



ASX ANNOUNCEMENT

26 July 2013

COUGAR ENERGY CAPITAL RAISING

HIGHLIGHTS:

- * **Cougar Energy share placement raises A\$ 719,674*.**
- * **Funds to be allocated towards Mackenzie PCI Coal Project.**
- * **New Australian institutions and sophisticated investors expand share register.**

Cougar Energy Limited (ASX:CXY – the “Company”) is pleased to announce the successful completion of a capital raising of approx. A\$719,674 (before costs). The placement of 239,891,357 new fully paid ordinary shares at A\$ 0.003 (0.3 cents) per share was made to sophisticated and professional investors in Australia under the Company’s 15% issuance capacity in accordance with Listing Rule 7.1.

All Directors of the Company have participated in the placement, subject to shareholder approval being received at an extraordinary general meeting (EGM) to be called shortly.

The CEO & Managing Director Mr Rob Neill commented: “The successful capital raising, following the Mackenzie maiden JORC resource announcement (17 July 2013) and the Company’s discontinuation of the Kingaroy Civil actions, supports the Board’s strategy for the Company.”

The placement was lead managed and arranged by BW Equities Pty Limited (Melbourne). A select number of BW Equities’ institutional and sophisticated investors along with a number of top 10 shareholders subscribed to Cougar Energy’s shares on this occasion.

The funds raised from this placement will allow the Company to advance the scoping study work for the Mackenzie PCI Project. “It is extremely pleasing to raise these funds and have such support from existing and new shareholders”, commented Mr. Neill.

Settlement of the placement is scheduled to take place on 31 July 2013 and allotment of all of the new fully paid ordinary shares is scheduled to occur on 1 August 2013. The new shares will rank equally with the ordinary shares currently on issue.

Cougar Energy Limited

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* *It is proposed 24,974,667 shares [total consideration \$74,924] be issued to Directors of the Company subject to shareholder approval under Listing Rule 10.11 at an EGM.*