

COUGAR METALS NL (ADMINISTRATORS APPOINTED) (COMPANY) ACN 100 684 053 ASX CODE: CGM

10 JULY 2020

Please refer to the appointment of Bryan Hughes and Daniel Bredenkamp (**Administrators**) as Joint and Several Administrators of the Company on 30 June 2020 (Administrators' announcement dated 1 July 2020).

OUTCOME OF THE FIRST MEETING OF CREDITORS

The first meeting of creditors of the Company was held today pursuant to section 436E of the Corporations Act 2001 (**Act**). At the meeting, creditors ratified the appointment of the Administrators. Creditors also elected not to appoint a Committee of Inspection to the Company.

At this stage, the second meeting of creditors of the Company is to be held on or before Tuesday, 4 August 2020. At this meeting the Company's creditors will be asked to make a decision regarding the future of the Company. The Administrators' note however, that they intend to either:

- adjourn the second meeting for up to 45 business days pursuant to rule 75-140 of the Insolvency Practice Rules (Corporations) 2016; or
- seek an order from the Supreme Court of Western Australia extending the convening period to enable the second creditors' meeting to be held at a later date (i.e. three (3) months).

An adjournment or extension of the convening period will enable further time for the Administrators to:

- undertake further investigations into the affairs of the Company; and
- receive and evaluate any Deed of Company Arrangement proposal(s) submitted.

UPDATE ON DISPUTE WITH RICHORE PTY LTD

The Administrators refer to the dispute with Richore Pty Ltd (**Richore**) which was discussed in the March 2020 Quarterly Activities Report dated 30 April 2020. It is noted that Richore was seeking the partial removal of a caveat held by the Company over the entire mining tenement M39/159 (Pyke Hill). The Administrators confirm that since this announcement the decision by the warden has been received. The decision was in favour of the *'Company, stating that the warden was satisfied that the 'Company has established there is a serious question to be tried in that there is a prima facie case with a sufficient likelihood of success that it has an interest in the whole of M39/159'*.

FINANCIAL REPORTING RELIEF

The Administrators acknowledge that the Company has not yet lodged its full-year financial report for the year ending 30 June 2019 or its half-year financial report for the period ending 31 December 2019. Notwithstanding, the Administrators advise that the Company has relied upon the ASIC Corporations (Externally-Administered Bodies) Instrument 2015/251 which provides relief in respect of the Company's obligation to prepare, lodge and have audited its full-year financial report and directors' report in respect of the period ending 30 June 2020 for a period of up to six months from the date of the Administrators' appointment.

[1] Richore Pty Ltd v Cougar Metals NL [2020] WAWC 1

ENQUIRIES

Shareholders may address any reasonable inquiries about the consequences of the administration of the Company prior to the lodgement of the Company's annual financial report to Damian Sieber of Pitcher Partners on 08 9322 2022 or via email on sieberd@pitcher-wa.com.au.

Notwithstanding the above, the Administrators request shareholders refer to the Administrators' updates lodged by way of announcements to the ASX in the first instance. Please also initially refer to the following link to the ASIC website which provides general information for shareholders regarding the administration process and its impact on shareholders.

<http://asic.gov.au/regulatory-resources/insolvency/insolvency-for-shareholders/insolvency-a-guide-for-shareholders/>

CGM will continue to be suspended from trading throughout the administration process.

BRYAN HUGHES

Joint and Several Deed Administrator

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