



ASX Announcement

22 January 2007

Marracoonda-2 test recovers oil and water

The Directors of Bow Energy Limited (Bow) advise that Marracoonda-2 encountered good to excellent oil shows over the interval 1686 and 1692.5 metres within interpreted basal Birkhead and top Hutton sandstones. The shows were described as 60-100% moderately bright pale green yellow spotted to solid fluorescence with moderately fast streaming milky cut. A bottom hole drill stem test over the interval 1685 to 1692.5 metres recovered 74 barrels of fluid consisting of about 5% oil and oil emulsion with the remainder of the fluid being mud and water. The current plan is to drill ahead to the total depth of 1900 metres to evaluate deeper targets in the well and re-evaluate the tested oil show zone after wireline logs have been acquired.

Marracoonda-2 is the first of a three well back-to-back drilling program in the Wompi Block of ATP 752P. Marracoonda-2 will be followed by Gamma-1 and Nora-1 which have a combined recoverable oil potential in excess of 12 million barrels.

Operations are currently hampered by wet weather which has resulted in local flooding making the rig inaccessible. It is likely that mobilisation of the rig to the next drilling location will be delayed due to weather.

Following the three wells in the Wompi Block, the next two wells in ATP 752P planned are in the Barta Block. The Barta Block wells and final drilling locations are conditional on the results of recent 2D and 3D seismic programs in the Block. A preliminary interpretation of the new and reprocessed 2D seismic data indicates several commercial size oil prospects are present in the Block.

Bow is fully carried on the Cooper-Eromanga ATP 752P oil exploration drilling program to casing point or P&A and retains 25% direct working interest after the farmin program by Avery Resources (Australia) is completed.

The interests in Marracoonda-2 and ATP 752P (following the completion of the Avery Resources (Australia) Farmin) are:

Bow Energy	25% (Operator)
Victoria Petroleum	25%
Avery Resources	50%

For and on behalf of the Board
Duncan Cornish
Company Secretary

Bow Energy Ltd

ACN 111 019 857

Level 5, 60 Edward Street BRISBANE QLD 4000

GPO Box 5244, BRISBANE QLD 4001

Telephone: 61-7-3303-0675 Facsimile: 61-7-3303-0651 Email: info@bowenergy.com.au

For further information:
Ron Prefontaine, Managing Director
07 3303 0675 or 0439 033 351

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

Bow Energy Ltd

ACN 111 019 857

Level 5, 60 Edward Street BRISBANE QLD 4000

GPO Box 5244, BRISBANE QLD 4001

Telephone: 61-7-3303-0675 Facsimile: 61-7-3303-0651 Email: info@bowenergy.com.au
