



ASX Announcement

12 January 2007

Marracoonda 2 Oil Exploration Well Spuds

The Directors of Bow Energy Limited (Bow) are pleased to announce that the Marracoonda 2 oil exploration well located in the Wompi Block of ATP 752P in the Cooper-Eromanga Basin, Queensland spudded last night.

It is expected to take approximately 16 days to complete the drilling operations of the 1,900 metre deep well utilising Hunt Energy & Mineral Company Rig 2. Penetration of the Hutton Sandstone primary target is anticipated about nine days from spud.

Marracoonda 2 is the first of three back-to-back oil exploration wells of a five well farmin program in Cooper-Eromanga Basin permit ATP 752P. The first three wells target prospects in the Wompi Block on trend and near high productivity oil fields. The final two wells of the five well farmin are in the Barta Block and are conditional on the results of recent seismic programs.

Bow is fully carried on the Cooper-Eromanga oil exploration drilling program with Avery Resources (Australia) funding 100% of each Wompi block well's cost to casing point or plug and abandonment. Bow will retain 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) Farm-in) are:

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

For and on behalf of the Board
Duncan Cornish
Company Secretary

For further information:
Ron Prefontaine, Managing Director
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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.

Bow Energy Ltd

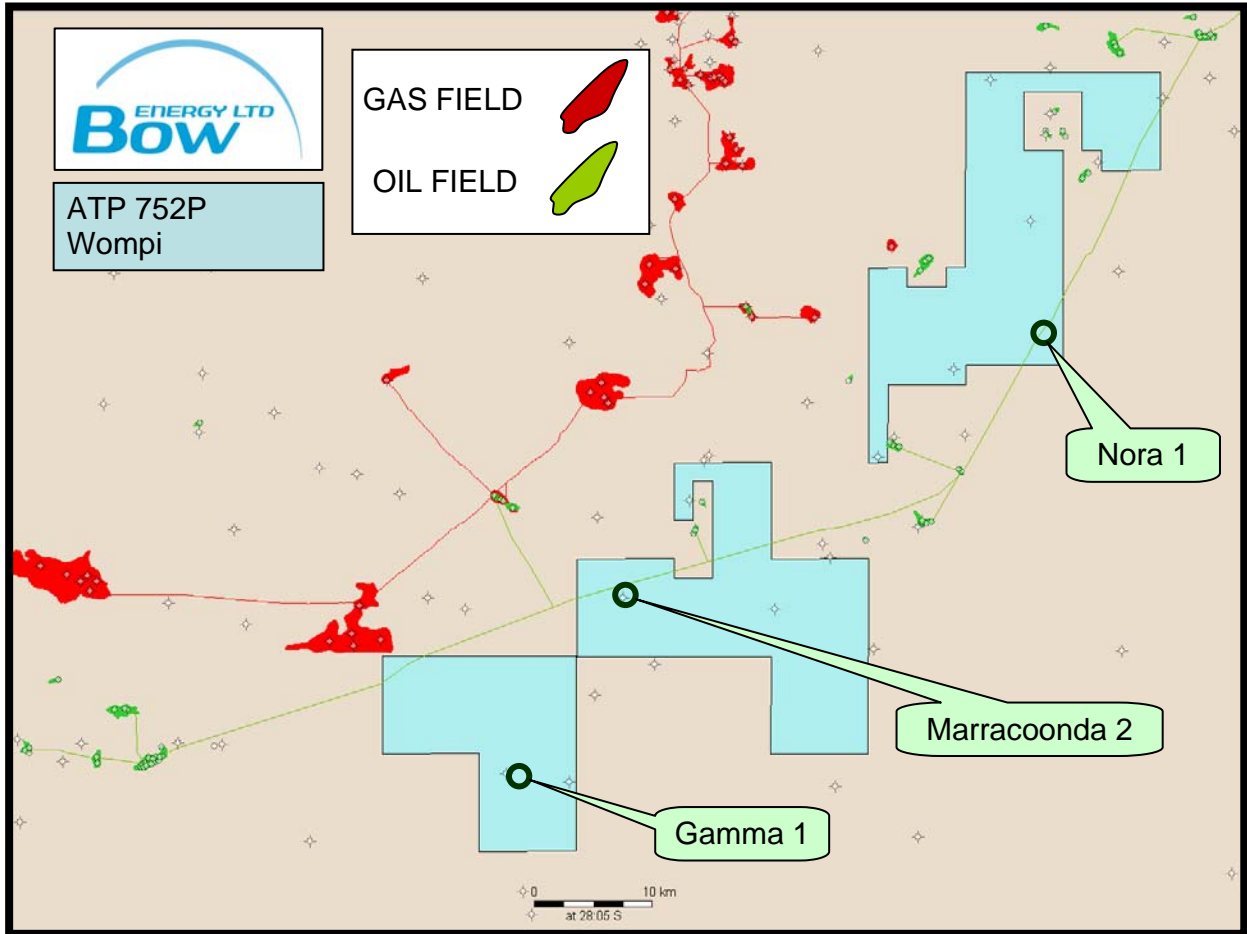
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