



## **ASX Announcement**

**31 October 2006**

### **Acquisition of Oilex's Queensland Assets – Deed of Variation signed**

As previously advised Bow Energy Ltd ("Bow") entered into a sale and purchase agreement on or about 24 August 2006 ("Sale and Purchase Agreement") providing for Bow to purchase all of Oilex NL's onshore Queensland petroleum assets.

Oilex is to receive 15 million ordinary Bow shares and 15 million unlisted Bow options to purchase Bow shares exercisable at 50 cents per share on or before 5 years from the issue date ("options"). The shares will be subject to voluntary escrow for a period of two years from the date of issue.

The consideration is subject to Bow shareholders approvals to be considered at the Company's AGM on 31 October 2006.

One of the 16 interests being acquired from Oilex is an 11.35% interest in ATP548P which is subject to certain pre-emptive rights.

On 31 October 2006 Bow and Oilex signed a deed of variation to the Sale and Purchase Agreement. The Deed of Variation contemplates the possibility of Oilex being unable to lawfully transfer its interest in ATP548P to Bow on 31 October 2006 and provides that in such a case, Oilex will have until 31 January 2007 to do so. This allows Oilex time to deal with the pre-emptive rights associated with this tenement. Oilex will continue to comply with its obligations relating to ATP548P until 31 January 2007.

In the event that Bow shareholders approve the issue of shares and options to Oilex at Bow's AGM and Oilex's interest in ATP 548P is able to be lawfully transferred to Bow as at 31 October 2006, Oilex is required to transfer all Oilex (Queensland) interests set out in the Sale and Purchase Agreement, for a total consideration of 15,000,000 ordinary shares and 15,000,000 options.

Bow and Oilex have agreed by way of the Deed of Variation, that in the event that Oilex is unable to lawfully transfer its interest in ATP548P on 31 October 2006, Oilex must transfer all other Oilex (Queensland) interests set out in the Sale and Purchase Agreement, except the interest in ATP548P, to Bow and the consideration payable will be reduced by 1,700,000 ordinary shares and 1,700,000 options resulting in a total consideration of 13,300,000 ordinary shares and 13,300,000 options. In the event that Oilex is lawfully able to transfer its interest in ATP 548P to Bow on or before 31 January 2007, it will receive the additional 1,700,000 ordinary shares and 1,700,000 options upon such a transfer occurring, however, if it has not lawfully transferred its interest in ATP548P to Bow by 31 January 2007, then no further consideration will be payable by Bow to Oilex.

On behalf of the Board  
D P Cornish  
Company Secretary

Bow Energy Ltd  
ACN 111 019 857  
Level 5, 60 Edward Street Brisbane Q 4000  
GPO Box 5244, Brisbane Q 4001

---

P: +61 7 3303-0675 F: +61 7 3303 0651 E: info@bowenergy.com.au

**ASX code: BOW**