



## **ASX Announcement**

**14 March 2008**

### **Bow increases equity in the Don Juan CSG Project**

The directors of Bow Energy Limited (Bow) are pleased to announce that it has purchased all of the shares in Roma CBM Pty Ltd (Roma) which is currently earning the right to 10% direct working interest in the Don Juan CSG (Coal Seam Gas) Joint Venture. The deal will increase Bow's current interest from 45% to 55% of the project.

The consideration for the sale is 3.25 million Bow shares, which are voluntarily escrowed for one year from the date of issue, in exchange for all of the shares in Roma CBM Pty Ltd.

The Don Juan CSG Project is in Phase 1 of a reserves certification drilling and evaluation program and has to date drilled three production wells and is currently on its third core hole. Roma's farmin obligations are to fund 20% of the cost to drill and equip three production wells for pumping and three core holes to earn its 10% equity in the Project.

In addition to the farmin work program, the post farmin joint venture Phase 1 planned drilling programs consist of a minimum of three additional core holes and eight production wells for this year with the target reserves certification of up to 200 PJ for the Project by the end of 2008.

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

Bow's Managing Director, Ron Prefontaine, commenting on the purchase stated:

"We are very pleased to have increased our equity in the Don Juan CSG Project which has the potential to place the company on the fast track towards substantial CSG reserves and future gas sales. The planned timing for the potential 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.

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) and 1097 PJ (3P).

Successful gas reserve certification from this CSG project and/or success in any of Bow's other oil exploration and appraisal programs in the Surat and Cooper Basins in Queensland have the potential to add substantial shareholder value over the next 12 months.

The first well of up to a seven well Cooper-Eromanga Basin oil exploration farmin program, which Bow is fully carried on and retains 15% after farmout, is planned to commence in the second half of April 2008. In addition, a completion rig which will perforate and carry out swab tests to determine potential oil flow rates of two cased and suspended oil wells on the Donga Oil Field (Bow 85%) and Rookwood Oil Field (Bow 60.44%) is currently scheduled to commence work around 31 March 2008. "

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The participants in the Don Juan CSG Joint Venture are:

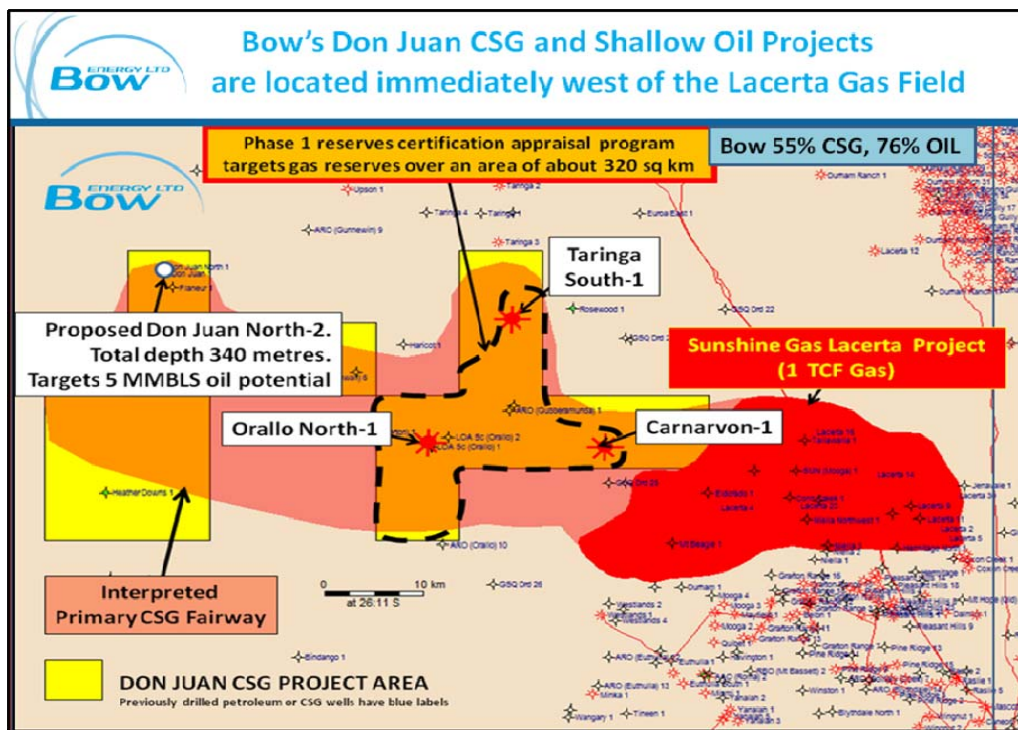
Bow Energy Ltd           55% (Operator)  
Victoria Petroleum NL   45%

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 29 years experience in petroleum exploration*



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