



ASX Announcement

9 July 2008

Bow Energy Announces a Takeover Offer for Roma Petroleum

Highlights

- Bow Energy Ltd scrip offer of 5 Bow ordinary shares for every 7 Roma ordinary shares. (**Offer**)
- Bow's offer values Roma at about \$64 million representing a significant premium over Roma's last closing price.
- Bow's offer represents a significant premium over the competing Queensland Gas Company Ltd (**QGC**) offer.

The Directors of Bow Energy Ltd (**Bow**) are pleased to announce a scrip off-market take-over offer for all of the issued ordinary shares of Roma Petroleum NL (**Roma**).

Bow's Offer

Bow is offering 5 Bow ordinary shares for every 7 Roma ordinary shares.

The Offer values Roma at \$64 million based on the 5 day Volume Weighted Average Price (**VWAP**) for Bow shares on 8 July 2008 of \$0.352 and provides an attractive premium of 30% for Roma shareholders over the 5 day VWAP of Roma shares on 8 July 2008.

Bow's Offer is a Premium over the QGC Offer

The Offer also represents a significant premium (35%) over the value placed on Roma shares by the offer announced on 10 June by QGC of 10 c per share and 0.0177 QGC shares for each Roma share.

Based on the 5 day VWAP for Bow shares and QGC shares on 8 July 2008, the Offer by Bow values Roma at \$64 million, compared to QGC's offer which values Roma at \$47 million.

Ron Prefontaine, Bow's Managing Director commenting on the Offer said:

"Bow's Offer is compelling for Roma shareholders who will receive a substantial premium for their shares and benefit in the future growth potential of Bow. The offer requires reconsideration by the Roma board of their previous recommendation of the QGC offer in

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the best interests of all Roma shareholders. Bow considers that its Offer is more favourable and a superior proposal to Roma shareholders to the offer by QGC.

In addition to Roma's Walloon fairway coal seam gas (CSG) asset in the Surat Basin which Bow believes is the main target for QGC, Bow is keen on integrating Roma's Bowen Basin gas and its South Australia Cooper-Eromanga Basin oil business with Bow's current Queensland Cooper-Eromanga Basin and Surat-Bowen oil and CSG businesses.

The combined Bow-Roma petroleum assets would offer the potential for substantial growth to current and future Bow shareholders when the huge potential petroleum resources within these assets are developed during a period where there is strong energy demand and record oil prices.

In summary, the premium offered, the value upside in the Roma assets, Bow managements' expertise and the substantial participation in the combined Bow-Roma upside which would be available to Roma shareholders if they accept the Bow Bid, in the view of the Bow directors, makes the Bow Bid a superior proposal".

About the Offer

Bow has a large domestic portfolio and considers the acquisition of Roma will complement Bow's existing portfolio and enable Roma shareholders to realise the potential value of the Roma assets and participate in the future growth of Bow through exposure to a broader portfolio of petroleum assets.

The Offer is not subject to a minimum acceptance condition but is subject to other conditions set out in the attachment to this announcement.

Bow has acquired a relevant interest in some 25,989,588 Roma shares representing some 10.2% of Roma, including shares acquired through purchases and under pre-bid agreements with shareholders in Roma.

Bow is progressing preparation of its Bidder's Statement which will be lodged with Australian Securities & Investments Commission and sent to Roma shareholders.

Advisers

Hopgood Ganim is acting as legal adviser to Bow.

Wilson HTM is acting as the financial adviser to Bow's bid.

About Bow

Bow Energy is an ASX listed company (code: BOW). Its core business is petroleum exploration and production in the Cooper-Eromanga and Bowen-Surat Basins in Queensland. Bow is also in the process of reserves certification in its Don Juan Coal seam gas project north of Roma where it is considering building and operating a domestic LNG plant. LNG can substitute LPG and diesel for a variety of mining, industrial, transport and agricultural energy and fuel requirements.

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Bow's management has a record of successful petroleum business management and development in conjunction with shareholder wealth creation.

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.

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BOW ENERGY LTD BID CONDITIONS

The Offer by Bow Energy Ltd (**Bow**) for all of the issued ordinary shares in Roma Petroleum NL (**Roma**) on the basis of 5 Bow Shares for every 7 Roma Shares is subject to the following defeating conditions:

1. No regulatory actions

Between the date of the announcement of the Takeover Bid and the end of the Offer Period:

- (a) There is not in effect any preliminary or final decision, order or decree issued by a Government Agency;
- (b) No enquiries, investigations, notices, or actions are made, issued, announced, commenced or threatened by any Government Agency; and
- (c) No request, application or notice is submitted to or by any Government Agency (other than by Bow or any of its associates) or threatened,

in consequence of or in connection with the Takeover Bid (other than an application to, or a decision or order of ASIC or Takeovers Panel for the purpose, or in exercise, of the powers and discretions conferred on it by the Corporations Act) which:

- (d) delays, restrains or prohibits or impedes, or threatens to or may delay, restrain, prohibit or impede, the making of the Takeover Bid or the acquisition of the Shares in accordance with the terms of the Takeover Bid including within the initial period of the Takeover Bid or the completion of any transaction contemplated by this document; or
- (e) seeks to or may require the divestiture by Bow of any the Shares, or the divestiture of any material assets of Roma or Bow.

2. Material adverse change

Between the date of the announcement of the Takeover Bid (**Announcement Date**) and the end of the Offer Period (each inclusive) no event occurs or is announced which, individually or when aggregated with all such events, has or is likely to have a material adverse effect on the business, assets, liabilities, financial or operating position, profitability or prospects of Roma (after taking into account any matters which offset the impact of the event or events giving rise to the adverse effect), other than:

- (a) anything which is fully and fairly disclosed in an ASX filing by Roma prior to the Announcement Date; or
- (b) a change in generally accepted accounting principles or the interpretation of them.

3. No material mergers, acquisitions, disposals or new commitments

Between the Announcement Date and the end of the Offer Period, except for any proposed transaction publicly announced by Roma before the Announcement Date, neither Roma nor any subsidiary of Roma:

- (a) Consolidates with or merges with or into any other person (other than, in the case of a subsidiary of Roma, a wholly-owned subsidiary of Roma) or announces an intention to do so;
- (b) Acquires, offers to acquire or agrees to acquire one or more entities, businesses or assets (or any interest in one or more entities, businesses or assets) for an amount in aggregate greater than \$500,000, or announces an intention to do so;
- (c) Disposes, offers to dispose or agrees to dispose of one or more entities, businesses or assets (or any interest in one or more entities, businesses or assets) for an amount, or in respect of which the book value (as recorded in Roma's consolidated statement of financial position as at 31 December 2007) is, in aggregate, greater than \$500,000, or announces an intention to do so;
- (d) With the exception of the expenditure incurred arising from Roma's proportion of the costs of drilling five (5) wells in PEL 104 and PEL 111, enters, offers to enter or agrees to enter into any transaction or becomes the subject of any obligation which would require the capital expenditure, the foregoing of revenue or may result in Roma or any subsidiary of Roma incurring any actual or contingent liability of an amount which is, in aggregate, more than \$500,000, or announces its intention to do so;
- (e) Enters, offers to enter or agrees to enter into, any agreement, joint venture or partnership which is for a term longer than two years, other than in the ordinary course of business, or announces its intention to do so;
- (f) carries on its business otherwise than in the ordinary and usual course;
- (g) has threatened or commenced against it any material claims or proceedings in any court or tribunal (including a petition for winding up or an application for appointment of a receiver or receiver and manager); or
- (h) discloses (without having disclosed to ASX prior to the Announcement Date) the existence of any matter described in subparagraphs (a) to (g) above, or announces an intention or proposal to do anything described in subparagraphs (a) to (g) above.

4. No Prescribed Occurrences

During the period from the date of this document to the end of the Offer Period, none of the following occurrences (being those listed in Section 652C of the Corporations Act) happens:

- (a) Roma converts all or any of its shares into a larger or smaller number of shares;
- (b) Roma or a subsidiary of Roma resolves to reduce its share capital in any way;
- (c) Roma or a subsidiary of Roma enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) Roma or a subsidiary of Roma issues shares, or grants an option over its shares or agrees to make such an issue or grant such an option;
- (e) Roma or a subsidiary of Roma issues, or agrees to issue, convertible notes;
- (f) Roma or a subsidiary of Roma disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;

- (g) Roma or a subsidiary of Roma charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (h) Roma or a subsidiary of Roma resolves to be wound up;
- (i) A liquidator or provisional liquidator of Roma or of a subsidiary of Roma is appointed;
- (j) A court makes an order for the winding up of Roma or of a subsidiary of Roma;
- (k) An administrator of Roma, or of a subsidiary of Roma, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) Roma or a subsidiary of Roma executes a deed of company arrangement; or
- (m) A receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Roma or of a subsidiary of Roma.

5. Change of control and other rights under certain agreements

On or before the Announcement Date and before the end of the Offer Period, no person exercises or purports to exercise or states an intention to exercise, any rights under any provision of any agreement or other instrument to which Roma or any subsidiary of Roma is a party or by or to which Roma or any subsidiary of Roma or any of its assets may be bound or be subject, which results or could result to an extent which is material in the context of Roma and Roma's subsidiaries taken as a whole, in:

- (a) Any monies borrowed by Roma or any subsidiary of Roma being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment or maturity date stated in such agreement or other instrument;
- (b) Any other such agreement or other instrument being terminated or modified or any action being taken or arising thereunder;
- (c) The interest or rights of Roma or any subsidiary of Roma in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) being terminated or modified; or
- (d) The business of Roma or any subsidiary of Roma with any other person being adversely affected; or
- (e) Roma or a subsidiary of Roma being required to dispose of or offer to dispose of, any material asset of Roma Group or acquire any asset,

as a result of the acquisition of Roma Shares by Bow.

6. Fall in Bid Value

During the period from the Announcement Date to the end of the Offer Period, the value of the consideration offered by Bow calculated by reference to the volume weighted average (**VWAP**) for Bow Shares trading on ASX falls below the value of the take-over offer made by Queensland Gas Company Ltd announced on 10 June 2008 (**QGC Offer**), over a 5 consecutive Business Day period.

7. QGC Varies Offer

Queensland Gas Company Ltd varies the QGC Offer, by increasing the consideration payable to Roma shareholders under the QGC Offer to exceed Bow's Offer.