



ASX Announcement

26 July 2005

BOW ENERGY SWAPS ACREAGE AND WILL PARTICIPATE IN TWO WELLS IN THE SURAT BASIN NEXT MONTH

The Directors of Bow Energy Limited (Bow) are pleased to announce that Bow has committed to participate in two oil exploration wells in the Surat Basin, Queensland following an acreage swap with Oilex NL (Oilex).

Bow and Oilex have agreed to swap 20% interest in adjacent tenements ATP 608P Remainder Block and ATP 805P. Following the swap, Bow will have 20% direct working interests in the ATP 608P block and 80% direct working interest in ATP 805P. Oilex has contracted a drilling rig to drill a well in each permit as follows:

ATP 608P Remainder Block Surat Basin, Queensland (Bow 20%)

Well due to spud 3rd week of August 2005.

A 1,520 metre deep test of a four way closed structure with Jurassic and Triassic aged sandstone targets. **Two prospects currently identified have a combined unrisks recoverable oil potential of 12 million barrels.**

Oilex will operate the drilling of the well.

Donga-3 (Bow 80%) – ATP 805P Surat Basin, Queensland

Due to spud immediately after the well in ATP 608P.

Donga-3 is a 1,590 metre deep test of a four way closed structure with Jurassic and Triassic aged sandstone targets. The well has been sited to intersect the primary Triassic aged sandstones 25 to 13 metres updip from Donga-1 and Donga-2 respectively which recovered light sweet crude oil and water when drilled in 1965 and 1979 respectively. **The Donga prospect has up to 3 million barrels of unrisks recoverable oil potential with two other prospects currently identified having a combined unrisks oil potential of 8 million barrels.**

Oilex will operate the drilling of the well.

Bow Energy Ltd

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For and on behalf of the Board

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The technical information contained herein is based on information compiled by the company's Managing Director, Ron Prefontaine, who has more than 25 years experience in petroleum exploration.

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