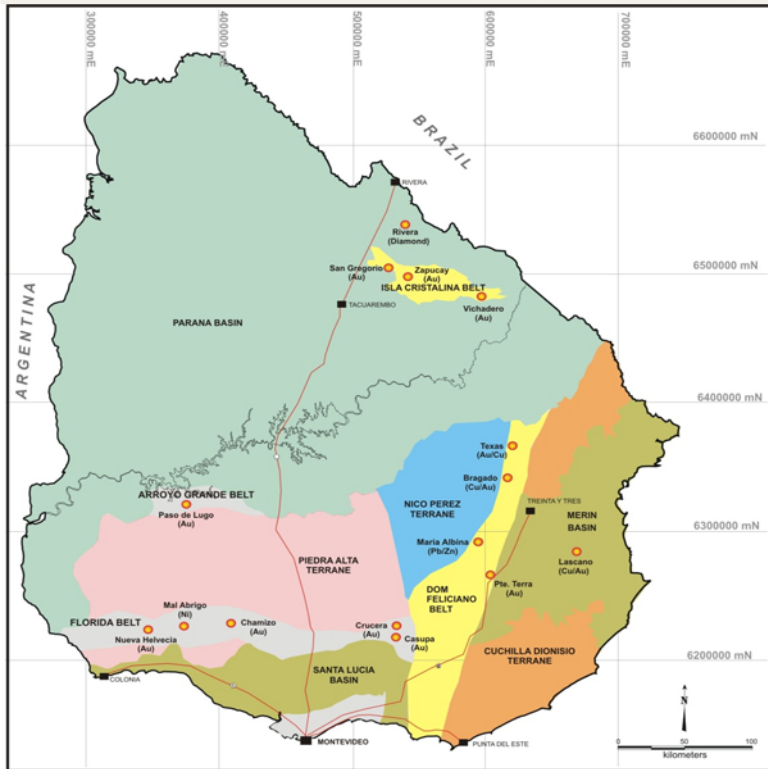




LATIN AMERICAN FOCUSED GOLD PRODUCTION AND EXPLORATION COMPANY

Uruguay Mineral Exploration Inc. (UME) is a gold production and exploration company that identifies and develops precious metal opportunities in Latin America. UME is well positioned for growth with a positive cash flow funding an active exploration program over 620,000 hectares in Uruguay, and evaluation of Latin American acquisition opportunities. UME operates the San Gregorio gold mine in northern Uruguay which is expected to produce 60,000 ounces in fiscal 2009/2010.



KEY STATISTICS		2008/09	2007/08	2006/07
Ore processed	Tonnes	1,361,697	1,244,341	1,312,999
Grade processed	(g/t Au)	1.73	2.45	2.45
Recovery	%	92.7	92.3	93.1
Gold produced	Ounces	70,147	90,668	96,420
Average cash cost	US\$/oz	705	413	294
Revenue	US\$'000s	63,376	79,061	63,056
Net income (loss) for the period	US\$'000s	(14,355)	7,798	14,554
Basic earnings per share	US\$	(0.29)	0.16	0.30
Dividend per share	US\$	0.000	0.049	0.056

RESERVES AND RESOURCES			
As at 1 July 2009	Tonnes	Grade	Ounces
Proven and Probable Reserves			
Open Pit	4,776,000	1.19	182,300
Underground	1,716,000	1.94	107,200
Total Proven and Probable	6,492,000	1.39	289,500
Measured and Indicated Resources	18,271,000	1.35	790,300
Inferred Resources	1,775,000	1.20	69,780

Reserves are contained within resources. All reserves and resources are NI 43-101 compliant. Underground resources have been calculated assuming a 1.5 g/t cutoff. Open pit resources have been calculated a .5 g/t cutoff.

GOLD ASSETS

Arenal Deeps

- Initial resource for Arenal Deeps of 3,164,000 tonnes at 2.21 g/t for 224,000 ounces at a 1.5 g/t cut was independently estimated by Golder Associates S.A. ("Golder") in April 2009.
- Independent prefeasibility study prepared by Golder defines a reserve of 1,716,000 tonnes at 1.94 g/t for 107,206 contained ounces of gold. At a gold price of \$US 740, and using a 10% discount rate, Arenal Deeps generates an internal rate of return of 41% and has a NPV of \$US 7.7 million. Capital expenditures have been estimated at \$US 5.8 million.
- Definition drilling started in May 2009 to further define resource and reserves in Arenal Deeps. 25,000 meter drill program is designed to be completed by January 2010. Drilling to date (Sept 2009) has indicated significantly better than expected results as compared to the above resource model including 16.1m at 10.3 g/t in hole ALDD 103, 40.2 m at 3.43 g/t in hole ALDD107, 26.2 m at 13.76 g/t in hole ALDD108, 18.9 m at 4.08 g/t in hole ALDD112 and 29 m at 3.5 g/t in hole ALDD113.

Other Near Mine Exploration

- The San Gregorio/Arenal shear system continues along strike to the south east at Rincon and northwest at Nueva Australia. Anomalous drill intercepts have been encountered in both areas with conceptual targets for bulk. Underground resources and high grade open pit defined vein deposits.
- Historical drilling under the San Gregorio and Ombu pits indicate the potential to define underground resources. Further infill drilling is planned to define these resources in the coming year and they would be developed in conjunction with the Arenal Deeps deposit.
- A number of small high grade deposits are being targeted in the Peru/Esperanza trend approximately 4 km north east of the Arenal mine has. Best result to date have been at Picaflor including 8 m at 8.18 g/t and 7m at 4.7 g/t.

Advanced project Mahoma

- Located some 100 kilometers north-west of Montevideo.
- Historic drilling indicate mineralized vein system with an average width of approximately one meter and grades range from 1 g/t to greater than one ounce per tonne.
- Presently reviewed as an underground resource that might be exploited for high grade feed for the San Gregorio plant.

Advanced project Rocha

- Located 185 km east-northeast of Montevideo
- Northeast trending shear/vein system hosting quartz-sulfide bearing veins in schist and granite. Shear zone has been mapped for over 20km though the most significant mineralization occurs within a 1km by 100 meter wide zone
- Rock Sampling results up to 100g/t Au
- Magnetic, Geochemical and structural mapping have defined drill targets. IP programs planned for 2010 in the central zone
- Drill targets will be selected for testing in 2010

Advanced project Texas

- Located 165 km southeast of the San Gregorio Mine site in northeastern Uruguay
- NE trending shear/vein system cutting granite host rocks
- The prospect is composed of multiple Au and sulfide bearing vein system.
- Rock Sampling results over 70 g/t Au
- Drill targets will be selected for testing in early 2010.



GROWTH THROUGH DEVELOPMENT OF UNDERGROUND RESOURCES AT SAN GREGORIO AND ACQUISITIONS IN LATIN AMERICA

- UME operates the San Gregorio gold mine in Uruguay which produced 70,000 ounces of gold in the year ended May 31, 2009.
- UME's medium-term business plan in Uruguay focuses on combining lower grade open pit resources with higher grade underground resources. Based on known resources, UME is targeting a five-plus year mine plan averaging 60,000 ounces per annum.
- As at August 31, 2009 UME had a cash balance of US\$ 8 million with no debt or hedging and significant upside in cash flow to increase with gold price.
- Experienced Latin American based executive team evaluating acquisitions outside Uruguay. Financial and technical capacity to rapidly develop its business and capitalize on other gold growth opportunities in the Region.
- Sound track record in environmental management and community relations.
- 2009 Farm-out agreement on the Rivera Diamond prospects to Olivut resources. Partners continue to be sought to develop other non core copper, nickel and nickel prospects.
- Significant Uruguayan database of geological mapping, geochemistry and geophysics assembled over 10 years.
- Over 10,000 square km of prospective greenstone belts and other prospective terrain with tenements over the key areas.

NON GOLD ASSETS

Lascano

- A large geophysical anomaly comprised of 3 large (20km) circular features
- Interpreted to represent intrusive bodies within a rift setting
- 158m of anomalous copper in LASDDH-002 indicates the potential for an IOCG or copper porphyry system
- Master thesis is underway.
- UME is looking to farm out the project to take it forward

Rivera Diamonds

- The Rivera diamond project is located on the Rio de la Plata Craton in northern Uruguay
- Micro-diamond, garnet and chrome spinel have been recovered in a favorable structural setting
- Kimberlite pipe targets have been defined for drilling

A farm-out agreement has been signed with Olivut Resources and field work is expected to start in the last third of 2009.

CAPITAL STRUCTURE*

Market Cap: \$C 25 MILLION

Shares Outstanding: 48,667,068

Options: 3,172,250

*As of October 1, 2009

BOARD OF DIRECTORS and MANAGEMENT TEAM

Tony Shearer

Non Executive Chairman

David Fowler

Director and Chief Executive Officer

Ignacio Salazar

Director and Chief Financial Officer

William Lindqvist

Non Executive Director

Julio Porteiro

Non Executive Director

Roger Davey

Non Executive Director

John Sadek

Vice President Operations

George Schroer

Vice President Exploration

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