



ASX ANNOUNCEMENT

23 September 2011

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FY11 PRELIMINARY RESULTS

Cougar Metals NL (ASX Code: **CGM**) is pleased to advise that **preliminary** results for the year ended 30 June 2011 reflect the Company having generated an operating profit before tax in the order of \$4.1 million on sales of approximately \$22 million.

The Company's accounts are in the process of being finalised and the audit is still in progress. Accordingly, the results may be subject to change.

Per Randal Swick (Managing Director) *"the financial year ended 30 June 2011 has seen a strong operating performance across both the drilling services and gold businesses. In particular the expansion of the drilling services business through the creation of a new company in Uruguay has been very positive as has been the commencement of trial mining at the Ze Vermelho Prospect within the Company's flagship Alta Floresta Gold Project in Brazil."*

Included in the preliminary results is approximately \$2.5 million in gold sales, resulting from the gravity processing of ore at Ze Vermelho from January 2011. At 30 June 2011, approximately 2,000 tonnes of high grade tailings from the gravity plant had been stockpiled and the Company is in the process of construction of a cyanide treatment circuit which will process these tailings and all tailings from ongoing trial mining.

Per Randal Swick *"whilst the mining activity and subsequent processing of material at Ze Vermelho is an exploration exercise to define and quantify the nature of the known mineralised structure, the Company has and continues to generate strong returns from the processing of the ore. Since year end and up to the date of this letter, the Company has banked approximately USD1.48 million in gold sales from the gravity treatment of the ore,"*

The Company expects to finalise its results in the next few days ahead of the statutory reporting deadline of 30 September 2011.

Should you have any queries please contact the undersigned at r.swick@cgm.com.au or Michael Fry (CFO & Investor Relations) on +61 (08) 9381 1755.

Yours faithfully

A handwritten signature in black ink that reads "Randal Swick". The signature is written in a cursive, flowing style.

RANDAL SWICK
Executive Chairman

About Cougar Metals NL:

Cougar Metals NL is a Perth based exploration company listed on the Australian Securities Exchange (ASX:CGM). The Company is focused on exploring the Alta Floresta Gold Project in central west Brazil, where past production is estimated at five million ounces of gold. The Company also operates growing mineral drilling businesses in Brazil and Uruguay, providing surface diamond, reverse circulation and RAB drilling services to the Brazilian and Uruguayan mining industries. The Company also holds the mineral rights to the Pyke Hill Measured plus Indicated Resources of 14.7mt @ 0.9% Ni and 0.06% Co (published March 2008).