

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

BOW ENERGY LTD

ABN

63 111 019 857

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | Ordinary Shares  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | <ol style="list-style-type: none"> <li>1. 22,500,000 fully paid ordinary shares to be issued pursuant to a placement (Placement)</li> <li>2. 29,091,816 fully paid ordinary shares to be issued in accordance with a 1 for 6 entitlement offer (Rights Issue). The total number of shares to be issued in accordance with the entitlement offer could increase by up to 2,780,556 in the event that all of the holders of options exercised their right to convert their securities to ordinary shares prior to the record date of 20 March 2009.</li> </ol> |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Placement - Fully paid ordinary shares<br>Rights Issue – Fully paid ordinary shares  |

+ See chapter 19 for defined terms.

<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>Placement - \$0.27 per Ordinary Share Rights Issue - \$0.27 per Ordinary Share</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The funds raised, together with Bow's existing cash reserves, will be utilised for:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• commitments to joint venture oil project exploration and development expenditures including Cuisinier Oil Project development; and</li> <li>• other corporate and offer costs as well as working capital requirements.</li> </ul>				
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>Placement – 23 February 2009 Rights Issue – 27 April 2009</p>				
<p>8 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="721 1486 997 1520">Number</th> <th data-bbox="1002 1486 1274 1520"><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="721 1526 997 1732">203,642,711</td> <td data-bbox="1002 1526 1274 1732">Ordinary Shares (BOW)</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	203,642,711	Ordinary Shares (BOW)
Number	<sup>+</sup> Class				
203,642,711	Ordinary Shares (BOW)				

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Options (40c @ 20/5/09)
		Options (50c @ 20/5/10)
		Options (50c @ 7/11/11)
		Options (30c @ 31/3/10)
		Options (\$0.40 @ 1/7/11)
		50% vest 1/7/09; 50% vest 1/7/10
		Options (\$0.75 @ 1/7/12)
		50% vest 1/7/10; 50% vest 1/7/11
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Options (\$1.00 @ 1/7/13)
		50% vest 1/7/11; 50% vest 1/7/12

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 for 6
14	+Class of +securities to which the offer relates	Ordinary Shares
15	+Record date to determine entitlements	20 March 2009
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Nearest

---

+ See chapter 19 for defined terms.

18	<p>Names of countries in which the entity has <sup>+</sup>security holders who will not be sent new issue documents</p> <p>Note: Security holders must be told how their entitlements are to be dealt with.</p> <p>Cross reference: rule 7.7.</p>	<p>The offer is not being extended to any shareholders whose registered address is outside Australia, New Zealand or Hong Kong</p>
19	Closing date for receipt of acceptances or renunciations	17 April 2009
20	Names of any underwriters	<p>Proposed Rights Issue Underwriters:</p> <p>ABN AMRO Morgans Limited</p> <p>Wilson HTM Corporate Finance Limited</p> <p>Samuel Capital Pty Ltd</p> <p>Bizzell Capital Partners Pty Ltd</p>
21	Amount of any underwriting fee or commission	<p>Placement fees: 5.0% cash fee to brokers</p> <p>Proposed Rights Issue Underwriting Fees:</p> <p>A cash amount of 4% of the underwritten amount plus, subject to obtainment of the shareholder approval, five (5) options to subscribe for ordinary shares exercisable at \$0.50 each on or before 30 November 2011 for every four dollars (\$4.00) of the underwritten amount. In the event that the shareholders fail to approve the issue of options as part of the underwriting fee, the underwriting fee payable shall be a cash fee of 7.0% of the underwritten amount.</p>
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	25 March 2009

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	27 February 2009
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	
33	<sup>+</sup> Despatch date	27 April 2009

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

---

+ See chapter 19 for defined terms.

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the \*securities are \*equity securities, the names of the 20 largest holders of the additional \*securities, and the number and percentage of additional \*securities held by those holders
- 36  If the \*securities are \*equity securities, a distribution schedule of the additional \*securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional \*securities

## Entities that have ticked box 34(b)

- 38 Number of securities for which \*quotation is sought
- 39 Class of \*securities for which quotation is sought
- 40 Do the \*securities rank equally in all respects from the date of allotment with an existing \*class of quoted \*securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
-

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

--

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

---

+ See chapter 19 for defined terms.

## Quotation agreement

- 1      \*Quotation of our additional \*securities is in ASX's absolute discretion. ASX may quote the \*securities on any conditions it decides.
  
- 2      We warrant the following to ASX.
  - The issue of the \*securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those \*securities should not be granted \*quotation.
  - An offer of the \*securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any \*securities to be quoted and that no-one has any right to return any \*securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the \*securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the \*securities to be quoted under section 1019B of the Corporations Act at the time that we request that the \*securities be quoted.
  
- 3      We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
  
- 4      We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before \*quotation of the \*securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

DP Cornish  
Company Secretary  
18 February 2009

== == == == ==