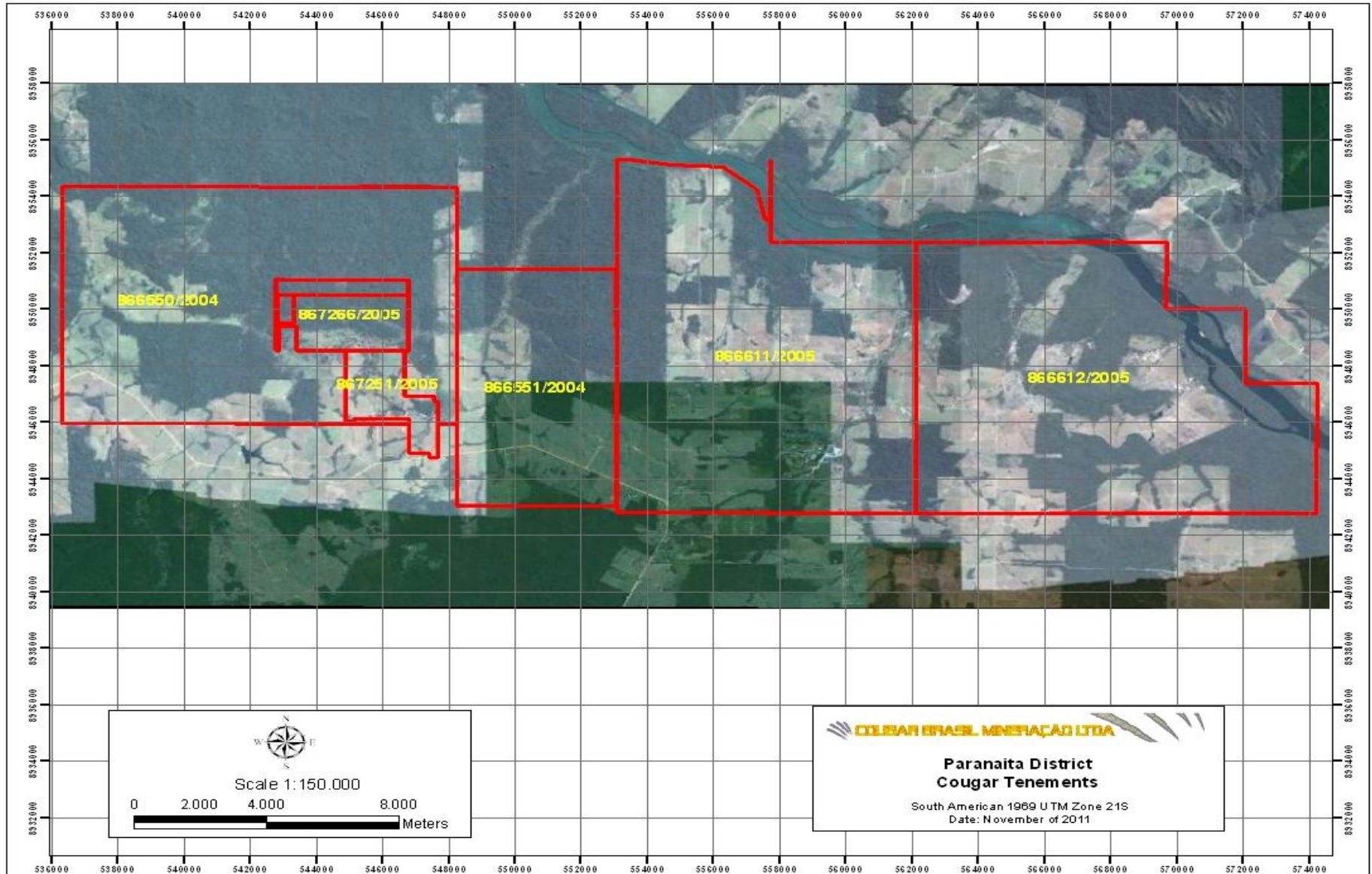


# Piexoto





# Paranaita



# Apiacas

