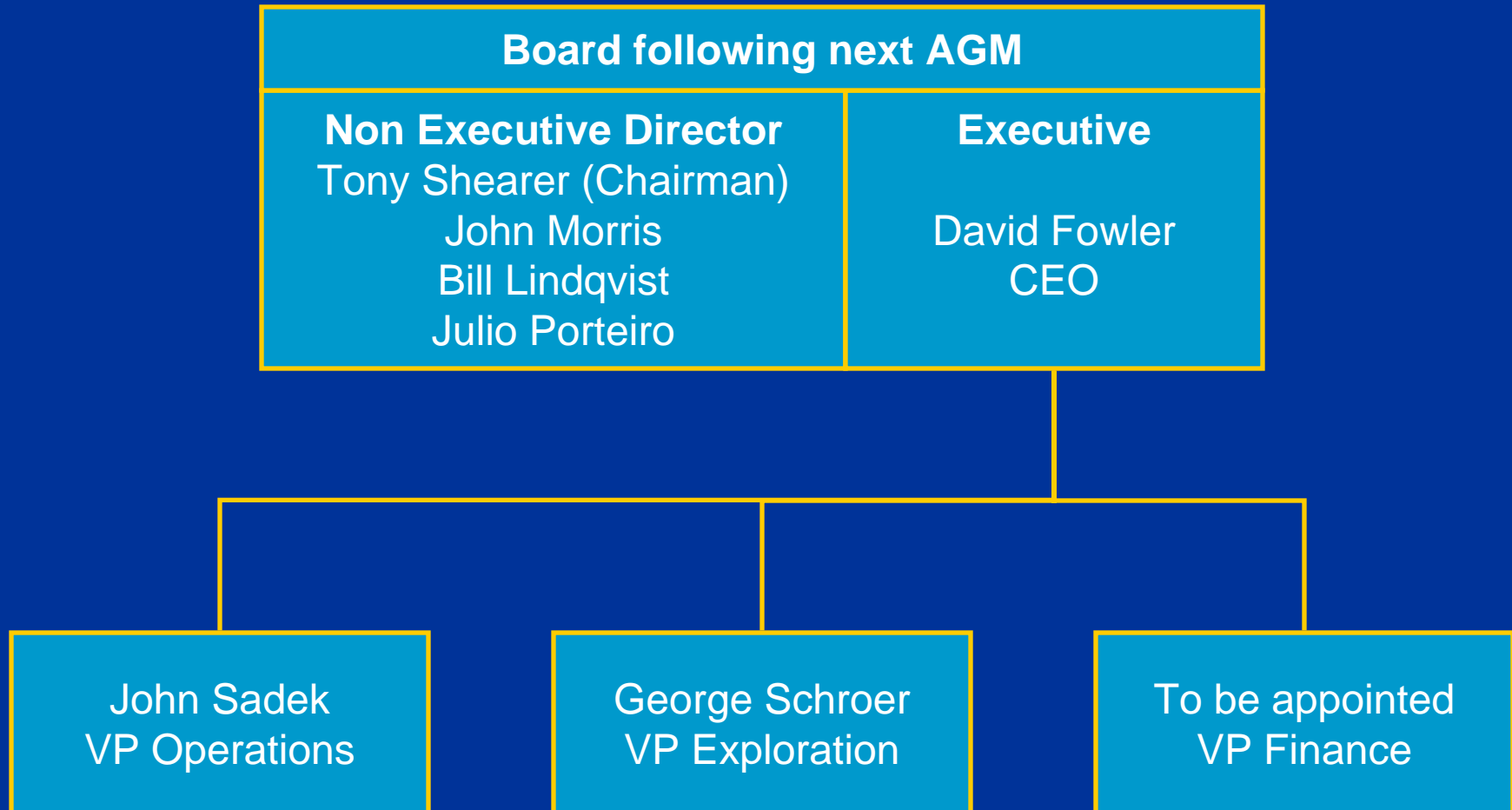


uruguay mineral exploration inc.



Investor
Presentation
September 2006

Organisation Chart



Overview

Market Listings	Toronto (TSXV) “UME” London (AIM) “UGY”
Issued Shares	48.1 million
Options and convertible notes	3.4 million
Market Capitalisation	\$C 195/ \$US 175/ £ 87
Share price	\$C 4.05/ £ 2.06
PE Ratio	17

Financial Performance

	2006	2005
Gold Production (ounces)	101,287	75,026
Revenues (\$US million)	51.2	30.6
EBITDA (\$US million)	22.3	5.5
Net Profit (\$US million)	10.6	1.5
Earnings per share (\$US)	0.23	0.03

Profit Reconciliation

\$US million

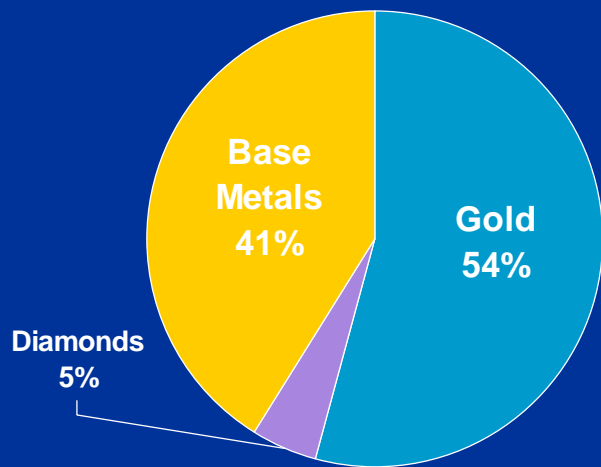


Investment

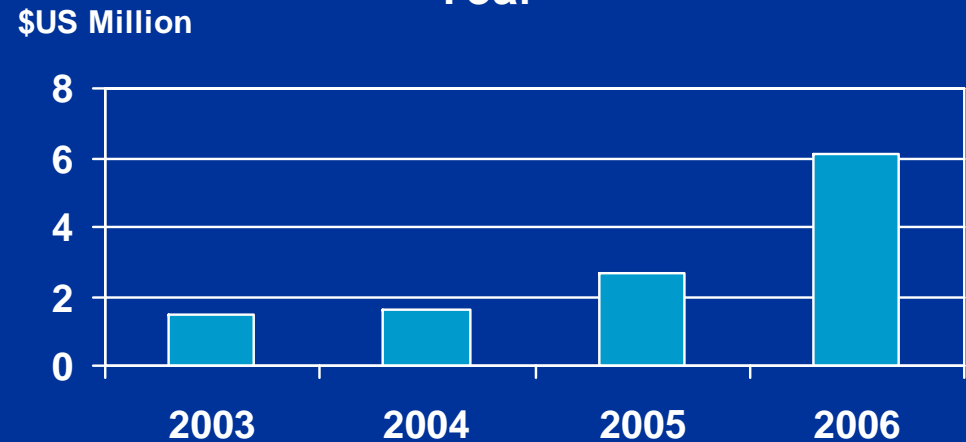
	31-5-06 \$ Million	Future
Mine development	.9	Ongoing
Plant and Equipment	4.8	Reducing
Infrastructure	2.4	Ongoing at lower level
Exploration	6.1	Ongoing
10% profit interest	3.5	Not repeated
Total	17.7	

Exploration Investment

% Investment by Target Type



Total Exploration \$ Invested by Year



Financial Position

	31-5-06	31-5-05
Cash on hand	\$ 8.9 M	\$ 5.5 M
Debt	\$ 4.2 M	\$ 4.6 M
Forward Sales	3,189 oz at 436 10,000 oz Collar \$US 436 - 468	30,000 oz Collar \$US 400 – 436
Mark to Market	\$ 2.3 M	\$.2 M
Share of income	100%	90%

Reserves and Resources

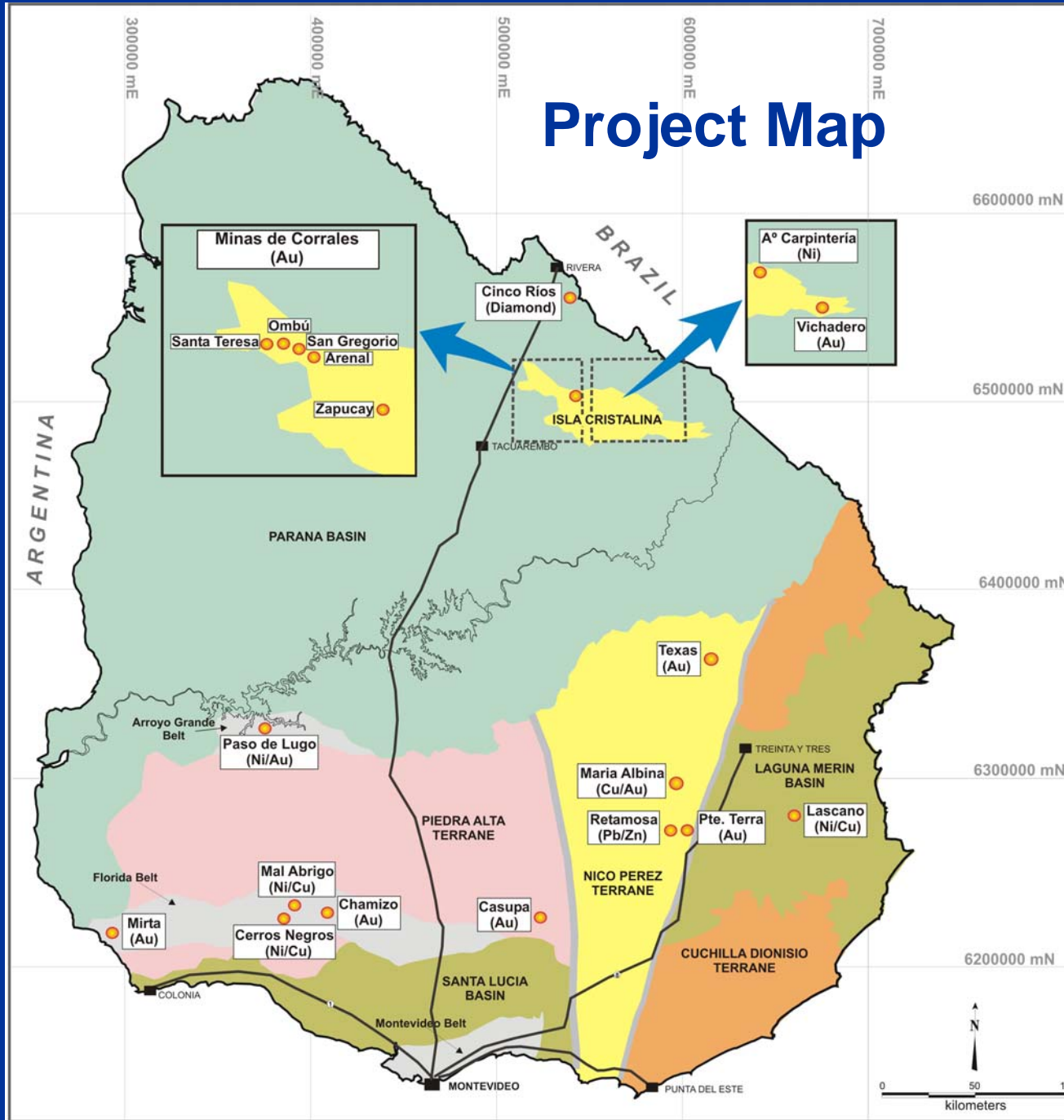
31 May 2005

Category	Tonnes	Grade	Ounces
Reserves* (Proven and Probable)	5.4	2.41 g/t	417,000
Resources* (Measured, Indicated, Inferred)	25.0	1.60 g/t	1,300,000

* During the year to 31 May 2006, 1.1M tonnes of ore at 3.34g/t was excavated.

* Reserves are wholly within the Resources

Project Map



History

- Established 1997 to focus on Uruguay
 - Why = right rocks, information but no systematic exploration, workable politics
- Over 8 years acquired and developed
 - Gold, base metals and diamond projects
- Progressed opportunities to level possible with funds and resources
- First discovery 2003
- In production “in a hurry” late 2004.
- Consolidated in 2005/06, now focus on growth.

Basis for Growth

- Operating mine with team in place.
- Tenements over gold, base metals and diamond projects.
- Database of + 1 million geochemical assays and geophysics over key prospective areas to generate new projects.
- Geologists, drill rigs and other resources now at required level.

Strategy

- **Focus on Gold**
- **Grow gold business – target 250,000 ounces**
 - Target an increase in production from Isla Cristalina Belt
 - Develop a second mining district in Florida/Dom Feliciano Belt
- **Develop base metals with partners**
- **IPO diamonds business**

Development of Gold Business

- Maximize San Gregorio Potential
 - Resource conversion for San Gregorio and Zapucay districts
 - Processing alternatives and expansion
 - Underground mining
- Accelerate Isla Cristalina exploration
- Accelerate Dom Feliciano and Florida Belt exploration

San Gregorio Operations

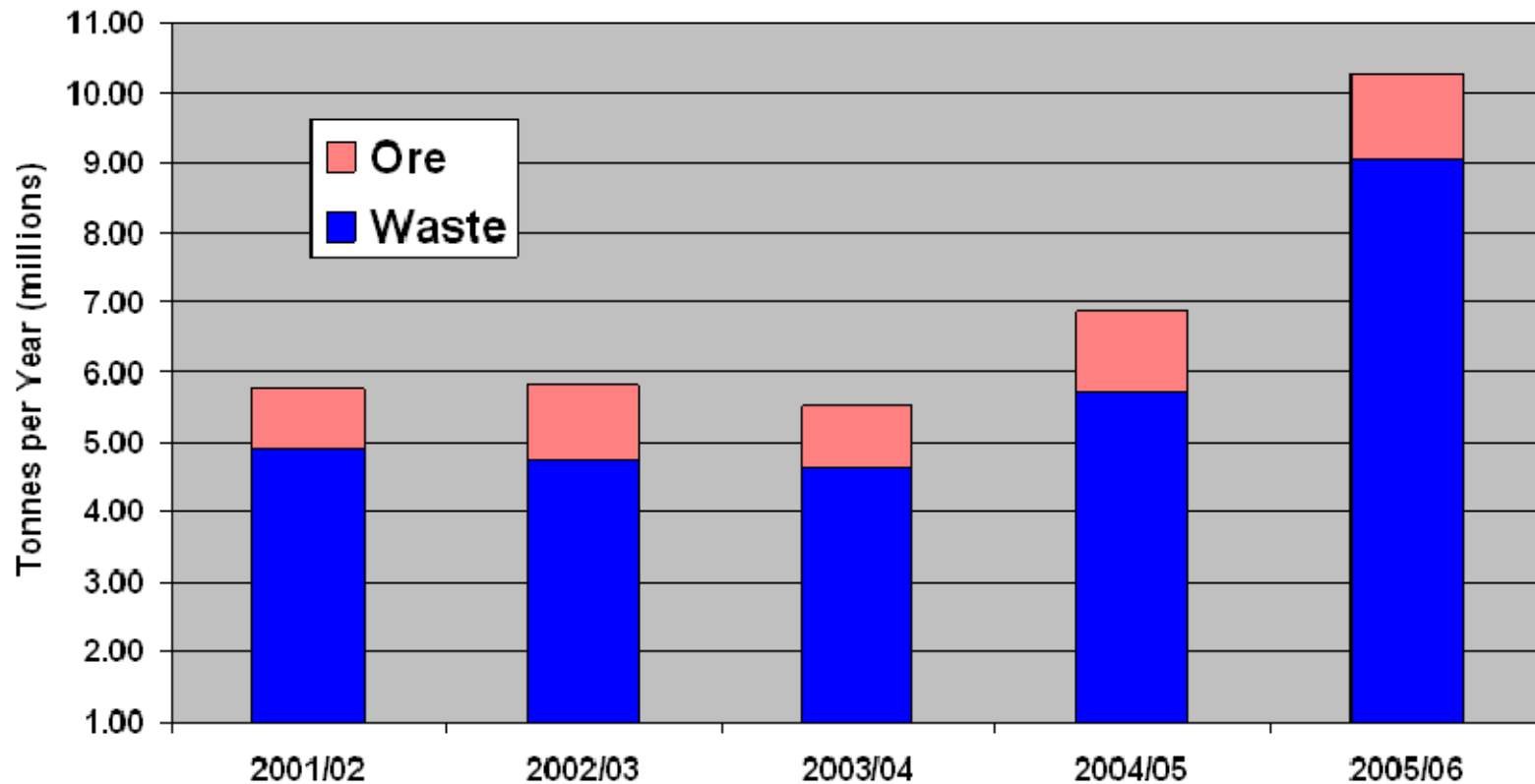


San Gregorio Performance

- Arenal in production within 12 months of discovery
- Production improvements in mining, processing and gold production
- Consolidated 100,000 ounce per year rate since April 2005
- Focus now on foundation for future growth

Mine Production

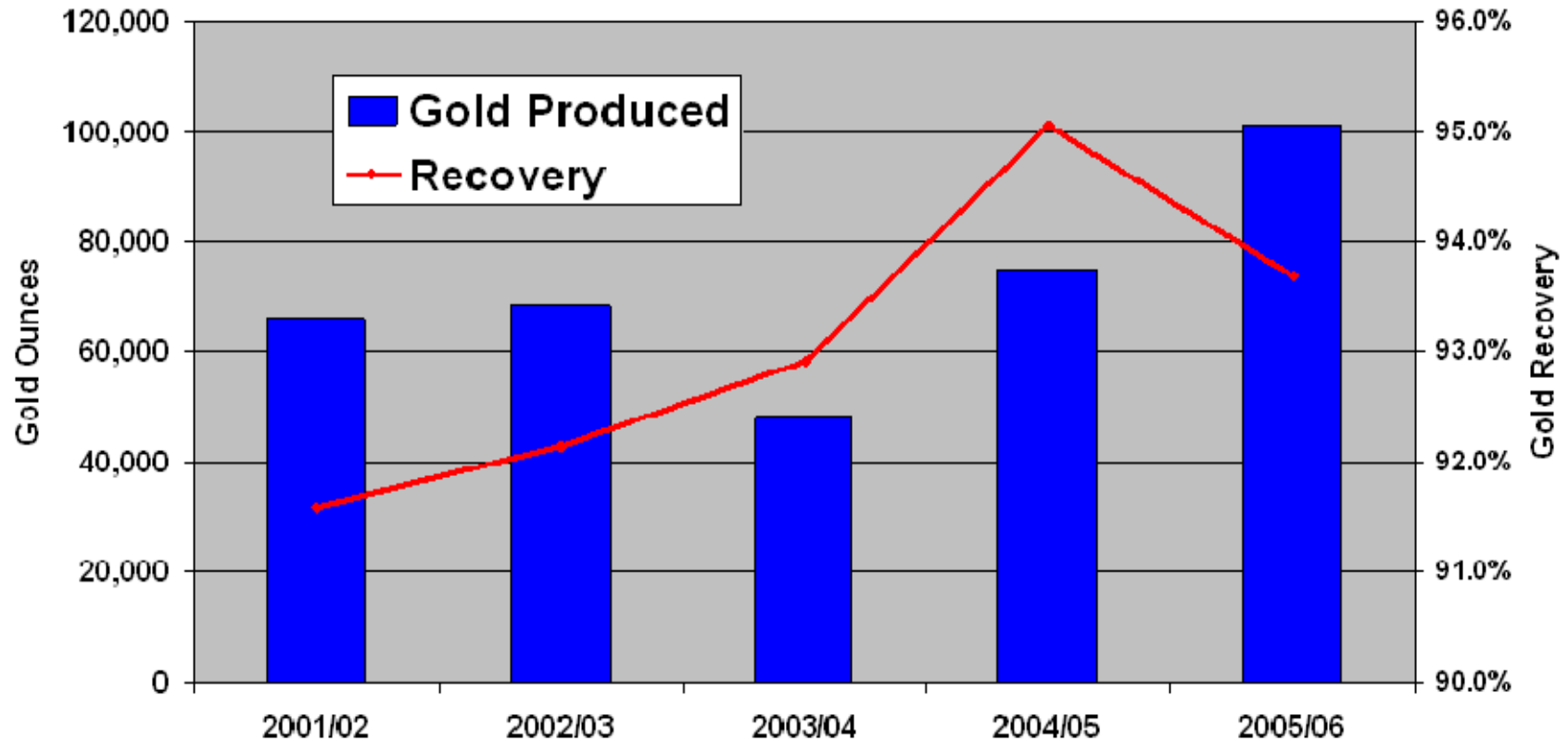
TOTAL MINE PRODUCTION
Fiscal Years



Recovery and Production

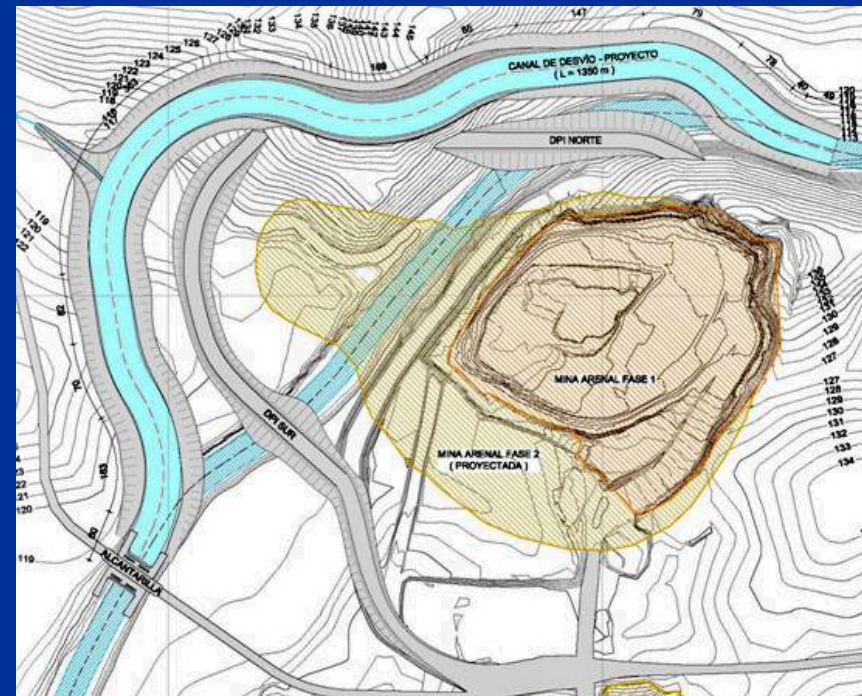
PLANT RECOVERY & GOLD PRODUCTION

Fiscal Years



Stream Diversion

- Arroyo (“stream”) Corrales covers 2.4 Mt @2.3 g/t
- External studies show minimal environmental impacts
- Approval by end of 2006
- Government owns land negotiating compensation



Plant Expansion Rationale

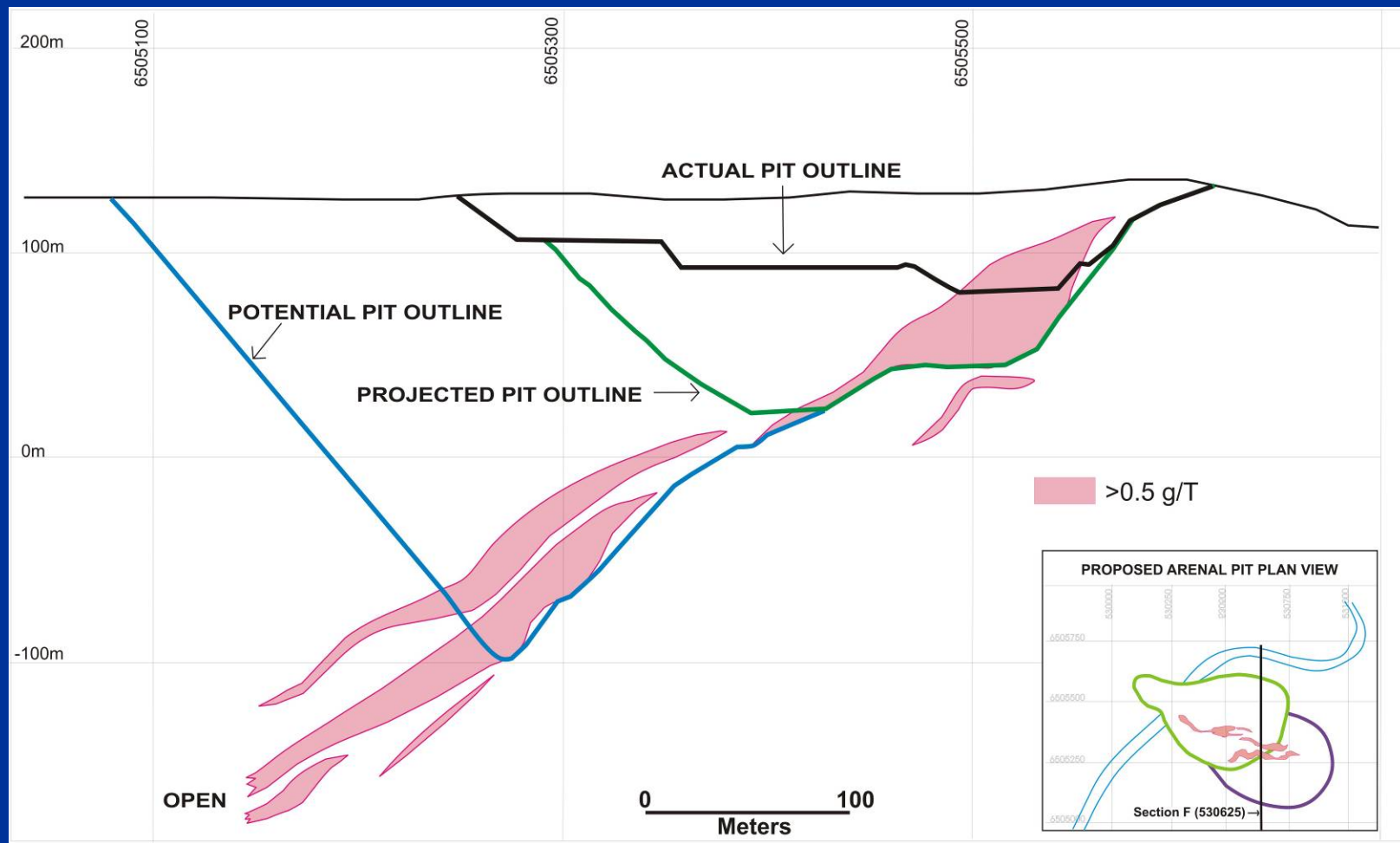
- Regional gold grade has historically averaged 2 g/t
- Current throughput limit is approximately 1.2 mtpa
- 100 koz per annum = 1.2 mtpa with grade of 2.76 g/t at 94% recovery

Process Expansion

- Scoping study by Ausenco H1 2007
- Cost benefit of different expansion levels
- Plant expansion options including
 - Expansion of grinding, leaching and elution
 - Other processing options including gravity separation and merill crowe
- Evaluate potential to heap leach lower grade bulk resources

Arenal Cross Section Plan

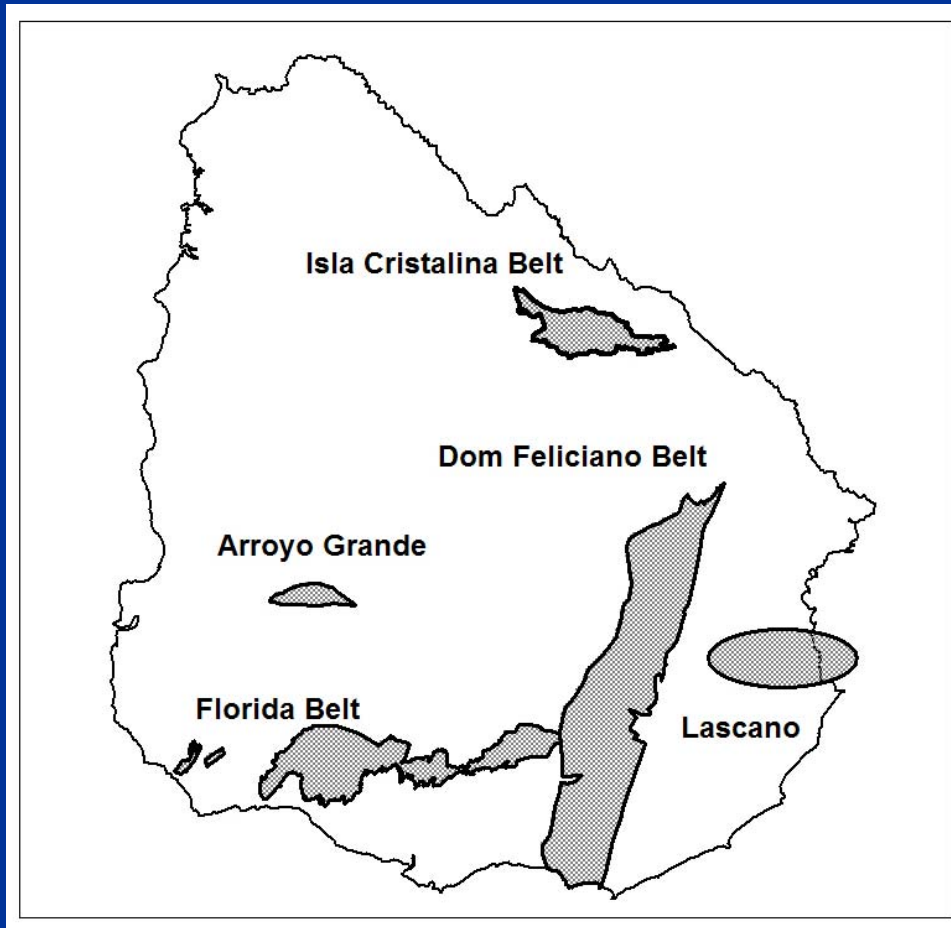
Section F (530625)



Underground Mining

- Evaluate economics of existing resources at depth
- Study initiated to determine
 - Capital and operating costs
 - Mining method
 - Threshold of open pit v underground
- Drilling will follow to test potential

Exploration Projects

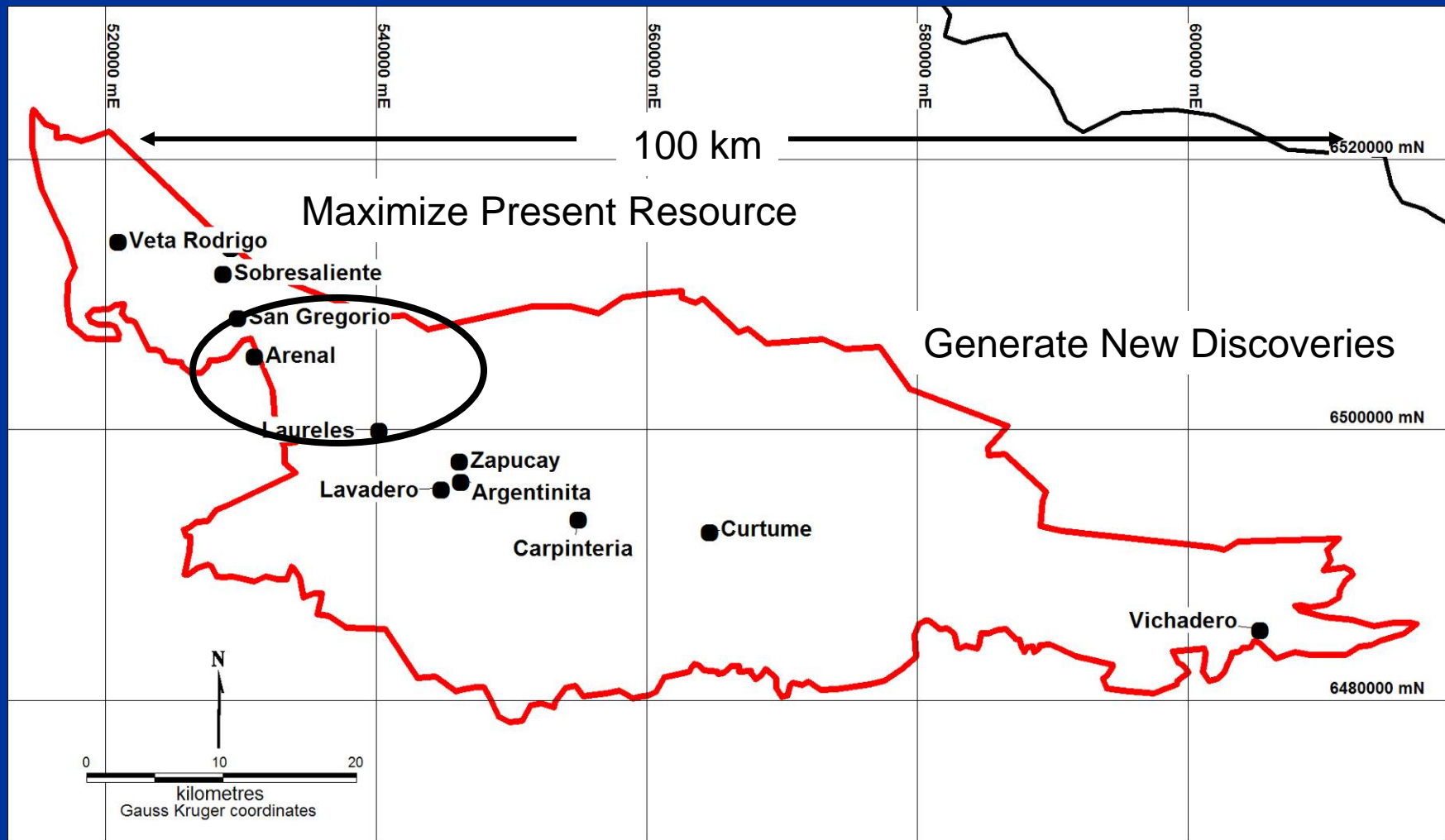


- Greenstone shear-vein gold systems
- IOCG deposits
- Ni-Cu sulphide deposits
- Mississippi valley lead zinc deposits

Exploration Resources

	Actual 1 Jan 2006	Projected 31 Dec 2006
Vice President Exploration	1	1
Drill Superintendent	-	1
Senior Geologists	4	7
Staff Geologists	8	16
Drill Rigs		
■Diamond	1	2
■Reverse Circulation	2	3
■Contractors	4	4
Geophysical Crews	3	5

Projects - Isla Cristalina



Isla Cristalina

Consolidate

- Complete resource estimates by December 31st 2006 for all known deposits
- Maximise potential from existing resources

Discover

- New targets within the existing districts
- Explore and develop new districts in the Isla Cristalina Belt

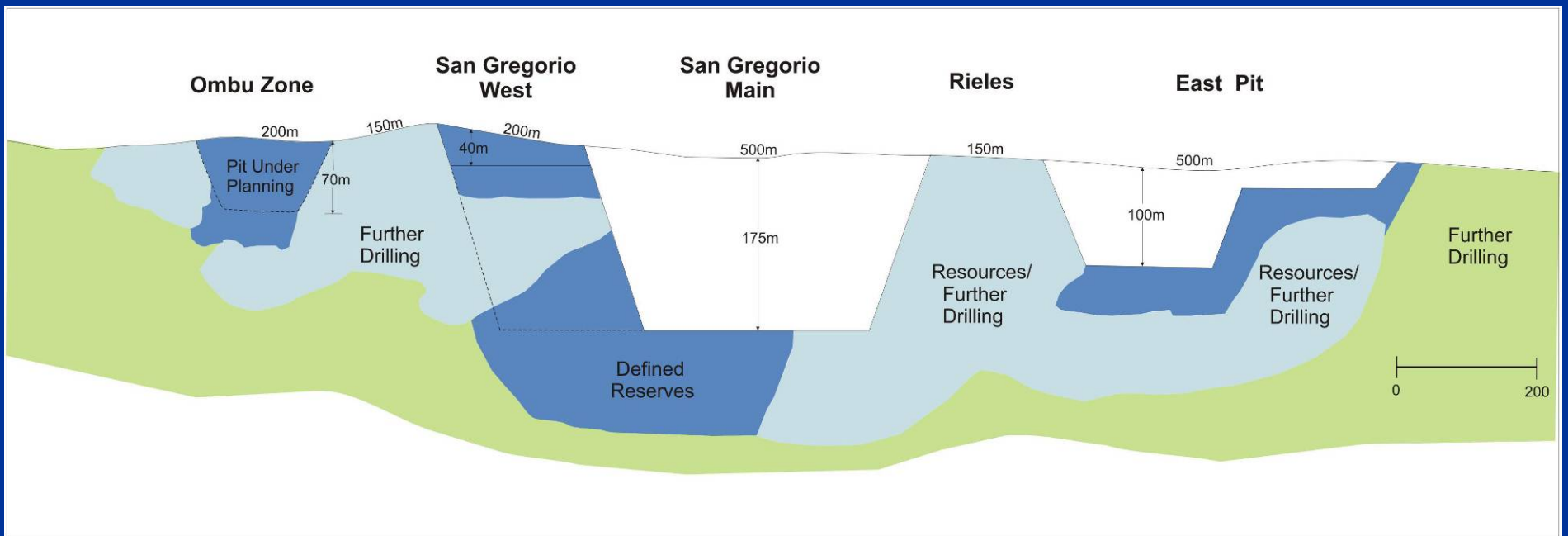
Isla Cristalina

Program to achieve this

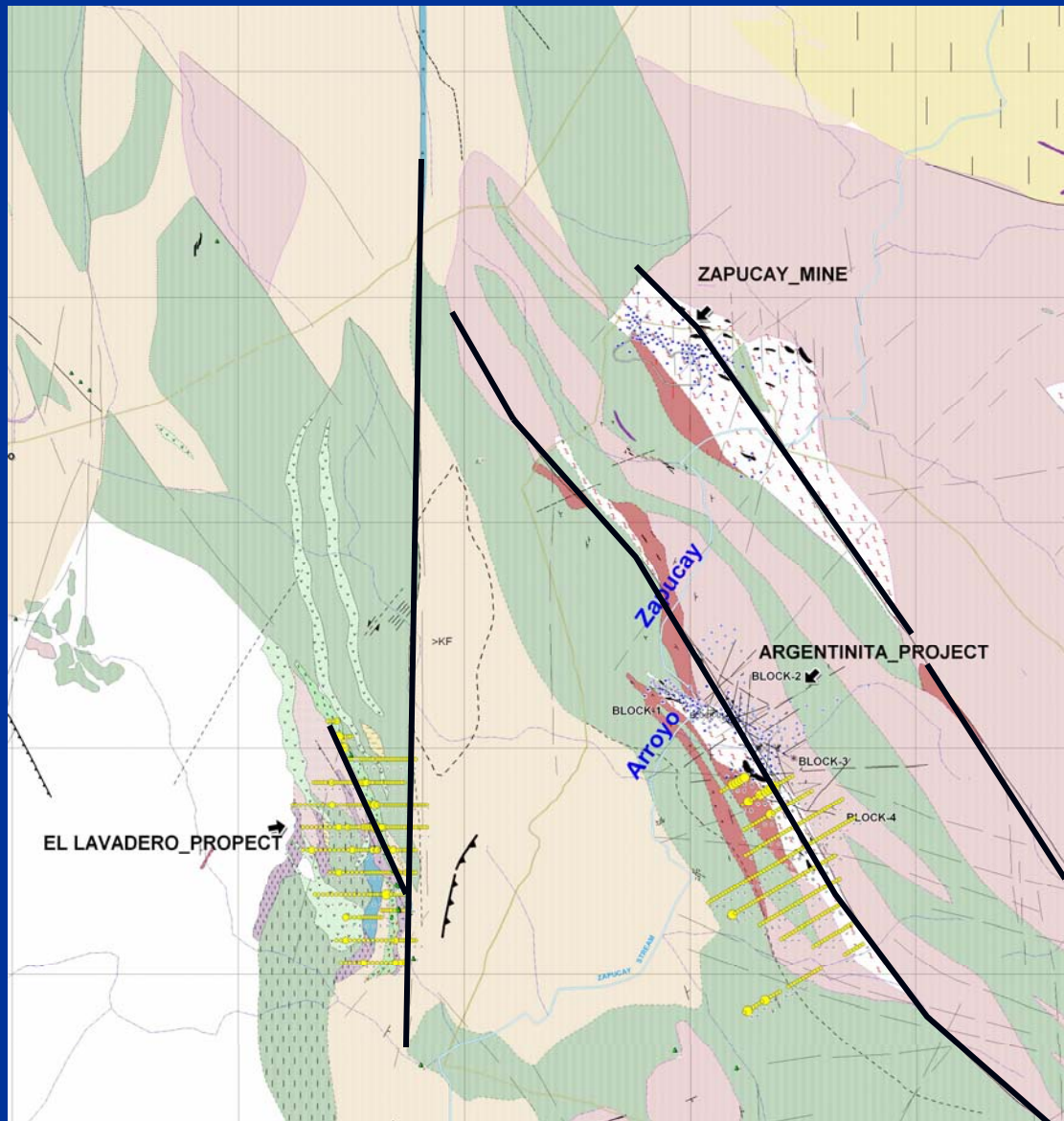
- Specific objectives set for projects
- Drill out resources and have externally reviewed
- Develop a comprehensive QC/QA protocol
- Consolidate information in one integrated database
- Hire additional experienced geologist + juniors
- Ground magnetometer survey of whole Isla Cristalina
- Concentrate on structural control to mineralization.

Longitudinal Section Plan

Ombu, San Gregorio, Rieles & East Pit



Zapucay District



- Historic mine
- Drilling resources
- Multiple structures and targets
- Significant prospective trend

Dom Feliciano / Florida Belts

Current Projects

- Texas, Presidente Terra, Casupa and Chamizo

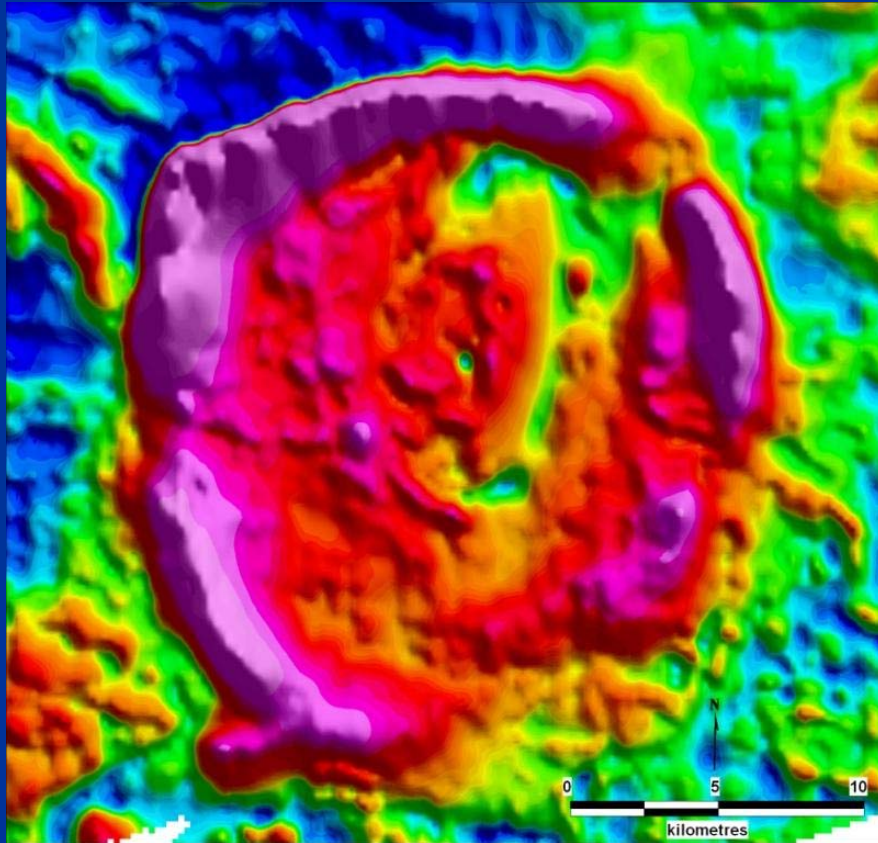
Objectives

- Invest in multiple projects at the same time
- Generative work as well as specific project exploration

First Steps

- Hire experienced senior geologist to lead the exploration effort and add 4-5 junior geologists
- Consolidate information in one integrated database

Lascano



- Gravity and Magnetics flight completed
- Initial Interpretation finished
- 3-4 drill holes
- Drilling a geophysical anomaly, long odds.

Summary

- Operating mine –100,000 ounces of gold
- Target production 250,000 ounces
- Exploration projects, information and people in place to achieve this

Cautionary Statement

Caution Regarding Forward-Looking Statements

Certain of the statements that are not historical facts contained in this Presentation (“Presentation”) (and the other disclosure documentation of Uruguay Mineral Exploration Inc. (“UME”) such as its annual and quarterly reporting to shareholders) are forward- looking statements that involve risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in the forward-looking statements. Such forward-looking statements include, among other things, statements regarding targets, budgets, forecast, estimates and/or assumptions in respect of gold production and/or gold prices, cash operating costs and expenditures on property, plant and equipment, increases and decreases in production, reserves and/or resources and in anticipated grades and recovery rates and are or may be based on assumptions and/or estimates related to future economic, market and other conditions. Factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, the factors described or referred to under “Risk Factors” as defined in the UME’s Annual Information Form and include unanticipated and/or unusual events. Most of such factors are beyond UME’s ability to control or predict.

Actual results may differ materially from those anticipated. Readers are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. UME disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.