



**ASX Announcement
6 December 2007**

**Further encouraging results for Don Juan CSG JV
Orallo North-1 well encounters thick coals**

The directors of Bow Energy Limited (Bow) are pleased to advise that as of 7 am this morning, the second exploration well of the Don Juan CSG (Coal Seam Gas) Joint Venture (Bow 45% and operator), Orallo North-1, is at 342 metres and has so far encountered an estimated 26.5 metres of coal based on cuttings, including another 3.5 metre seam starting at 318.5 metres.

The well has had high water flows while air drilling (estimated at 1,800 barrels per day) including substantial connection gas indicating gas is present in the coals. Given the high water flow rates of the well which constantly loads up the well bore, no free gas flow rates can be expected from this well.

Orallo North-1 is located approximately 19 km southwest of Taringa South-1 which flowed methane gas at 370,000 cfd.

Bow is highly encouraged by these preliminary results that suggest the Orallo area has thick gassy coal seams with the potential to contain substantial gas reserves. The next stage of exploration will require core hole drilling with controlled and calibrated desorption of the coals to quantify gas contents as part of the reserve certification process.

As announced yesterday the Don Juan CSG Joint Venture has engaged MHA Petroleum Consultants in Denver (MHA) as advisers and reserves certifiers.

The Joint venture will work closely with MHA to determine the optimum and most cost effective testing, data collection and evaluation program for the Don Juan CSG Joint venture to be carried out in 2008 with the goal of obtaining maximum commercial gas reserves certification by the end of 2008.

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

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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

