



28 October 2011

**COUGAR ENERGY LIMITED**  
**QUARTERLY REPORT (pursuant to Listing Rule 5.2)**  
**JULY - SEPTEMBER 2011**

## Australia

No exploration, development or production work was carried out during the quarter ending 30 September 2011 on the tenements in Queensland controlled by Cougar Energy.

As previously announced, Cougar Energy's trial Underground Coal Gasification (UCG) operation at Kingaroy (MDL 385) in Queensland was suspended by the Queensland Government's Department of Environment and Resource Management (DERM) on 17 July 2010.

During the reporting period, the Company received from DERM an information notice and Amended Environmental Authority requiring the Company to restrict its trial activities at the Kingaroy site to decommissioning, rehabilitation and care and maintenance. Cougar Energy lodged an Application for Internal Review by DERM of this decision. On 31 August 2011 DERM advised the Company that the decision to amend the Environmental Authority was affirmed. On 30 September 2011 Cougar Energy filed a Notice of Appeal in the Queensland Planning and Environment Court seeking orders to overturn this decision.

There has been no exploration, development or production work on the Company's Wandoan tenements, MDLA 420 and EPC 1118, also located in Queensland.

The Company has been granted an exploration permit (EPC 1445) over an area of about 20 square kilometres in the MacKenzie area, east of the Jellinbah open cut coal mine in the Central Bowen Basin in Queensland.

The Company has not undertaken any exploration, development, or production work in respect of exploration licence EL4416, located in Victoria and controlled by Ignite Energy Resources Pty Ltd.

## Asia

As previously announced, the Company in conjunction with its partner DeTailong Investment Energy Ltd is seeking registration for the project development at the WuNiTe coal deposit in the Inner Mongolia Autonomous Region in The People's Republic of China. During the reporting period, the regional authorities requested the submission of a Feasibility Study Report (FSR). The final draft of this study has been completed. It is expected that the final FSR will be lodged in early November.



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### **Investor contacts:**

**Dr Len Walker**  
Managing Director  
Tel: + 61 419 587 396

**Brad Glynne**  
GM – Corporate Finance  
and Investor Relations  
Tel: + 61 447 774 009

**John Field**  
Field Public Relations  
Tel: + 61 8 8234 9555