



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.

Option notifications will be dispatched to eligible participants. **Attached** is a copy of the Option notification.

Yours faithfully

**RANDAL SWICK**  
Executive Chairman



23 December 2009

Dear Option 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 Option holders to be able to participate in the Renounceable Rights Issue, they will need to exercise their options **prior** to the Record Date.

Should you wish to exercise your options, please contact the Company's share registry, Security Transfer Registrars Pty Ltd, on (08) 9315 2333 to obtain and complete an Option Exercise Notice.

Securities issued as a result of exercising Options should be considered speculative. If you do not understand this letter, the Options Exercise 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