



## **ASX Announcement**

**17 February 2009**

### **Bow to raise \$14 million for CSG Reserve Certification**

The Directors of Bow Energy Ltd (Bow) are pleased to announce a capital raising of \$14 million comprising:

- a placement to Institutional and Sophisticated Investors who have committed to subscribe for 22.5 million shares at 27 cents per share to raise \$6.1 million before issue costs; and
- a 1 for 6 pro-rata non-renounceable rights issue to Shareholders at 27 cents per share to raise approximately \$7.8 million before issue costs.

Once both capital raisings are completed, Bow expects to have approximately \$19.6 million cash in hand.

The funds raised, together with Bow's existing cash reserves, will be utilised for:

- ongoing exploration, appraisal and pilot production programs aimed at certifying gas reserves in Bow's highly prospective Coal Seam Gas (CSG) portfolio in the Bowen, Surat and Eromanga Basins in Queensland;
- commitments to joint venture oil project exploration and development expenditures including Cuisinier Oil Project development; and
- other corporate and offer costs as well as working capital requirements.

Bow's initial target is to certify gas reserves of 300PJ 2P category and 1,250PJ 3P category over the next 18 months.

Bow's Managing Director Ron Prefontaine said, "We are very pleased with the strong response to the share placement and the proposed underwriting of the rights issue indicating the continued interest in Bow's CSG assets. Bow's Directors and senior management intend to subscribe to their full entitlements in the rights issue."

"Following completion of these raisings, Bow will have approximately \$19.6 million cash available to put towards achieving its reserve certification targets and becoming a leading mid-tier upstream energy company. If Bow's targets are achieved, Bow will have significant uncommitted CSG reserves in the Bowen Basin and, subject to securing appropriate commercial agreements, could be capable of supplying gas to the major LNG export projects planned in Gladstone," Prefontaine concluded.

**ASX Code: BOW**

The indicative rights issue timetable is attached to this release. The non-renounceable rights issue is for all Bow Shareholders on record as at 7pm on 20 March 2009 with registered addresses in Australia, New Zealand or Hong Kong. Shares issued under the placement will be entitled to participate in the rights issue.

The rights issue is proposed to be fully underwritten by Wilson HTM Corporate Finance Limited, ABN AMRO Morgans Corporate Limited, Bizzell Capital Partners Pty Ltd and Samuel Capital Pty Ltd. Bizzell Capital Partners Pty Ltd and Samuel Capital Pty Ltd are entities associated with Bow Directors Stephen Bizzell and Nicholas Mather respectively.

ABN AMRO Morgans Corporate Limited and Wilson HTM Corporate Finance Ltd also managed the placement to institutional and professional investors.

For and on behalf of the Board  
Duncan Cornish  
Company Secretary

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## Rights Issue Indicative Timetable

<b>Event</b>	<b>Date</b>
Rights issue prospectus lodged with ASIC and ASX	12 March 2009
Notice with information on Rights Issue sent to Shareholders	13 March 2009
Shares commence trading on ASX on an ex rights basis	16 March 2009
Record date for participation in rights issue	20 March 2009
Prospectus dispatched to shareholders	25 March 2009
Closing time and date for acceptances and payment in full under rights issue (5.00pm AEST)	17 April 2009
Dispatch of shareholder statements for new shares under rights issue	27 April 2009
Normal trading commences for new shares on ASX	28 April 2009

\*Note: Timetable subject to change