



ASX Announcement

11 July 2008

Operations Update

The directors of Bow Energy Limited (Bow) are pleased to announce that exploration core drilling and coal core desorption work has re-commenced at the Don Juan Coal Seam Gas (CSG) Project (Bow 55%) and the Hudson-1 oil exploration well is at 755 metres depth and preparing to drill ahead after setting casing to 750m (Bow 15% after farmin completed).

Don Juan CSG Joint Venture Core Exploration Drilling Resumes

Depco Drilling's coring rig moved onto the Orallo South-1 site earlier this week to re-enter the hole which had been suspended on 22 April due to unsatisfactory drilling operations by the previous drilling contractor. After reaming out the hole to 416m, coring has re-commenced. As of 06:00 this morning the current depth of the well was 460m towards a revised projected total depth of 550m.

Following completion of the Orallo South-1 re-entry core hole, the rig will move to the Carnarvon-4 exploration core hole.

The core hole drilling exploration program is designed to determine coal thickness and gas contents of coals in the area which are important components required for the Don Juan Joint Venture reserves certification process.

Hudson-1 Cooper Eromanga Basin Oil Exploration well at 755 metres depth

Santos, the operator of the ATP 752P Farmin Joint Venture (Bow fully carried and retains 15% after the multiwell farmin is completed), advises that the Hudson-1 oil exploration well as at 06:00 on 11 July was conducting a Formation Integrity Test (FIT) at 755.5m after having drilled out the 29.1mm (8 5/8 inch) casing shoe that was set at 750m.

Planned operations are to conclude the FIT then drill ahead in 20mm (7 7/8 inch) hole to a proposed Total Depth (TD) of 2434m.

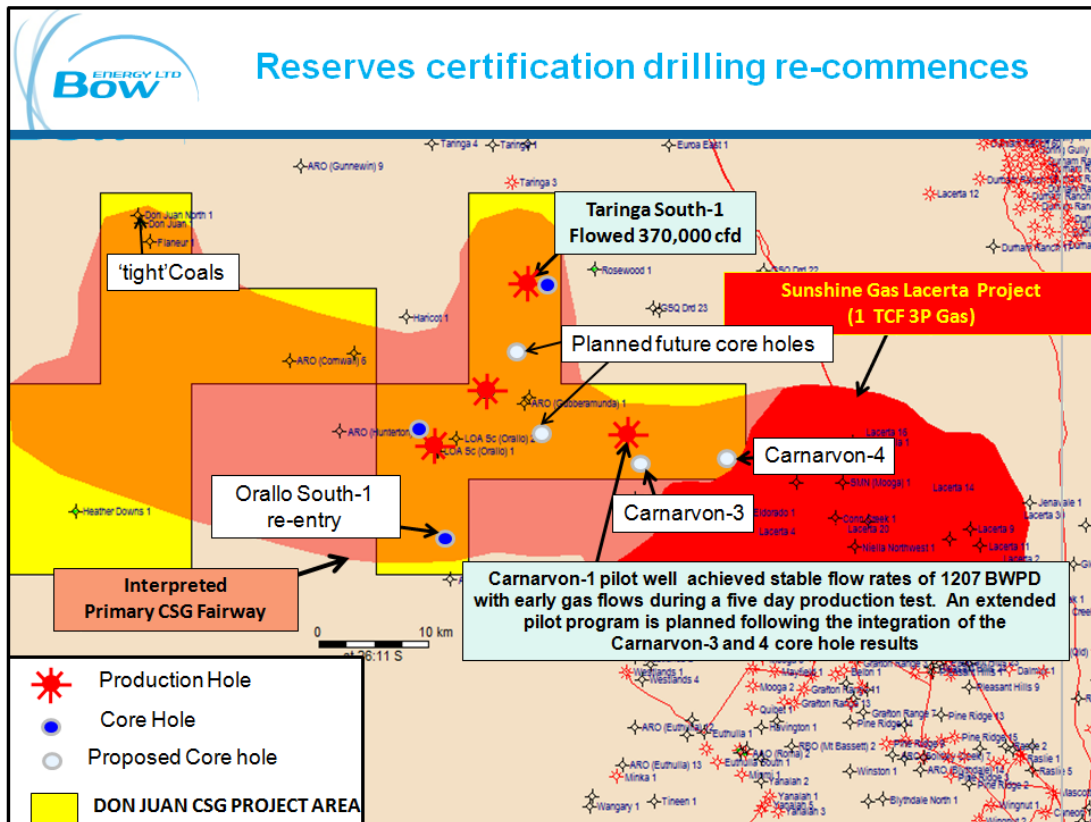
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The primary targets for Hudson-1 are the Hutton (~1955m) and Doonmulla (~2300m) with the Namur (~1632m) a secondary target. Santos has a policy to determine any drill stem testing program after the total depth of the well is reached and wireline logs have been run and reviewed.

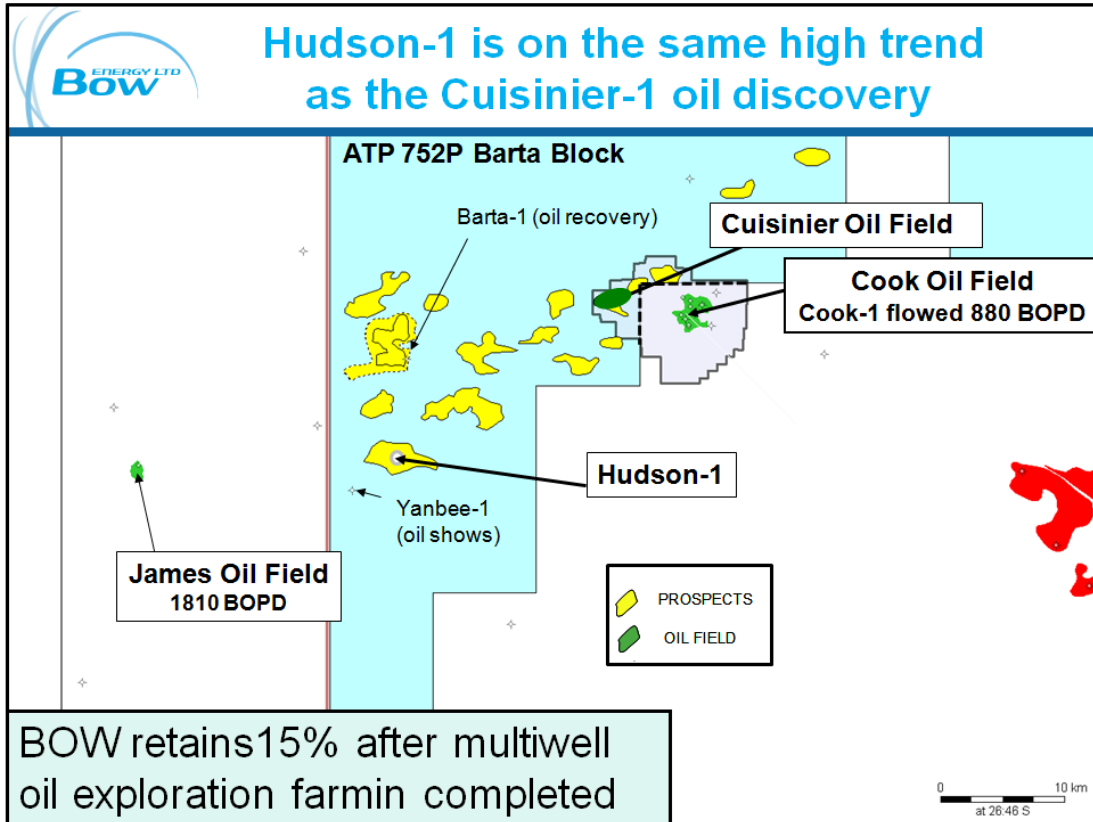
For and on behalf of the Board
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The technical information contained herein is based on information compiled by the Company's Managing Director, Ron Prefontaine, who has more than 29 years experience in petroleum exploration.



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