



ASX Announcement

9 August 2005

FARMINEE TO DRILL FIVE WELLS AND ACQUIRE SEISMIC TO EARN IN ATP 752P

The Directors of Bow Energy Limited (Bow) are pleased to announce that it has accepted a staged farmin offer from Avery Resources (Australia) Pty Ltd (Avery), a wholly owned subsidiary of Avery Resources Inc. from Calgary, Alberta, Canada. Avery has the opportunity to drill up to five wells and acquire 100 kilometres of seismic data to earn up to 50% direct working interest in the Barta and Wompi Blocks (Blocks) in Cooper-Eromanga Basin. The Barta and Wompi Blocks together constitute Queensland permit ATP 752P.

TERMS OF AVERY FARMIN

The terms of the Avery farmin offer are as follows:

1. Avery to pay an option fee of \$A300,000 to be spent on seismic reprocessing and technical work as required to confirm drilling prospects in the Blocks.
2. Avery has until December 31, 2005 to exercise its option to acquire 100 kilometres of seismic data and elect to drill three exploration wells to earn 30% equity in the Blocks. The seismic and wells must be completed within 12 months of the granting of ATP 752P subject to certain conditions.
3. Avery will then have an option to acquire an additional 20% interest in the Blocks by drilling two additional exploration wells within 18 months of the granting of ATP 752P subject to certain conditions.

BOW CARRIED THROUGH FIVE EXPLORATION WELLS AND 100 KM SEISMIC PROGRAM IF FARMIN COMPLETED

Bow previously was to fund 500 kilometres of reprocessing to earn an option to acquire 30% equity in all of ATP 752P from Victoria Petroleum NL (Vicpet) by funding 60% of a well to completion. Bow is also acquiring 100% of Ocellaris Oil Pty Ltd (Ocellaris) which is to be transferred, in addition to other areas in the Cooper-Eromanga Basin, 20% equity in ATP 752P on granting. Bow and Vicpet have agreed that Bow's farmin obligations will be met when Avery completes the exploration drilling of the first well of their five well farmin and in the event the first well is a discovery, Bow and Ocellaris together must contribute 50% of the cost for casing and suspending the discovery well. If Avery's first farmin well is not a discovery, there will be no farmin

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costs to Bow and Ocellaris.

On completion of the Avery farmin, Bow and Ocellaris will retain a combined total of 25% direct working interest in the permit.

ATP 752P PERMIT STATUS

ATP 752P is to be granted following a successful conclusion of a Right to Negotiate (RTN) Agreement with traditional owners. Victoria Petroleum NL, the operator of ATP 752P, has recently announced that it has been offered ATP 794P, where Bow has an option to earn a 25% equity, following the Minister of Natural Resources and Mines (NR&M) signing a landmark agreement with traditional owners to allow petroleum exploration to occur on land that is subject to native title claims. In a related press release, the NR&M said this landmark agreement will likely lead to quicker lead time for reaching future agreements with traditional owners. The NR&M has included ATP 752P as one of 12 priority tenements for RTN. Assuming a speedy RTN agreement can be reached, Bow believes drilling in ATP 752P could commence as early as the first half of 2006.

MANAGING DIRECTOR'S COMMENTS

Bow's Managing Director, Ron Prefontaine, commenting on the Avery farmin said,

"Avery's aggressive exploration farmin program in the Barta and Wompi Blocks in the Cooper-Eromanga Basin in Queensland clearly demonstrates their recognition of the excellent oil prospectivity of the area. This is due to the Blocks location adjacent to commercial oil fields and infrastructure in the Cooper-Eromanga Basin and the 18 prospects and leads identified to date in the Blocks which have an estimated total recoverable oil potential in excess of 100 million barrels.

Furthermore, Avery's aggressive drilling program gives Bow five times the chances for commercial oil discoveries compared to Bow's original program. The Avery farmin also allows Bow to free up the capital previously budgeted for ATP 752P (over \$1 million) to be used to explore for oil elsewhere."

For and on behalf of the Board

Duncan Cornish
Company Secretary

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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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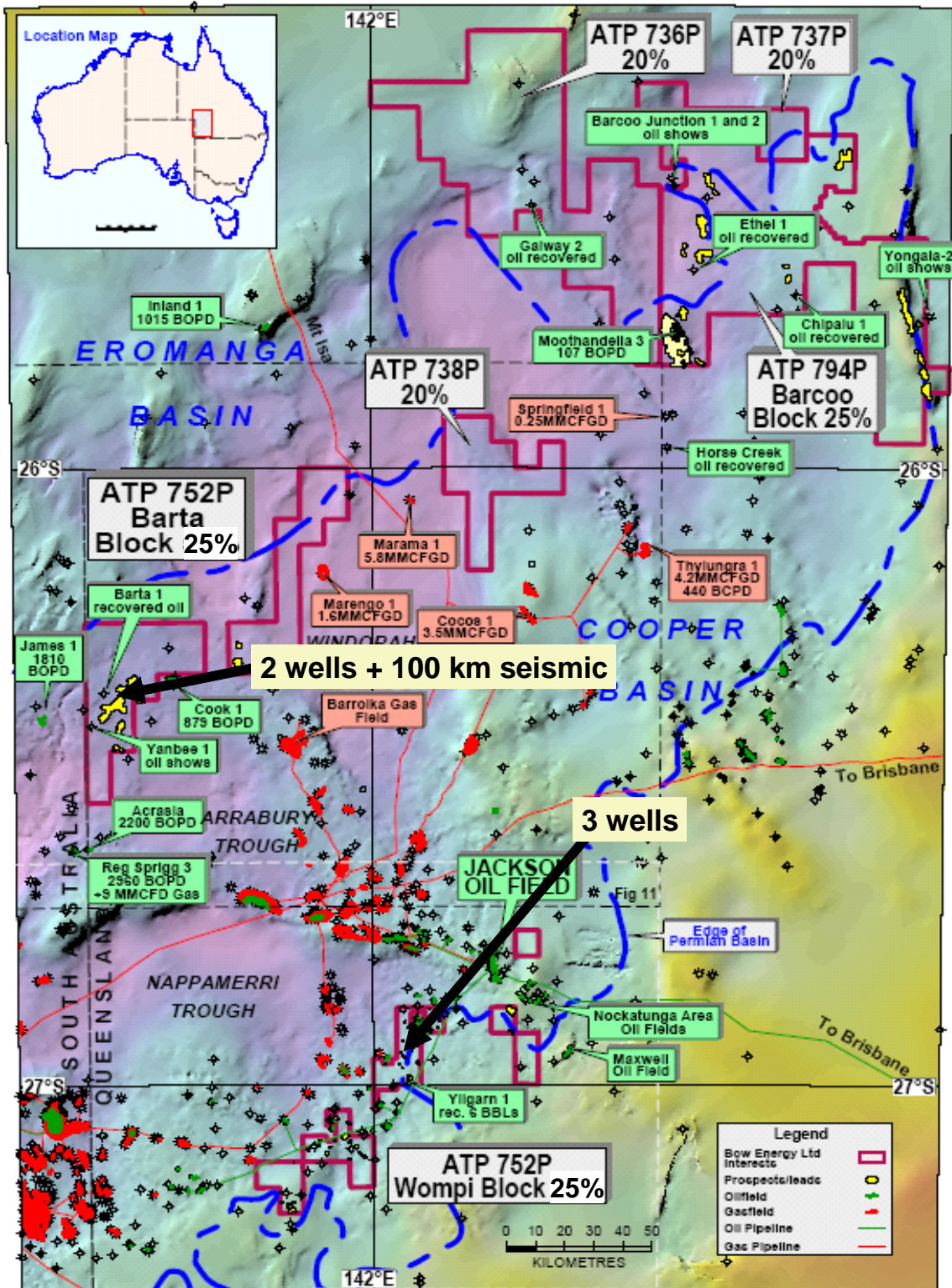
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The figure below shows the proposed Avery farmin program and Bow's equity after farmin



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