

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

**COUGAR ENERGY LIMITED**

ABN

**75 060 111 784**

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | Convertible Security   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | \$ 375,000 of Convertible Security issued to The Australian Special Opportunity Fund LP ("ASOF") |

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

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3 Principal terms of the <sup>+</sup>securities (eg, if options, exercise price and expiry date; if partly paid <sup>+</sup>securities, the amount outstanding and due dates for payment; if <sup>+</sup>convertible securities, the conversion price and dates for conversion)

1. The total amount of the Convertible Security is \$ 375,000.
2. The Convertible Security does not bear interest and is unsecured.
3. Conversion is at the discretion of ASOF. Any conversions shall be into fully paid ordinary shares of the Company (CXY) determined by dividing the amount requested to be converted by the lesser of:
  - (a) a premium of the average of the daily VWAPs per traded fully paid ordinary shares for a specified period prior to 24 February 2012; and
  - (b) a discount to the daily VWAP of traded fully paid ordinary shares during a specified period prior to the conversion date of the amount to be converted.
4. The Convertible Security matures on 24 February 2014.
5. The fully paid ordinary shares of the Company (CXY) issued upon conversion of the Convertible Security will rank equally in all respects with the Company's other fully paid ordinary shares (CXY).
6. The Convertible Security does not carry any voting rights at meetings of shareholders of the Company and has no rights of participation in any rights issue undertaken by the Company prior to the conversion of the Convertible Security.

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<sup>+</sup> See chapter 19 for defined terms.

4	<p>Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>On conversion of the Convertible Security, the fully paid ordinary shares of the Company (CXY) issued rank equally in all respects with the Company's other fully paid ordinary shares (CXY).</p>				
5	Issue price or consideration	\$ 375,000 of Convertible Security				
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>The Convertible Security is issued pursuant to a security purchase agreement between the Company and The Australian Special Opportunity Fund LP entered into on 24 February 2012 and as approved by shareholders of the Company at the Extraordinary General Meeting held on 3 April 2012.</p>				
7	Dates of entering <sup>+</sup> securities into uncertificated holdings or despatch of certificates	03-04-2012				
8	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="837 1120 1029 1164">Number</th> <th data-bbox="1029 1120 1378 1164"><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="837 1164 1029 1285">1,170,556,666</td> <td data-bbox="1029 1164 1378 1285">Fully paid ordinary shares (CXY)</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	1,170,556,666	Fully paid ordinary shares (CXY)
Number	<sup>+</sup> Class					
1,170,556,666	Fully paid ordinary shares (CXY)					

<sup>+</sup> See chapter 19 for defined terms.

9 Number and <sup>+</sup>class of all <sup>+</sup>securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	<sup>+</sup> Class
800,000	Management options with an exercise price of \$0.10 (10 cents) and an expiry date of 01-05-2012 (CXFAQ)
800,000	Management options with an exercise price of \$0.15 (15 cents) and an expiry date of 01-05-2012 (CXFAQ)
800,000	Management options with an exercise price of \$0.20 (20 cents) and an expiry date of 01-05-2012 (CXFAQ)
1,600,000	Management options with an exercise price of \$0.10 (10 cents) and an expiry date of 03-05-2012 (CXFAQ)
1,700,000	Management options with an exercise price of \$0.15 (15 cents) and an expiry date of 03-05-2012 (CXFAQ)
1,700,000	Management options with an exercise price of \$0.20 (20 cents) and an expiry date of 03-05-2012 (CXFAQ)
\$ 375,000 of Convertible Security	Conversion terms are set out in section 3 above.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

In relation to the unlisted management options on issue: none of these options carry any right to participate in dividends until such time as fully paid ordinary shares of the Company (CXY) are issued pursuant to the exercising of those options.  
 In relation to the unlisted Convertible Security on issue: the Convertible Security does not carry any right to participate in dividends until such time as fully paid ordinary shares of the Company (CXY) are issued pursuant to the conversion of any part of the Convertible Security.

+ See chapter 19 for defined terms.

## Part 2 - Bonus issue or pro rata issue

- |    |   |  |
|----|---|--|
| 11 | Is security holder approval required?   |  |
| 12 | Is the issue renounceable or non-renounceable?  |  |
| 13 | Ratio in which the <sup>+</sup> securities will be offered  |  |
| 14 | <sup>+</sup> Class of <sup>+</sup> securities to which the offer relates  |  |
| 15 | <sup>+</sup> Record date to determine entitlements  |  |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?  |  |
| 17 | Policy for deciding entitlements in relation to fractions   |  |
| 18 | Names of countries in which the entity has <sup>+</sup> security holders who will not be sent new issue documents<br><br>Note: Security holders must be told how their entitlements are to be dealt with.<br><br>Cross reference: rule 7.7. |  |
| 19 | Closing date for receipt of acceptances or renunciations  |  |
| 20 | Names of any underwriters   |  |
| 21 | Amount of any underwriting fee or commission  |  |
| 22 | Names of any brokers to the issue   |  |
| 23 | Fee or commission payable to the broker to the issue  |  |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders   |  |
| 25 | If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting  |  |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled  |  |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders   |  |
| 28 | Date rights trading will begin (if applicable)  |  |

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<sup>+</sup> See chapter 19 for defined terms.

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- 29 Date rights trading will end (if applicable)
- 30 How do <sup>+</sup>security holders sell their entitlements *in full* through a broker?
- 31 How do <sup>+</sup>security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do <sup>+</sup>security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Despatch date

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a)  Securities described in Part 1
- (b)  All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories
- 1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional <sup>+</sup>securities

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+ See chapter 19 for defined terms.

## Entities that have ticked box 34(b)

38	Number of securities for which <sup>+</sup> quotation is sought					
39	Class of <sup>+</sup> securities for which quotation is sought					
40	<p>Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX ( <i>including</i> the securities in clause 38)	<table border="1"> <thead> <tr> <th data-bbox="790 1301 970 1339">Number</th> <th data-bbox="970 1301 1375 1339"><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="790 1339 970 1507"></td> <td data-bbox="970 1339 1375 1507"></td> </tr> </tbody> </table>	Number	<sup>+</sup> Class		
Number	<sup>+</sup> Class					

<sup>+</sup> See chapter 19 for defined terms.

## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:   
\_\_\_\_\_

Company Secretary

Date: 03-04-2012

Print name: Mr Rajeev Chandra

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+ See chapter 19 for defined terms.