



**Annual General Meeting
October 2008**



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 and Uncertainties” as defined in the UME’s Annual Report and Management Discussion and Analysis 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.

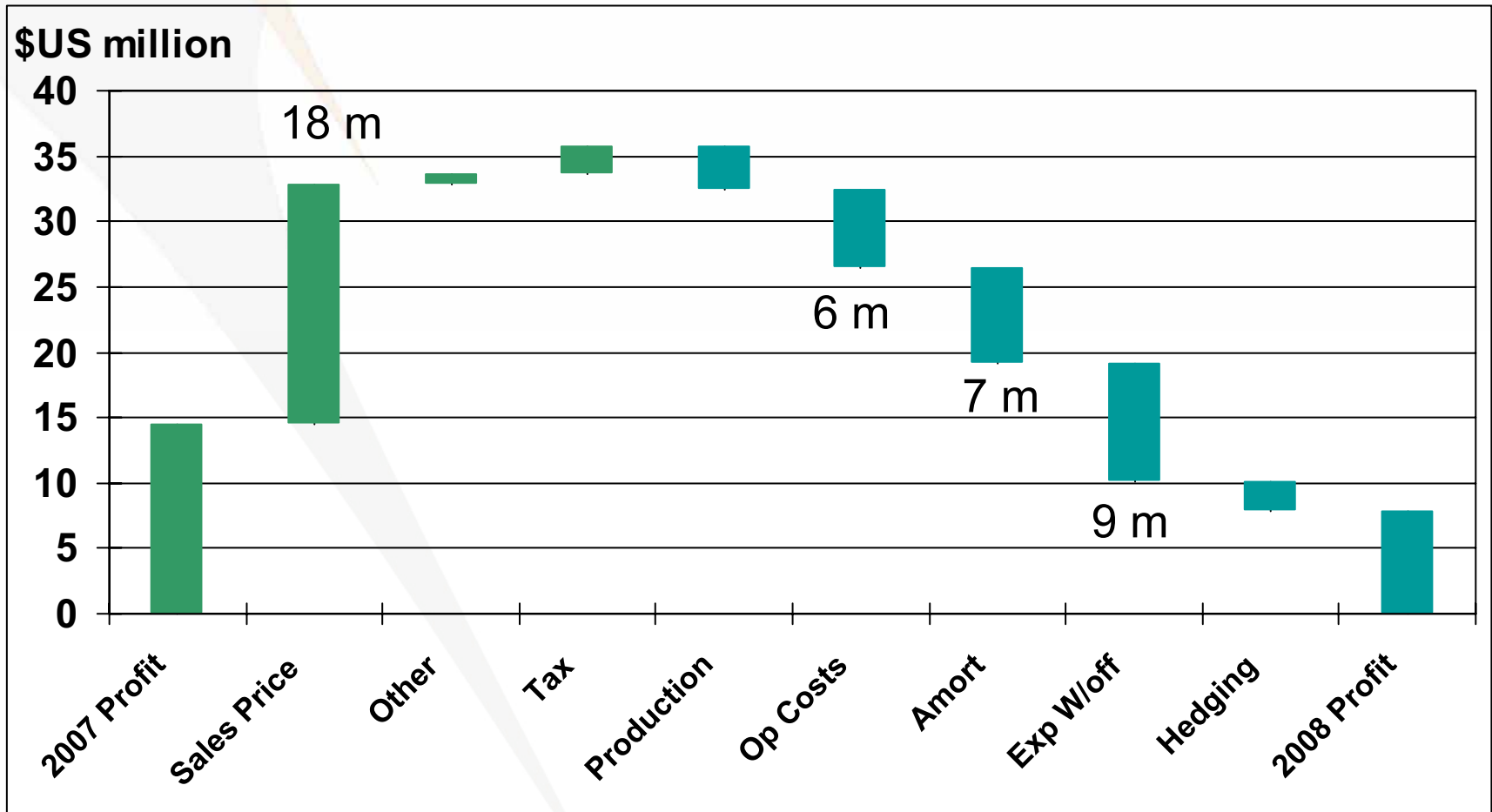


Financial Performance

Years ended 31 May	2008	2007	2006
Average gold price (\$US/Ounce)	814	610	482
Cash cost (\$US/Ounce)	413	294	209
Gold production (ounces)	90,668	96,420	101,287
Cash on hand	\$ 18.6 M	\$ 14.0 M	\$ 8.9 M
Debt	\$ 2.3 M	\$ 3.4 M	\$ 4.2 M
Sales (\$US million)	79.0	63.0	51.2
EBITDA (\$US million)	35.5	26.6	22.3
Net profit after tax(\$US million)	7.8	14.5	10.6
Earnings per share (\$US)	.16	.30	0.23
Dividends (\$CAD per share)	.025	.055	.035

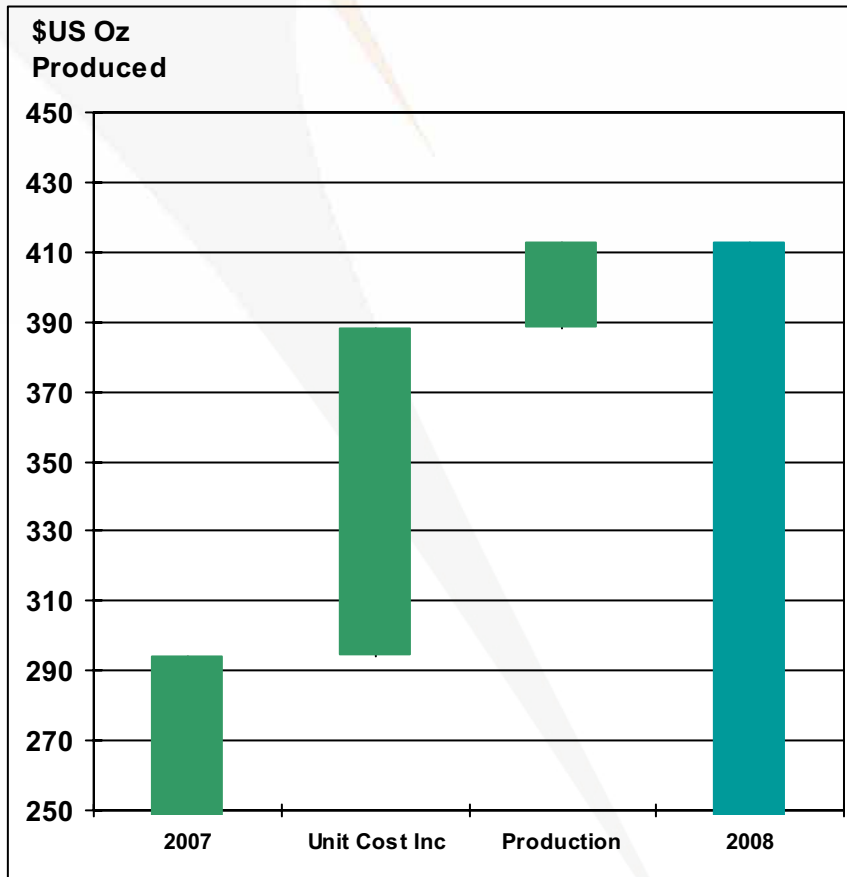


Profit Reconciliation





Operating Costs



2008 Increases

- Diesel Fuel
- Explosives
- Uruguayan Peso / inflation
- Steel
- Royalty

2009 Target = \$US 575 oz

- Assumes 1 June 2008 unit costs
- Q2 costs pressure reducing (oil, FX)
- \$US 55 inc due to lower production

Q1 2009 costs in accordance with plan

- lower production, higher mining rates



Financial Position

- Cash Position at 31 May 2008 was \$US 18.6 m
- At 31 August \$US 12.4 m – in line with business plan
- \$US 1.7 m of 2008/09 capital budget of \$US3.2 m spent Q2
- \$US 2.2 m debt paid Q1 – now debt free
- Forecast cash position \$US 8-12 m through to 31 May 2009
- Hedged 70% of ounces for 2009 financial year at \$US 796

Track record

- Managed production profile to fund exploration and capital expenditure
- No equity raising in 5 years, \$5 m paid in dividends



San Gregorio Operations – Business Plan

Production Levels – Based on Known Reserves:

- Actual 2007/08 - 90,668 ounces, grade processed 2.45 g/t
- Plan 2008/09 - 80,000 ounces, grade processed 2.09 g/t
- Plan 2009/10 - 60,000 ounces, grade processed 1.50 g/t

Plan to improve production and extend mine life by:

- High grade vein targets – all Uruguay
- Down dip on existing orebodies
- Exploration along strike of San Gregorio deposits
- Process plant enhancements



San Gregorio Production Strategies

- Processing
 - Benefit from accelerating lower grade ore does not justify capital investment to upgrade plant throughput by 50%
 - Justified on an additional 2 mt at 2 g/t
 - Lower capital cost enhancements for
 - Silver recovery
 - Additional secondary crushing stage
 - Broad range of leach testing continuing



San Gregorio Production Strategies

- Underground mining
 - Arenal deeps drilling returning positive results
 - Complete drilling during calendar 2008
 - Resource estimate March 2009
 - Mine planning, feasibility and reserves by May 2009
 - Target production contribution 2010/11
 - Indicative capital \$US 10 to 15 million



San Gregorio Production Strategies

- Changing cut-off grades for gold prices
 - Margins have stayed the same for open cut despite price rises
 - Potential for increased margin with costs falling and constant gold price
 - 4 m tonnes of 1g/t resource could convert to reserve



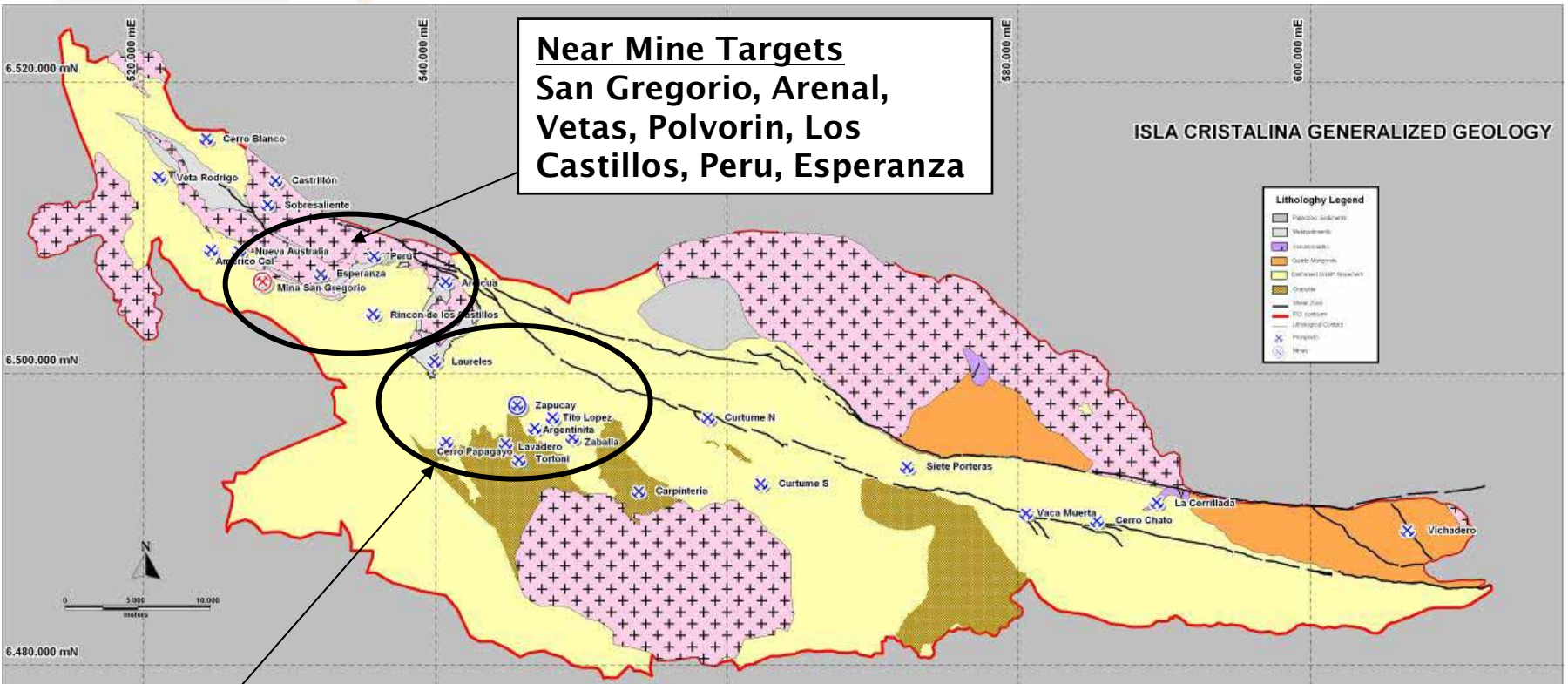
Exploration Objectives

- Incremental improvements to mine plan
 - Veins, Zapucay district and Peru/Esperanza
- Bulk targets to improve and extend mine plan – target 100,000 ounces per annum
 - Arenal deeps, Nueva Australia deeps, Rincon
- Build districts away from San Gregorio of at least 500,000 ounces
 - Presidente Terra, Casupa/Cruzera, Paso de Lugo, Eastern Isla Cristalina
- Focus on gold
 - Farm out non gold assets



Isla Cristalina - Target Summary

West Block - Regional Exploration
Veta Rodrigo and Castrillon



Zapucay District
 Argentinita, Zapucay, Tito Lopez, & Zaballa

East Block - Regional Exploration
 Curtume, Cerro Chato, Vaca Muerta and Vichadero



Isla Cristalina Belt - Summary

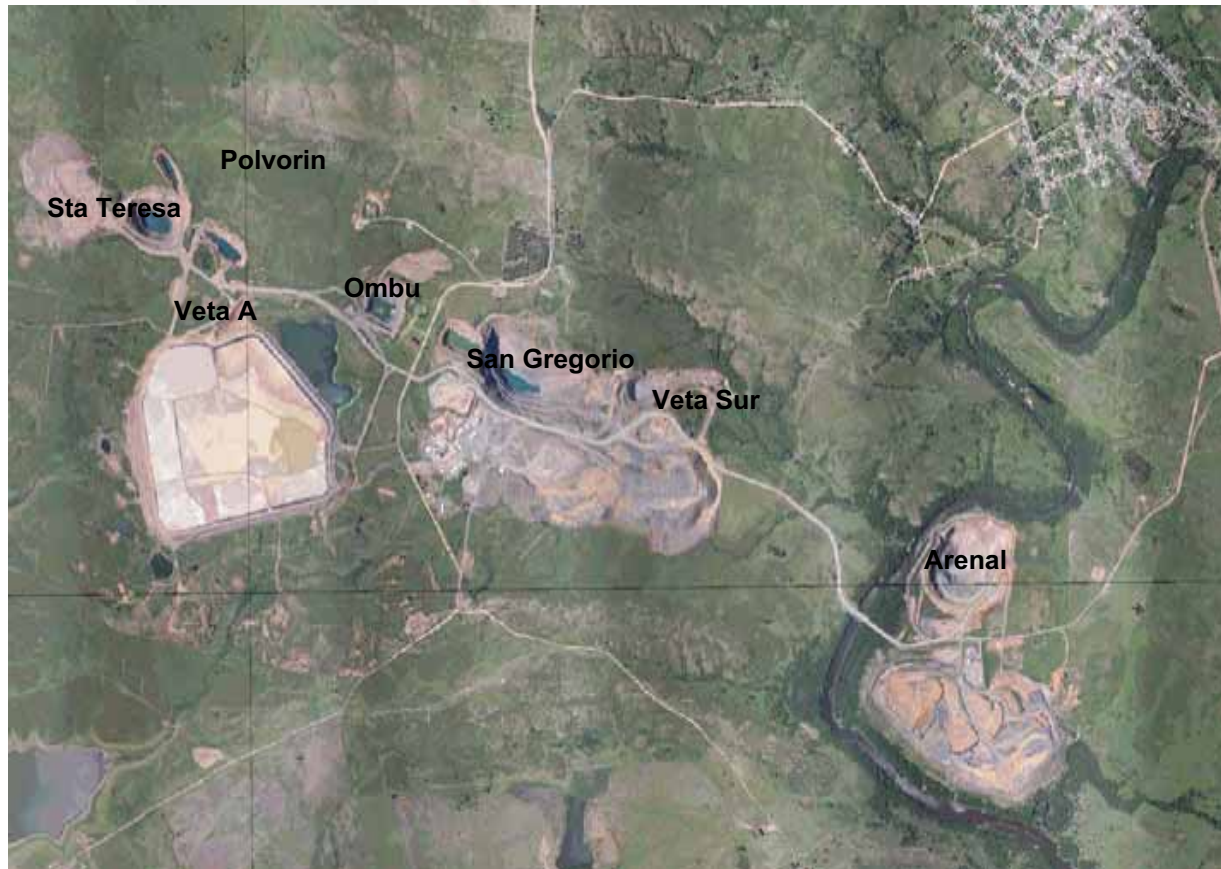
- **2007/08 – 420 holes for 52,481 meters**
- Prospects drill tested include San Gregorio Deep, Arenal Deep, Vetas, Polvarin, Argentinita, Papagayo, Laurales, Veta Rodrigo, Castrillon
- New targets defined at Vichadero, Curtume

- **First four months of 2008/09 – 176 holes for 19,741 meters**
- Prospects drill tested include Arenal Deep, Santa Teresa Definition, Nueva Australia, Zapuchay South, Castrillon and Vetas
- New near mine defined targets for drilling in 2008/09 including Los Castillos and Peru/Esperanza trend



San Gregorio Near Mine Exploration

- Exploration continues to define “Veta” resources
- Polvorin deposit has been discovered and production has started.

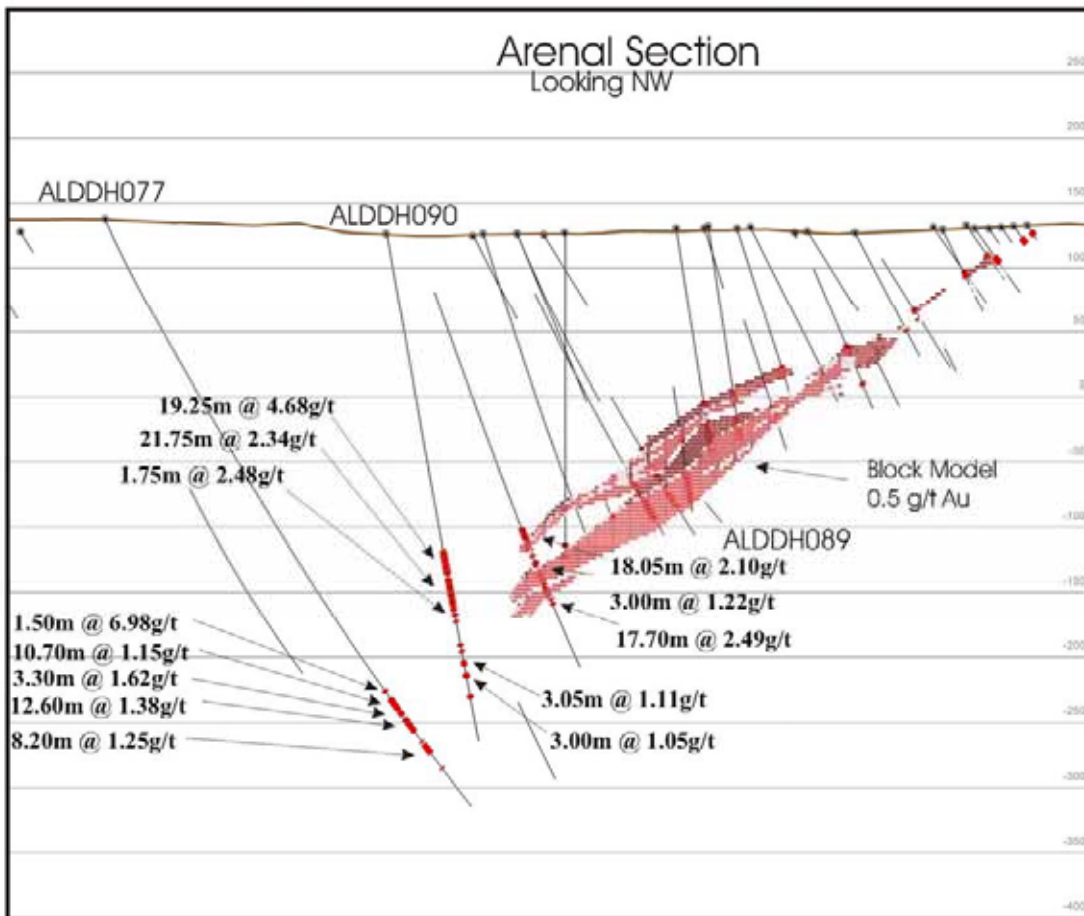


- Polvorin, small but higher grade resource
- Results reported from definition drilling up to 1m @ 111 g/t Au
- Exploration drilling to continue in the Ombu and Arenal sectors
- Resource drilling completed at Castrillon independent estimate to be calculated in 3Qt



San Gregorio Near Mine Exploration – Arenal Deep

- Arenal deep drilling program identifying additional resource down dip/down plunge of the main ore body.

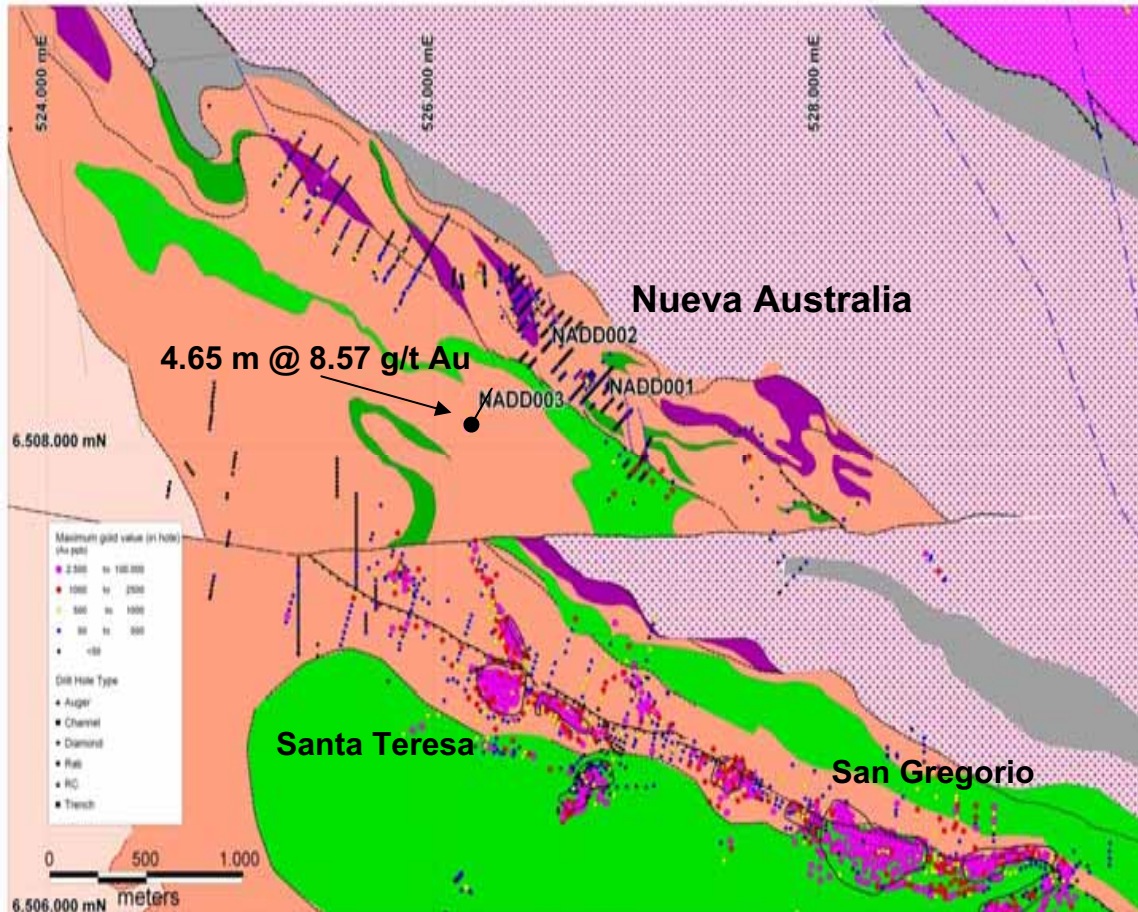


- 10 holes for 3,478 meters since 1 June 2008.
- Most significant intercept was reported in Q1 - ALDD090-19.25 m @ 4.68 g/t and 21.75 m @ 2.34 g/t Au
- Drilling continues up plunge to the NW in an attempt to define additional resource.
- Objective is to define an economic underground resource.



San Gregorio Near Mine Exploration – Nueva Australia

- Deep drilling program has started at Nueva Australia and Santa Teresa.

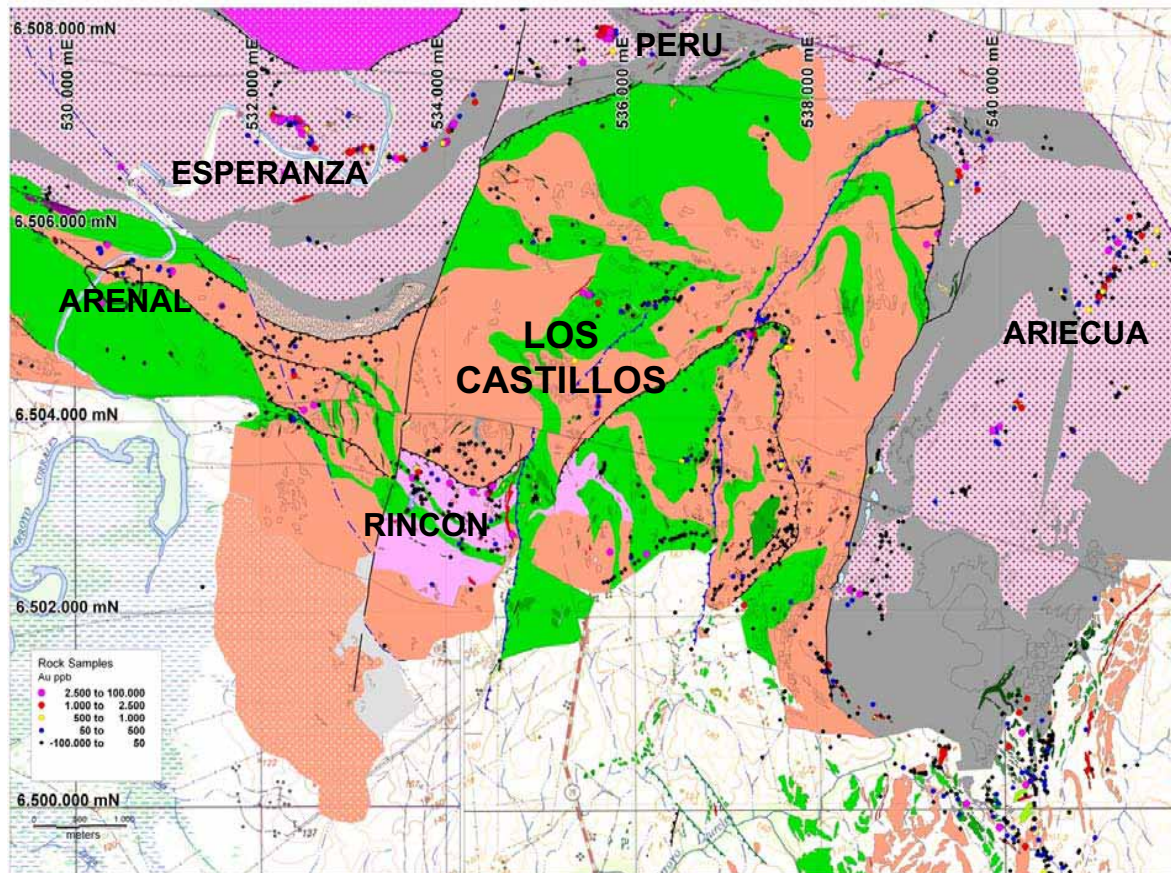


- One of three holes completed at Nueva Australia has encountered significant mineralization. Assays pending from Santa Teresa deep drill program.
- NADD003 intercepted 4.65 m @ 8.57 g/t Au from 400 meters below surface.
- Underground thickness and grade.
- Offset drilling planned in November to test along strike and up dip.



San Gregorio Near Mine – Generative Projects

- Los Castillos Area is the Gap between Arenal and Central District, 50 km²

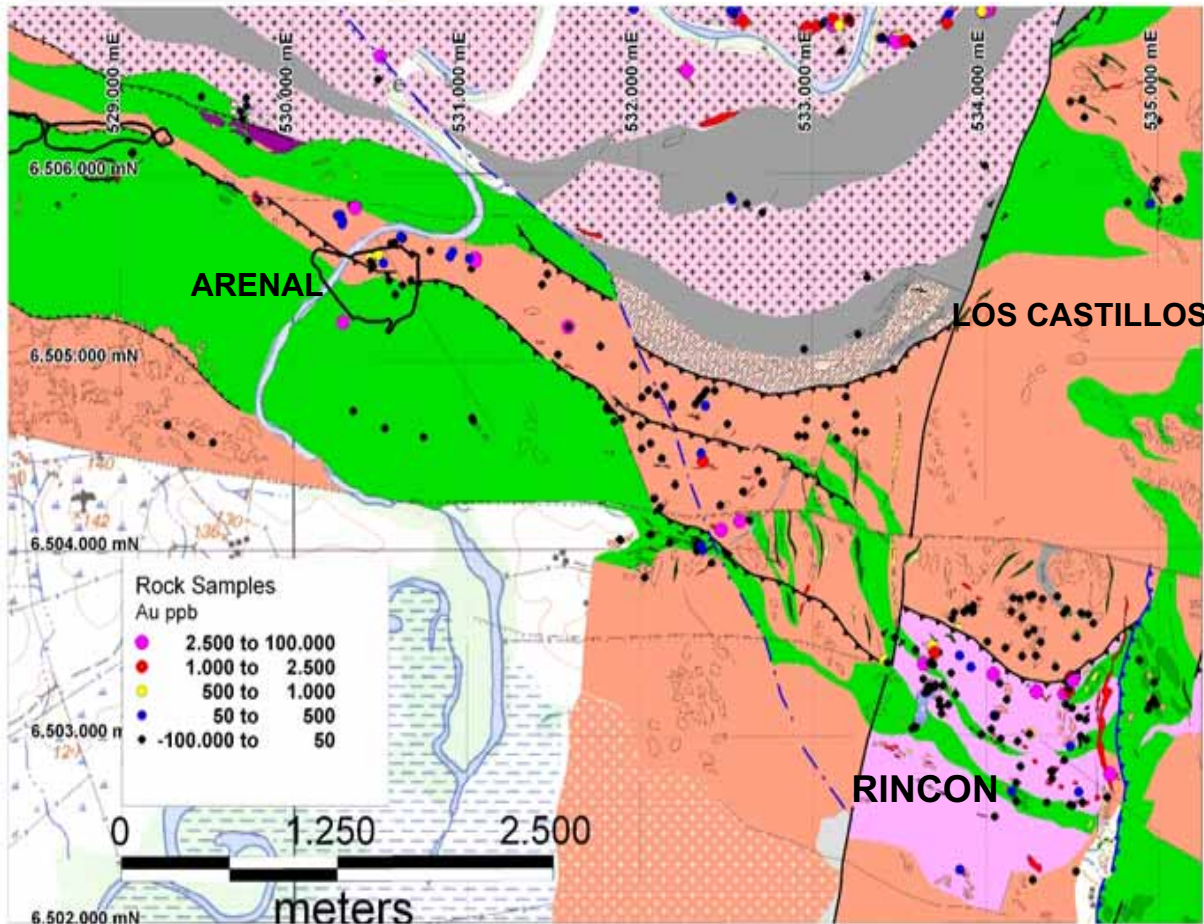


- Commenced exploration H2 2008. Defining a number of new as well as historic targets
- Peru and Esperanza Vein targets to be tested in November 08
- A new targets generated including Rincon - believed to be the offset extension of San Gregorio/Arenal structure
- Other structural related targets being defined



San Gregorio Near Mine - Generative

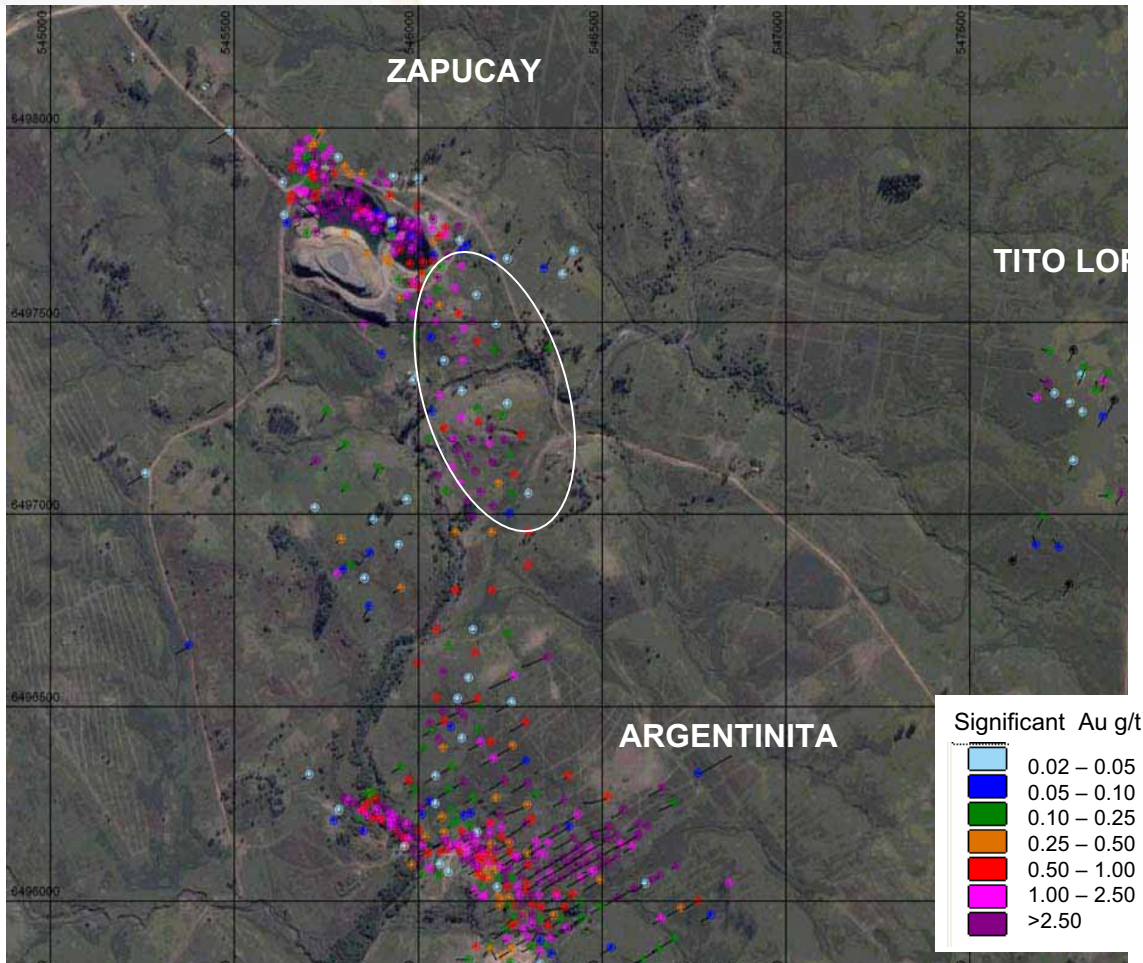
- Rincon target - Interpreted structural offset of San Gregorio/Arenal Structure



- Mapping and rock chip sampling as well as geophysical lineament defined anomaly
- Continuously anomalous rock chip sample results define a strike length of >800 meters.
- Results reported above 17 g/t
- Drill testing expected in early 2009



Zapucay District

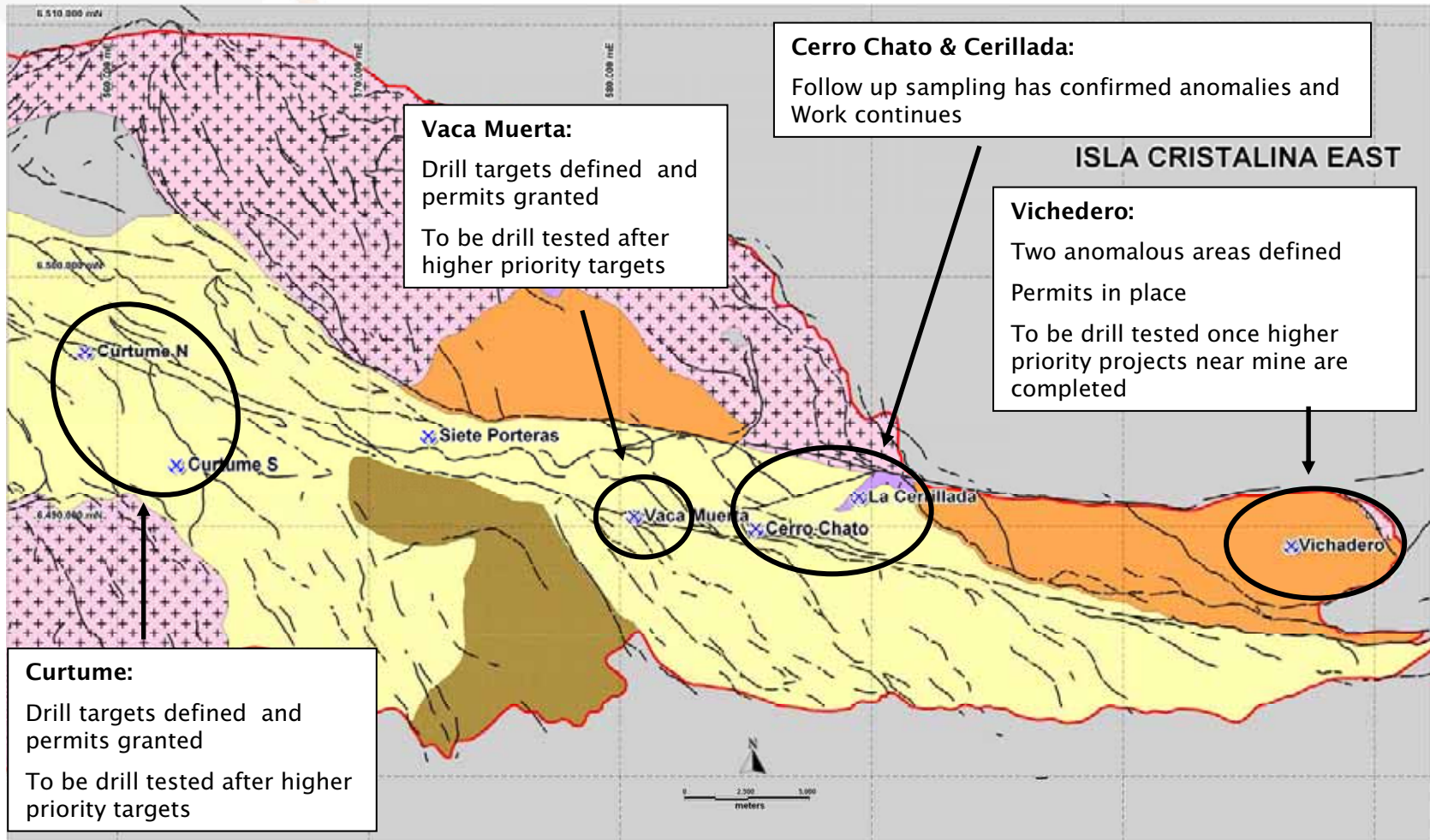


- Exploration drill testing along corridor between Zapucay and Argentinita deposits completed
- Near surface mineralization encountered
- Results to be used in Resource Update
- Drilling started on Tito Lopez and Zaballa.
- Central district exploration largely completed following this program.



Eastern Isla Cristalina – Regional Exploration

- Drill targets defined-Generative work continues





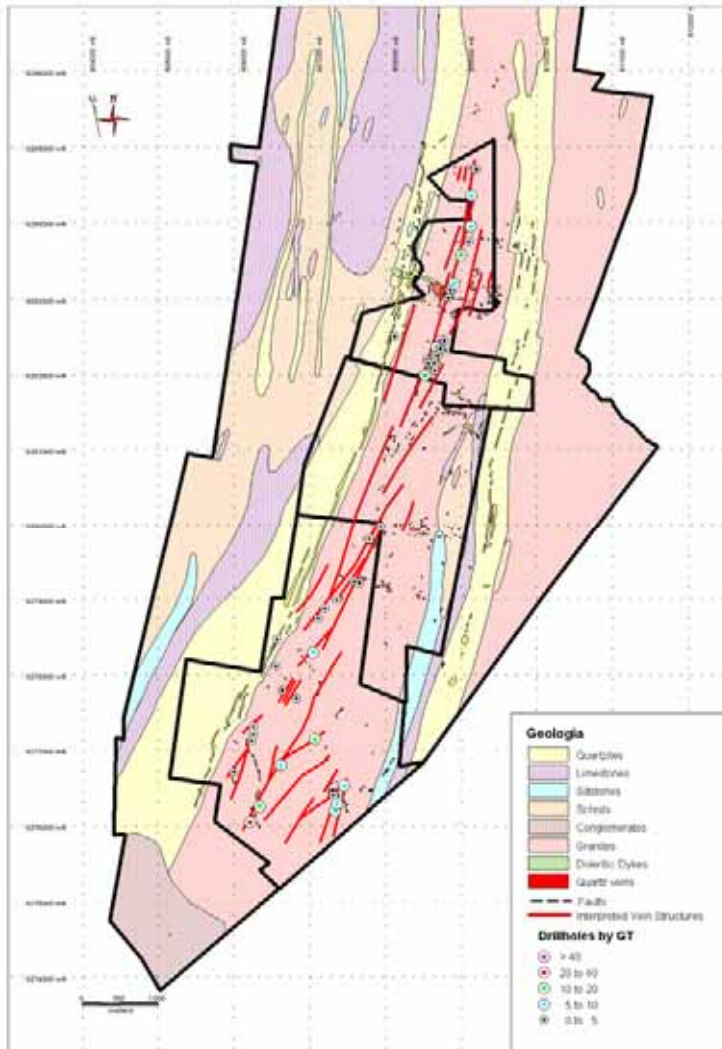
Southern Gold - Summary

- **2007/08 – 69 holes for 8,325 meters**
- Prospects drill tested include Nueva Helvecia, Presidente Terra, Bragado and Vichadero
- Targets defined at Presidente Terra, Casupa Cruzera

- **First four months of 2008/09 – 43 holes for 6,371 meters**
- Prospects drill tested include Presidente Terra
- Casupa targets expanded, new targets defined at Paso de Lugo and Texas



Presidente Terra Project



First pass drill program completed

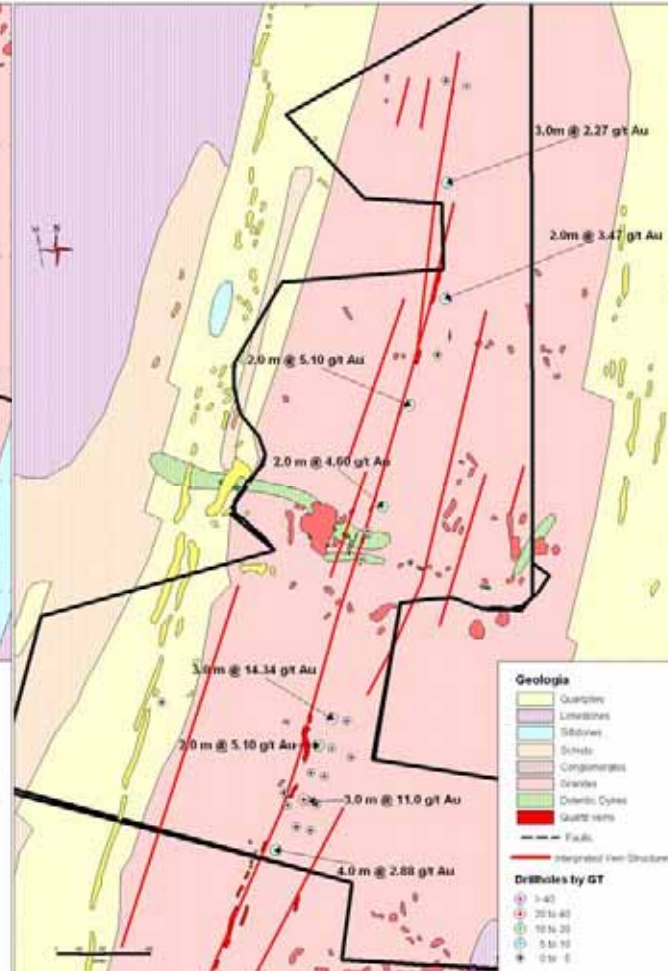
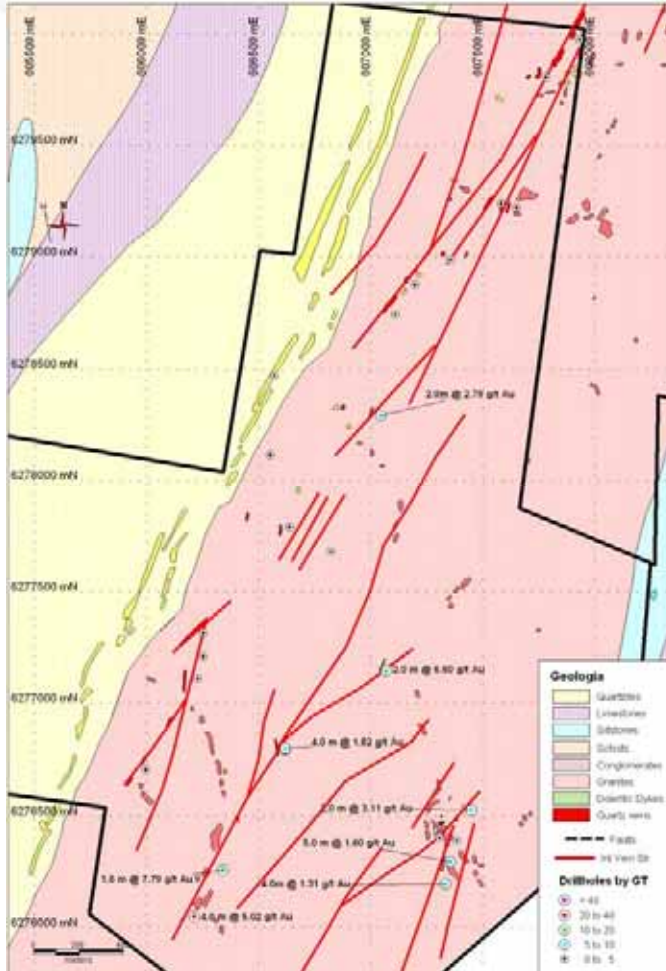
- 51 drill holes completed testing two thirds of the prospective area
- Results from three core holes pending
- Significant intercepts of greater than 2 meters of 1 g/t or better in 22 drill holes
- Two holes in the northern third report intercepts of 3 mts of greater than 11 g/t Au
- Drill program to continue on the central block in November
- Follow up program to target areas of higher grade and bulk tonnage potential
- Three target types;
 - Granite hosted quartz veins
 - Granite/meta-sediment (Shear?) contact
 - Altered meta-sediments



Presidente Terra First Pass Drill Program

Southern Pte. Terra

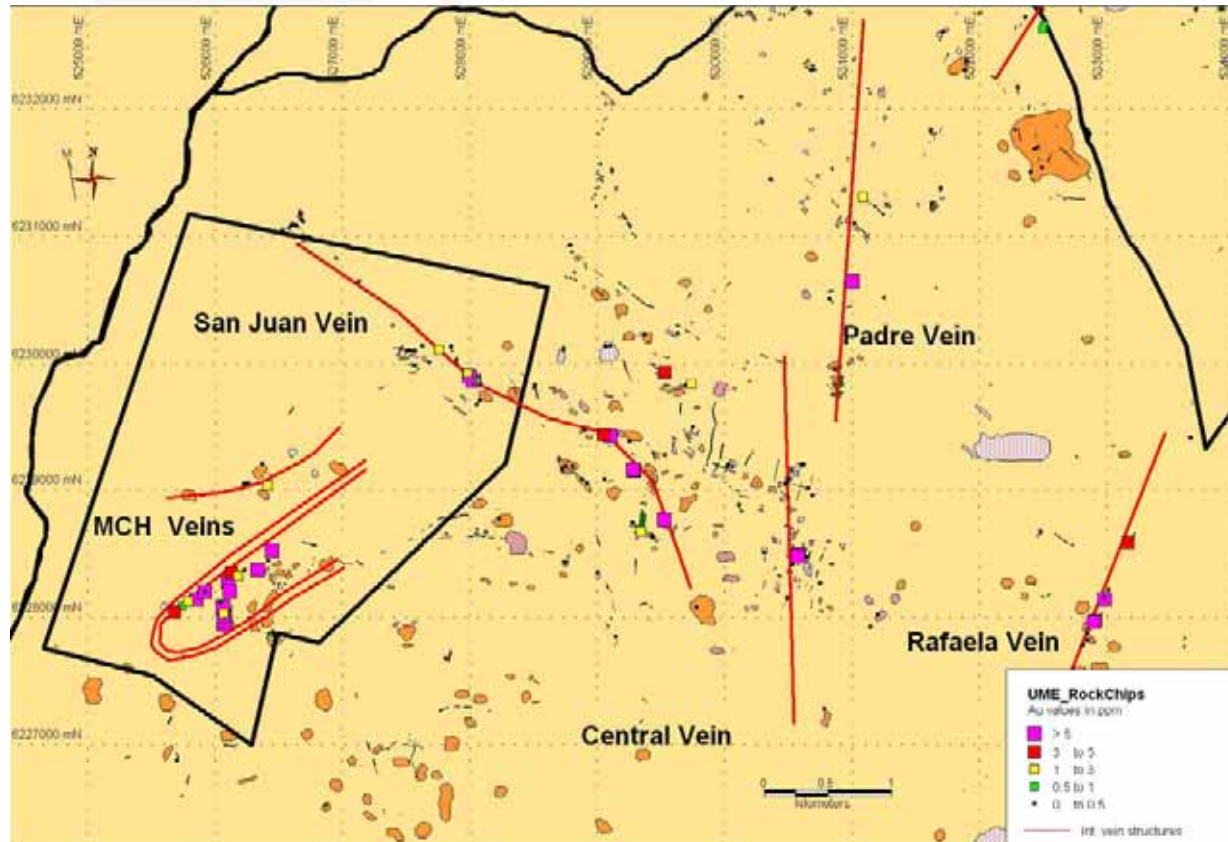
Northern Pte. Terra



Hole ID	From	Intercept and Grade
PT-08-001	36.0 m	4.0 m @ 1.31 g/t Au
PT-08-002	31.0 m	5.0 m @ 1.60 g/t Au
PT-08-005	73.0 m	2.0 m @ 3.11 g/t Au
PT-08-006	40.0 m	4.0 m @ 5.02 g/t Au
<i>including</i>	43.0 m	1.0 m @ 17.52 g/t Au
PT-08-007	29.0 m	5.0 m @ 0.66 g/t Au
	42.0 m	4.0 m @ 1.82 g/t Au
	48.0 m	2.0 m @ 0.67 g/t Au
	60.0 m	2.0 m @ 2.15 g/t Au
PT-08-015	54.0 m	2.0 m @ 2.39 g/t Au
PT-08-021	46.0 m	2.0 m @ 2.79 g/t Au
PT-08-026	23.0 m	2.0 m @ 6.60 g/t Au
PT-08-027	17.0 m	4.0 m @ 2.88 g/t Au
PT-08-029	36.0 m	3.0 m @ 11.0 g/t Au
PT-08-031	10.0 m	4.0 m @ 3.48 g/t Au
	23.0 m	5.0 m @ 1.07 g/t Au
PT-08-032	86.0 m	2.0 m @ 1.76 g/t Au
PT-08-036	11.0 m	3.0 m @ 0.82 g/t Au
PT-08-037	89.0 m	2.0 m @ 1.62 g/t Au
PT-08-040	45.0 m	2.0 m @ 4.60 g/t Au
	72.0 m	2.0 m @ 1.60 g/t Au
PT-08-041	31.0 m	2.0 m @ 5.10 g/t Au
PT-08-044	145.0 m	2.0 m @ 3.47 g/t Au
PT-08-045	24.0 m	3.0 m @ 1.04 g/t Au
PT-08-046	35.0 m	3.0 m @ 14.34 g/t Au
<i>including</i>	35.0 m	1.0 m @ 39.96 g/t Au
PT-08-046	46.0 m	1.0 m @ 1.68 g/t Au
PT-08-049	39.0 m	3.0 m @ 2.27 g/t Au
PT-08-050	90.0 m	1.0 m @ 2.5 g/t Au
	100.0 m	2.0 m @ 0.59 g/t Au
PT-08-019DDH	26.1 m	1.6 m @ 7.79 g/t Au
<i>including</i>	27.0 m	0.6 m @ 16.38 g/t Au
PT-08-019DDH	53.0 m	1.00 m @ 2.26 g/t Au
PT-08-022DDH	27.7 m	4.3 m @ 1.55 g/t Au



Southern Crucera / Casupa District

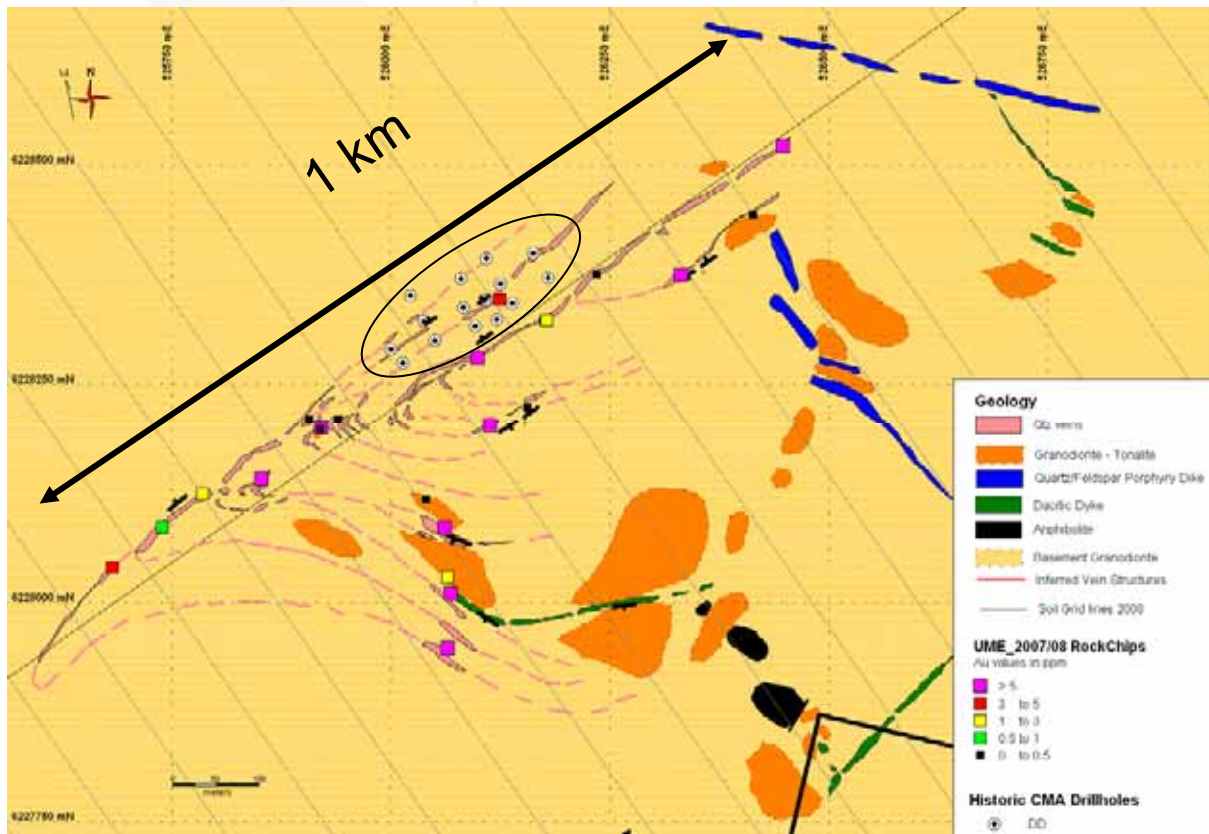


- High grade rock chips identify portions of veins at surface. Soil sampling and geophysics are being used to define full strike length.
- Madre Con Hijos exploration tenement granted. Prospect permits Casupa and Chamame pending
- District has the potential to produce 500,000 ounces



Southern Crucera/Casupa District - Madre Vein

Drilling to commence in November at MCH and San Juan Vein systems.

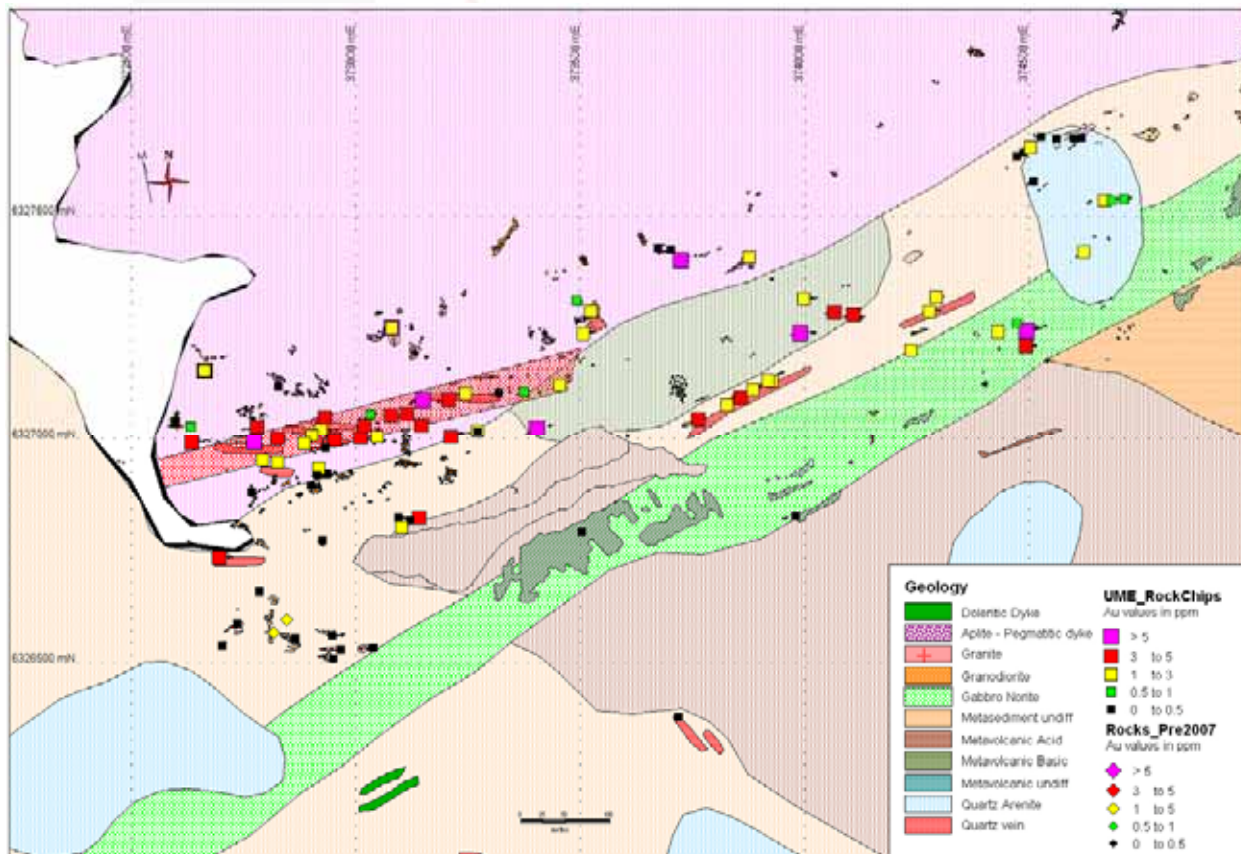


- MCH interpreted to be a folded vein system
- Possible increase in volume and or grade due to folded geometry.
- Significant mineralization reported from surface rock chip samples up to 10 g/t.
- Historic drilling confirm grade over 250 mts. (not 43-101 compliant).
- Drilling to commence in October 2008.



Arroyo Grande Belt - Paso Del Lugo

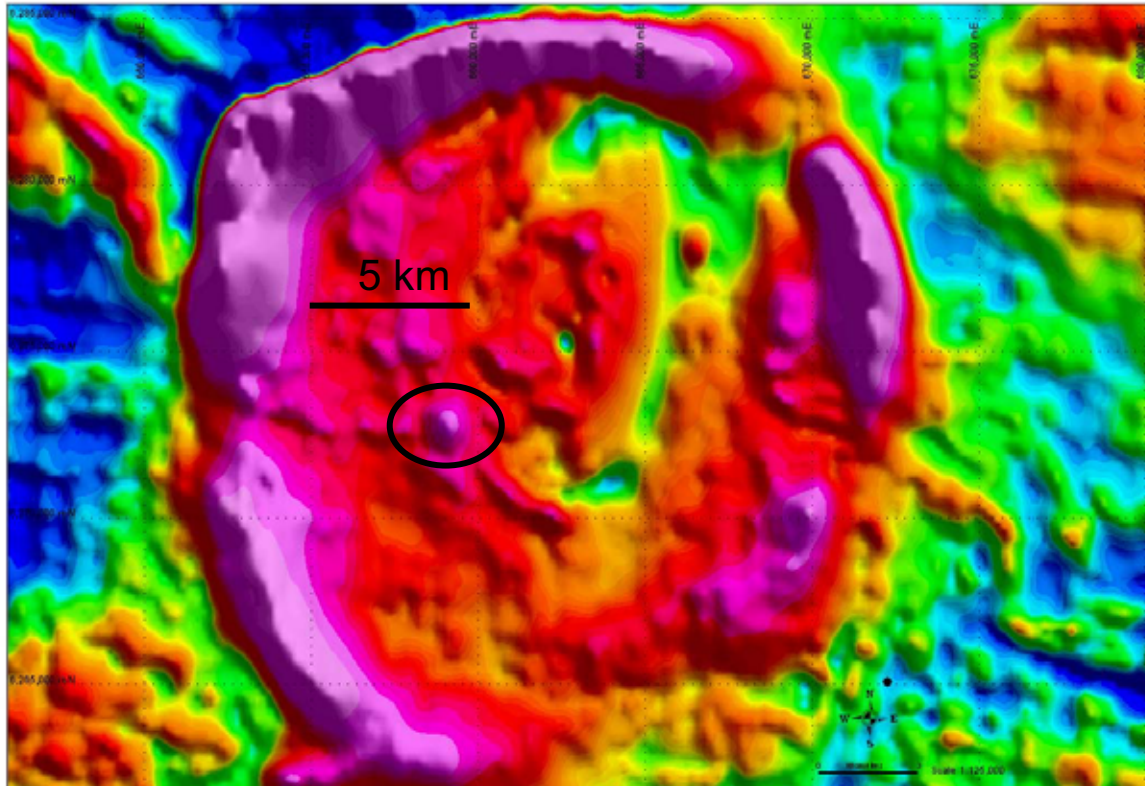
Paso del Lugo located in the Arroyo Grande Belt, Central Uruguay



- First pass exploration started in April 2008
- Identification of a strongly anomalous Shear/Vein system
- Over 2 km in strike length and 50 to 100 meters wide at surface.
- Sampling within the shear reports predominately grades between 0.3 and 8.0 g/t with the bulk of the samples reporting above 1 g/t.
- Permit expected in late 2008 drill ready in early 2009.



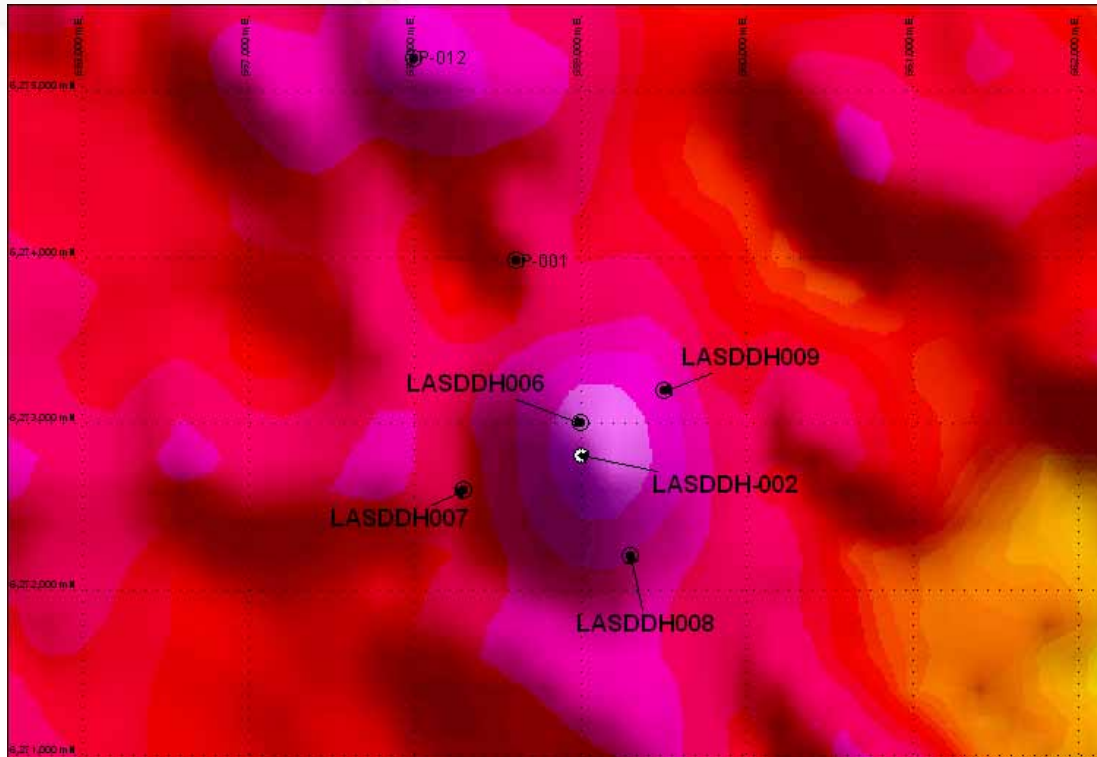
Lascano



- 4 hole drill program nearly completed, cut back from the original 12 hole program to prioritize on near mine gold exploration.
- All holes have intercepted alteration which is indicative of hydrothermal mineralization.
- The 4th hole, LASDDH009 is still in progress.
- The LASDDH008 and 009 have cut strong to intense quartz, sericite and pyrite alteration within the first 300 meters. With sulfide mineralization (pyrite) composing up to 10% of the host rock.



Lascano



- Analytical results received for the first hole were not anomalous though results for the last three holes are still pending.
- This program has confirmed the hydrothermal environment and its possible association with a IOCG/Porphyry copper system.
- Pending analytical results could return anomalous results in Cu and Au.
- A review of all the data will be made by the end of the year when the company intends to consider a farm out of the project.



Conclusions

- Production of 80,000 ounces in 2008/09
- Exploration delivering results
 - Incremental improvements to mine plan
 - Arenal Deeps - Resource Q3
 - New bulk targets at Rincon (open pit) and Nueva Australia (underground)
 - New stand alone project targets to be drilled during 2008/09
- Exploration success on open pit targets that feed San Gregorio require minimal capital and will generate significant cashflow
- Continue to focus on building gold production profile, farm out non core projects
- Gold acquisitions – more opportunities less expensive