

MADAGASCAR – TOAMASINA HIGH QUALITY GRAPHITE PROJECT UPDATE

- **Second vendor payment of A\$200,000 to JV partner completed**
- **Drilling rig released from customs and now on site**
- **Construction of roads and drill pads commenced following Easter**
- **Drilling scheduled to commence on Monday, 24 April**
- **Drilling to focus on central 1km portion of 2.5km strike of graphite mineralisation, where previous trenching returned grades up to 25% Cgr**

Cougar Metals NL (ASX Code: CGM) ("**Cougar**" or the "**Company**") is pleased to provide an update on progress at its Toamasina Graphite Project in Madagascar.

Access roads and drill pad construction has commenced, following the Easter holiday. Cougar's drilling rig has cleared customs, and is now on site. The drill crew is busy preparing the rig, workshop and accommodation facilities ahead of the scheduled start of drilling on Monday, 24 April.

The second payment to the project vendor was completed on 4 April 2017 and only a final payment of USD 150,000 remains due on 9 June 2017.

Cougar is pleased with progress made and would like to extend its gratitude to Joint Venture partner, DNI Metals, for its co-operation and assistance to date. A brief background on DNI Metals follows:

DNI Metals Inc. (CSE: DNI) ("DNI") is a listed Canadian public company which is an experienced graphite industry operator. In addition to being the owner of the Toamasina Graphite Project in Madagascar, DNI operates a graphite wholesale business, trading high quality graphite. In March 2017, DNI announced an agreement to deliver 2,320 metric tonnes of graphite to a customer's facility in USA.

More information about DNI can be found at its website: www.dnimetals.com or in its filings with the Canadian Stock Exchange which are available for viewing at www.thecse.com/en/listings/mining/dni-metals-inc

For further information, please contact the undersigned via email at r.swick@cgm.com.au or alternatively Michael Fry (Director, CFO & Company Secretary) on +61 8 9381 1755.

Yours sincerely

COUGAR METALS NL



RANDAL SWICK
Executive Chairman

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Cougar Metals NL, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

Competent Person Statement

The information in this report that relates to Exploration Results or Mineral Resources in relation to the Toamasina Saprolitic Graphite Project is extracted from an ASX Announcement dated 16 November 2016, (see ASX Announcement - 16 November 2016 "LOI Executed over Madagascar Graphite Project", www.cgm.com.au and www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Exploration Results or Minerals Resource estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.