



MARKET RELEASE

7 April 2011

Cougar Energy Limited

TRADING HALT

The securities of Cougar Energy Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Monday, 11 April 2011 or when the announcement is released to the market.

Security Code: CXY

James Gerraty
Manager, Listings (Melbourne)

7 April 2011

Mr James Gerraty,
Manager, Issuers (Melbourne),
Australian Securities Exchange Limited,
Level 45, South Tower,
525 Collins Street,
Melbourne, Victoria, 3000.

By email to: james.gerraty@asx.com.au

Dear James,

Trading Halt Request

Cougar Energy Limited (ASX code: CXY) hereby requests a trading halt, effective immediately, for its quoted fully paid ordinary shares pursuant to listing rule 17.1, pending an announcement from the Company regarding a capital raising.

The Company intends to undertake a placement under listing rule 7.1 (issues not exceeding 15% of the Company's issued capital without shareholder approval) to institutional and sophisticated investors. The Company's advisor will be discussing the placement with prospective investors.

We seek the trading halt up to close of trade Friday 8 April 2011 and to re-commence trading at the opening of the market on Monday 11 April 2011.

Once finalized, the results of the placement will be announced to the ASX.

The Company is not aware of any reason why the trading halt should not be granted.

Yours sincerely,



Dr Len Walker,
Director