



ASX Announcement

12 November 2007

First well of the Don Juan CSG Project flows gas at 370,000 cfd

The directors of Bow Energy Limited (Bow) are pleased to announce that the first exploration well of the Don Juan CSG (Coal Seam Gas) Joint Venture (Bow 45% and operator), Taringa South-1, is at a depth of 188 metres. A test at 145 metres over the open hole section of the well flowed methane gas to surface at **a stabilised rate of 370,000 cfd** with 57 psi flowing pressure using a ½" orifice. Post gas flow testing water rate was estimated at 407 barrels per day.

The current operations are wireline logging and completion preparations.

Taringa South-1 is the first well of a planned three well (2 firm plus 1 optional) CSG exploration drilling program.

The Joint Venture plans to case and suspend the initial exploration wells as future pilot production holes in order to carry out flow and production testing. Assuming positive results of the initial pilot wells, a process of reserve certification should commence early in 2008.

The nearest natural gas pipeline is situated just 8 km east of the permit.

Bow's Managing Director, Ron Prefontaine, commenting on the CSG exploration results stated:

"This an excellent result for Bow's first CSG exploration well and is a very positive first step for the Don Juan CSG Project which has the potential to place the company on the fast track towards substantial CSG reserves as early as next year.

The Don Juan CSG Project is located immediately west of Sunshine Gas Ltd's Lacerta CSG Project. The Lacerta Project currently has certified methane gas reserves of 469 PJ (2P) to 1097 PJ (3P).

Bow interprets the primary CSG fairway continues west from Lacerta extending into the Don Juan Project area where it overlies about 900 square kilometres of the interpreted fairway.

Bow's Phase 1 exploration/appraisal program consists of flow testing the three initial pilot wells, and assuming positive results, coring and additional pilot wells as required to achieve commercial reserve certification over a target area of 463 sq km.

The planned timing for the commercialisation of the Don Juan CSG Project coincides with the projected increase in demand and resultant upward pressure on prices for natural gas in the Eastern seaboard.

Successful gas reserve certification and subsequent gas sales from this CSG project or any successes in Bow's oil exploration drilling program due to commence early in 2008 in its Cooper-Eromanga and Bowen-Surat Basin project areas in Queensland have the potential to add substantial shareholder value over the next 12 months."

ASX: Bow

The participants in the Don Juan CSG Joint Venture are:

| | |
|-----------------------|----------------|
| Bow Energy Ltd | 45% (Operator) |
| Victoria Petroleum NL | 45% |
| Roma CBM Pty Ltd | 10% |

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 28 years experience in petroleum exploration



Gas flaring at Taringa South-1. Photo taken on Saturday 10 November 2007



Gas flow testing operations at Taringa South-1

