



ASX Announcement

4 December 2006

Donga-4 Appraisal Well Spuds

The Directors of Bow Energy Limited (Bow) are pleased to announce that the Donga-4 oil appraisal well located in the ATP 805P in the Surat-Bowen Basin, Queensland spudded at 4pm on Friday 1 December 2006. As of 6am this morning (Queensland time), the well depth was at 184 metres and preparing to drill ahead after running and cementing surface casing over the weekend.

The well is being drilled using Australian Drilling Services Rig 6 and is expected to take about 8 or 9 days to reach the Triassic aged basal Moolayember sandstone (Donga sandstone) primary target which was productive at Donga-3. If Donga-4 is successful, the rig will immediately move to drill the Donga-5 appraisal well location 0.55 kilometres north of Donga-4.

Donga-3, drilled in October 2005, recovered 23 barrels of light oil and 39 barrels of formation water from the Donga sandstone on test. Near the end of an extended production test earlier this year, Donga-3 was flowing about 50 barrels of fluid per day with 25% oil cut and is interpreted to have intersected the oil-water contact of the field.

The Donga-4 appraisal well location is offset about 1 kilometre southwest of Donga-3 and Donga-5 is offset about 0.75 kilometres west of Donga-3. The wells are interpreted to intersect the Donga sandstone 10 to 15 metres updip from Donga-3

Bow's recent assessment of the field suggests it has the potential to contain 2.2 to 5 million barrels of oil with oil recovery contingent on adequate water drive.

The interests in ATP 805P are:

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|--------------------|-----------------------|
| Bow Energy | 85% (Operator) |
| Victoria Petroleum | 15% |

For and on behalf of the Board
Duncan Cornish
Company Secretary

For further information:
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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 27 years experience in petroleum exploration.

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