



Prospectus

Non-Renounceable Rights Issue

A non-renounceable rights issue to existing shareholders of 1 New Share at an issue price of \$0.27 cents each for every 6 Shares held to raise up to approximately \$7,866,790 before costs of the Offer

Underwriters:

Samuel Capital Pty Ltd
Bizzell Capital Partners Pty Ltd
Wilson HTM Corporate Finance Limited
ABN AMRO Morgans Corporate Limited

5 March 2009

Bow's CSG and Oil Tenement Portfolio

1. Bow's Permits represent its interest in tenements including those that may be only in respect of certain rights (e.g. CSG rights only) and/or range in varying percentages of ownership and those tenements subject to renewal
2. These tenements are under application
3. Dotted lines represent proposed pipelines

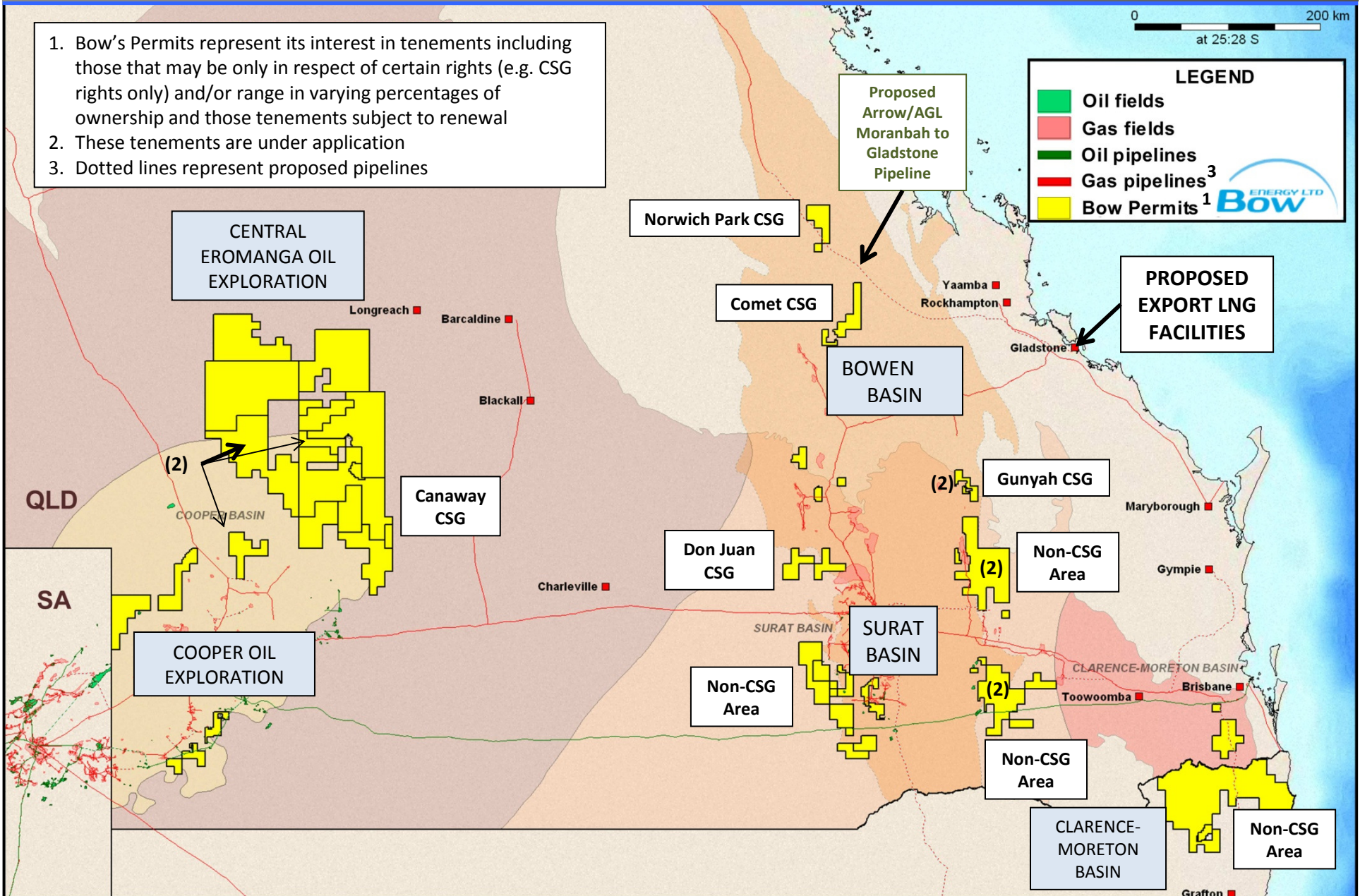


Table of Contents

Prospectus.....	1
1. Managing Director's letter	4
2. Investment summary	5
3. Details of the Offer	8
4. Information on Bow	13
5. Effect of Offer on Bow	18
6. Risk factors.....	23
7. Additional information.....	31
8. Definitions & glossary	44
Appendix A	48
Corporate Directory	51
ENTITLEMENT AND ACCEPTANCE FORMS	

IT IS THE RESPONSIBILITY OF OVERSEAS APPLICANTS TO ENSURE COMPLIANCE WITH ALL LAWS OF ANY COUNTRY RELEVANT TO THEIR ACCEPTANCE.

A number of terms and abbreviations used in this Prospectus have defined meanings, which are explained in the Glossary.

Money as expressed in this Prospectus is in Australian dollars or else as indicated.

How to accept entitlement to new shares

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which is accompanying this Prospectus in accordance with the instructions set out in this Prospectus and on the Entitlement and Acceptance Form.

This Prospectus is available in electronic form on the Internet at www.bowenergy.com.au. If you wish to obtain a free copy of this Prospectus, please contact the Company on +61 07 3303 0675.

Important notice

This Prospectus is dated 5 March 2009 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. Neither the ASIC nor ASX Limited (**ASX**) take any responsibility for the contents of this Prospectus. No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

This Prospectus contains an offer to Eligible Shareholders of continuously quoted securities (as defined in the *Corporations Act*) and has been prepared in accordance with Section 713 of the *Corporations Act*.

In making this offer to Eligible Shareholders in New Zealand, the Company is relying on the *Securities Act (Overseas Companies) Exemption Notice 2002 (NZ)*, by virtue of which this Prospectus is not required to be registered in New Zealand.

The Offer is made only to those Eligible Shareholders with registered addresses in Australia, New Zealand and Hong Kong and only those Eligible Shareholders will be offered New Shares.

The Company has not made investigation as to the regulatory requirements that may prevail in the countries, outside of Australia, New Zealand and Hong Kong, in which the Company's Shareholders may reside. The distribution of this Prospectus in jurisdictions outside Australia, New Zealand and Hong Kong may be restricted by law and persons who come into possession of this Prospectus should

Key Dates for Investors

Record Date for determining entitlements under the Offer:	13 March 2009
Offer Opens:	19 March 2009
Offer Expected to Close:	7 April 2009
Expected Date for Despatch of New Share holding statements:	22 April 2009
Trading of New Shares on the ASX expected to commence:	23 April 2009

Offer Statistics

Number of New Shares to be issued*:	29,136,260
Offer Price:	27 cents

* Excludes any New Shares which may be issued in the event that any Existing Vested Options are exercised prior to the Record Date.

ALL DATES ARE SUBJECT TO CHANGE AND ACCORDINGLY ARE INDICATIVE ONLY. IN PARTICULAR, THE COMPANY AND THE UNDERWRITERS HAVE THE RIGHT TO VARY THE DATES OF THE OFFER, WITHOUT PRIOR NOTICE. INVESTORS ARE ENCOURAGED TO SUBMIT THEIR ENTITLEMENT AND ACCEPTANCE FORMS AS SOON AS POSSIBLE.

Table of Contents

seek advice on and observe those restrictions. Any failure to comply with restrictions might constitute a violation of applicable securities laws.

WARNING

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Offer. If you are in doubt about any of the contents of this document, you should obtain independent professional advice.

No person named in this Prospectus, nor any other person, guarantees the performance of Bow, the repayment of capital or the payment of a return on the New Shares.

Please read this document carefully before you make a decision to invest. An investment in the Company has specific risks which you should consider before making a decision to invest.

The estimates of reserves in respect of ATP 771P set out in this Prospectus have been prepared by MHA Petroleum Consultants, LLC (**MHA**) in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers. The reserve statement has been compiled by Mr Timothy L Hower Chairman of MHA, together with personnel under his supervision. Mr Hower, who has 28 years industry experience, and MHA have consented to the inclusion of the technical information contained in this Prospectus in the form and context in which it appears.

Save for the estimate of reserves in respect of ATP 771P, 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.

Prospectus

1. Managing Director's letter

5 March 2009

Dear Shareholders,

It is my pleasure to introduce this Prospectus and invite you to share in the continued growth of your Company and take up your Entitlement to New Shares in Bow Energy Ltd (**the Offer**).

Recently, your Company completed a placement of ordinary shares at \$0.27 per Share to institutional and sophisticated investors to raise \$6,070,000 (**Institutional Placement**). The Directors now wish to provide the opportunity for Eligible Shareholders to invest in New Shares under an entitlement offer. The Offer is a non-renounceable rights issue of 1 New Share at \$0.27 per New Share for every 6 Shares held, to raise up to \$7,866,790.

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

The proceeds of the New Shares issued pursuant to this Offer and the Institutional Placement and existing cash reserves will be utilised in providing funding towards:

- ongoing exploration, appraisal and pilot production programs aimed at certifying gas reserves in Bow's 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.

This Prospectus sets out the key factors that you should consider in determining whether to invest in the New Shares. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional advisor. The Company will apply for the New Shares to be quoted on ASX. The Directors intend to take up their Entitlements to New Shares.

The Offer is open from 19 March 2009 and is due to close on 7 April 2009.

On behalf of the Directors, I thank you for your continued support and I invite you to consider this investment opportunity.

Yours sincerely,

Ron Prefontaine
Managing Director
Bow Energy Ltd

Prospectus

2. Investment summary

The information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus.

2.1 The Offer

This Prospectus is for the non-renounceable rights issue of approximately 29,136,260 New Shares at an issue price of \$0.27 per New Share, on the basis of 1 New Share for every 6 Shares held by Eligible Shareholders as at the Record Date of 13 March 2009.

The Company intends to apply for listing of the New Shares on the ASX as soon as practicable following their allotment.

2.2 Minimum subscription

There is no minimum subscription to the Offer.

2.3 New Share terms

Upon issue, each New Share will rank equally with all existing Shares then on issue.

2.4 Acceptance of Entitlement to New Shares

The number of New Shares to which each Eligible Shareholder is entitled is shown on the Entitlement and Acceptance Form accompanying this Prospectus. This Prospectus is for the information of Eligible Shareholders who are entitled and may wish to apply for the New Shares. Fractional entitlements will be rounded to the nearest whole number.

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions set out below and on the Entitlement and Acceptance Form.

2.5 Additional shares

Shareholders are not entitled to apply for shares over and above their Entitlement.

In the event that there is a Shortfall in subscriptions, the Directors in consultation with the Underwriters, reserve the right, as contemplated within the Listing Rules and subject to the terms of the Underwriting Agreements, to allocate any shortfall of New Shares in their discretion so as to ensure a maximum amount of funds are raised.

2.6 Purpose of the Offer

The Directors intend to apply the proceeds from the Offer to:

- ongoing exploration, appraisal and pilot production programs aimed at certifying gas reserves in Bow's 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.

Prospectus

The Company intends to allocate the funds raised from the Offer, together with funds raised from the Institutional Placement and existing cash reserves as set out below. The Company expects to have approximately \$19.6 million cash on hand following completion of the Offer. The table below outlines Bow's planned project activities, the proposed use of funds and the approximate costs of those activities over the next 12 to 18 months.

Project/Purpose	Proposed Use of Funds	\$M
Don Juan CSG	Permeability testing and pilot expansion	1.2
Comet ATP 1025P CSG	Phase 1: Drilling program	3.5
	Phase 2: Drilling Program	2.3
Norwich Park ATP 1031P CSG	Phase 1: Drilling program	3.5
	Phase 2: Drilling Program	2.3
Canaway CSG	Seismic reprocessing and drilling	0.8
Commitment to other Joint Venture projects	Includes Cuisinier and Surat oil exploration	0.8
Corporate G&A		2.8
Working Capital		2.4
	Total	19.6

However, in the event that circumstances change or other better opportunities arise the Directors' reserve the right to vary the proposed uses to maximise the benefit to Shareholders.

2.7 Directors Intentions in respect of Entitlements

Each of the Directors of Bow has either a direct or indirect interest in Shares. Set out below is a table summarising the Entitlement of each Director and how they intend to treat their Entitlement.

Director	Shares	Entitlement	Intentions
Ron Prefontaine*	9,006,609	1,501,102 New Shares	Intends to take up Entitlement in full
Stephen Bizzell**	2,795,168	465,861 New Shares	Intends to take up Entitlement in full
Nick Mather	2,357,188	392,865 New Shares	Intends to take up Entitlement in full

Notes:

* Mr Prefontaine also holds 1,669,456 Existing Vested Options.

** Mr Bizzell also holds 1,112,970 Existing Vested Options.

Prospectus

2.8 Underwriting

The Offer is fully underwritten by Samuel Capital Pty Ltd, Bizzell Capital Partners Pty Ltd, ABN AMRO Morgans Corporate Limited and Wilson HTM Corporate Finance Limited.

Details of the Underwriting Agreements are set forth more particularly in Section 7.4 of this Prospectus.

As noted above, Nick Mather has an interest in 2,357,188 Shares and an Entitlement to 392,865 Shares under the Offer. If Samuel Capital Pty Ltd was required to subscribe for all of the New Shares which it has agreed to underwrite (assuming that Mr Mather and Mr Bizzell subscribe for their full Entitlements), upon completion of the Offer, Mr Mather would have an interest in 12,332,519 Shares, representing 6.05% of the Shares on issue in Bow after completion of the Offer.

As noted above, Stephen Bizzell has an interest in 2,795,168 Shares and an Entitlement to 465,861 Shares under the Offer. If Bizzell Capital Partners Pty Ltd was required to subscribe for all of the New Shares which it has agreed to underwrite (assuming that Mr Bizzell and Mr Mather subscribe for their full Entitlements), upon completion of the Offer, Mr Bizzell would have an interest in 8,052,262 Shares, representing 3.95% of the Shares on issue in Bow after completion of the Offer.

Further, if Samuel Capital and Bizzell Capital Partners exercised all of the Underwriter Options which, subject to shareholder approval will be issued to them in accordance with the terms of the Underwriting Agreement (assuming no other Options or Underwriter Options were exercised and no further shares were issued by the Company), Mr Mather would have an interest in 15,665,852 Shares, representing 7.50% of the Shares on issue at that time and Mr Bizzell would have an interest in 9,718,929 Shares, representing 4.65% of the Shares on issue at that time. Upon exercise of the Underwriter Options, the Company would receive \$0.50 for each Underwriter Option exercised.

Prospectus

3. Details of the Offer

3.1 Offer to Eligible Shareholders

The Directors of Bow have approved a non-renounceable rights issue of approximately 29,136,260 New Shares at \$0.27 per New Share to raise approximately \$7,866,790 (before expenses associated with the Offer are paid). Eligible Shareholders of Bow are entitled to subscribe for 1 New Share for every 6 Shares held. Only those Shareholders shown on the share register at 7.00 pm (AEDT) on the Record Date will be entitled to participate in the Offer.

There are currently 22,716,667 Existing Options on issue in the Company, of which 16,366,667 have vested and are therefore capable of exercise. If any of the Existing Vested Options are exercised prior to the Record Date, additional New Shares will be issued under the Offer under this Prospectus. If all Existing Vested Options on issue at the date of this Prospectus were exercised prior to the Record Date, the Company's issued shares would increase by 16,366,667 Shares, resulting in a further 2,727,778 New Shares being issued pursuant to this Prospectus. This would increase the Company's total Shares on issue after completion of the Offer to 223,048,267 Shares.

When fractions arise in the calculation of Entitlements, they will be rounded to the nearest whole number of New Shares.

Bow has agreed to apply to ASX for official quotation of the New Shares on ASX. Official quotation of the New Shares is expected to occur on or about 23 April 2009. ASX Participating Organisations (as defined in the ASX Business Rules) cannot deal in the New Shares either as principal or agent until official quotation is granted.

3.2 Important dates

Date of Prospectus	5 March 2009
Shares quoted ex-rights on ASX	6 March 2009
Record Date for the Offer	13 March 2009 at 7.00 pm AEDT
Opening Date of Offer	19 March 2009 at 9:00am AEDT
Closing Date of Offer	7 April 2009 at 5:00pm AEST
Expected date of despatch of New Shares holding statements	22 April 2009
Expected date for commencement of trading of New Shares on ASX	23 April 2009

The dates set out in this table are subject to change and are indicative only. The Company, in consultation with the Underwriters, reserves the right to alter this timetable at any time.

Prospectus

3.3 Shortfall

In the event that there is a Shortfall in subscriptions under the Offer, subject to the terms of the Underwriting Agreements, the Directors in consultation with the Underwriters reserve the right, as contemplated within the Listing Rules, to allocate any Shortfall in their discretion so as to ensure a maximum amount of funds are raised.

3.4 How to accept your entitlement

Eligible Shareholders may accept their Entitlement either in whole or in part.

The number of New Shares to which Eligible Shareholders are entitled to is shown on the Entitlement and Acceptance Form which accompanies this Prospectus.

If Eligible Shareholders take no action in respect of their Entitlement they will have no right to subscribe for the New Shares pursuant to this Offer.

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions set out on the Entitlement and Acceptance Form and forwarding the completed Form together with the full amount payable so as to reach the Share Registry by no later than 5.00pm (AEST) on the Closing Date.

The Offer Price of \$0.27 per New Share is payable in full on acceptance of part or all of your Entitlement.

If Eligible Shareholders wish to take up part or all of their Entitlement, payment may be made by cheque, bank draft, money order or by using BPAY®.

If paying by cheque, bank draft or money order, Entitlement and Acceptance Forms must be accompanied by the cheque, bank draft or money order for the amount of your Acceptance Monies - calculated by multiplying the number of New Shares applied for by the Offer Price.

Cheques should be in Australian currency and made payable to "Bow Energy Ltd" and crossed "not negotiable".

If an Eligible Shareholder elects to make payment using BPAY®, they must contact their bank, credit union or building society to make payment of the Acceptance Monies from their cheque or savings account. Refer to the Entitlement and Acceptance Form for the Biller Code and Customer Reference Number. Eligible Shareholders who have multiple holdings will have multiple Customer Reference Numbers.

Payment will only be accepted in Australian currency and cheques, bank drafts, money orders and BPAY® payments must be drawn on an Australian bank.

No stamp duty, brokerage or handling fees are payable by the Applicant for New Shares offered by this Prospectus. Completed Forms and accompanying cheques should be lodged at or forwarded to the following address:

Bow Energy Ltd
c/- Link Market Services Limited
Locked Bag 3415
Brisbane Qld 4001

OR Bow Energy Ltd
c/- Link Market Services Limited
Level 12, 300 Queen Street
Brisbane Qld 4000

Prospectus

The amount payable on acceptance will not vary during the period of the Offer and no further amount is payable on allotment. Acceptance Monies will be held in trust in a subscription account until allotment of the New Shares. The subscription account will be established and kept by Bow on behalf of the Applicants. Any interest earned on the Acceptance Monies will be retained by the Company irrespective of whether allotment takes place.

3.5 Allotment and allocation policy

Bow will proceed to allocate New Shares as soon as possible after the Closing Date and receiving ASX permission for official quotation of the New Shares.

In the case that there is less than full subscription by Shareholders of their Entitlements under this Prospectus, subject to the terms of the Underwriting Agreements, the Directors in consultation with the Underwriters, reserve the right to issue any Shortfall at their discretion.

Successful Applicants will be notified in writing of the number of New Shares allocated to them as soon as possible following the allocation being made.

It is the responsibility of Applicants to confirm the number of New Shares allocated to them prior to trading in New Shares. Applicants who sell New Shares before they receive notice of the number of New Shares allocated to them do so at their own risk. No New Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus.

3.6 ASX listing

Within 7 Business Days after the date of issue of the Prospectus, Bow intends to apply for the listing and quotation of the New Shares on the ASX. If granted, quotation of the New Shares will commence as soon as practicable after allotment of the New Shares to Applicants. It is the responsibility of the Applicants to determine their allocation of New Shares prior to trading.

Should the New Shares not be granted official quotation on the ASX within 3 months after the date of this Prospectus, none of the New Shares offered under this Prospectus will be issued and all acceptance money will be refunded without interest to Applicants within the time prescribed by the Corporations Act.

3.7 Investment risks

Investors should carefully read the section on Risk Factors outlined in Section 6. An investment of this kind involves a number of risks, a number of which are specific to Bow and the industry in which it operates.

3.8 CHES

Bow will apply to the ASX Settlement and Transfer Corporation Pty Ltd (**ASTC**) for the New Shares to participate in the Securities Clearing House Electronic Subregister System known as CHES. After allotment of the New Shares, those who are issuer sponsored holders will receive an issuer sponsored statement and those who are CHES holders will receive an allotment advice.

The CHES statements, which are similar in style to bank account statements, will set out the number of New Shares allotted to each successful applicant pursuant to this Prospectus. The statement will also advise holders of their Holder Identification Number. Further statements will be provided to holders which reflect any changes in their holding in Bow during a particular month.

Prospectus

3.9 No rights trading

Entitlements to New Shares pursuant to the Offer are non-renounceable and accordingly will not be traded on the ASX.

3.10 Minimum subscription

There is no minimum subscription to the Offer.

3.11 Underwriting

The Offer is fully underwritten by Samuel Capital Pty Ltd, Bizzell Capital Partners Pty Ltd, ABN AMRO Morgans Corporate Limited and Wilson HTM Corporate Finance Limited.

Details of the Underwriting Agreements are set forth more particularly in Section 7.4 of this Prospectus.

3.12 Optionholders

Optionholders will not be entitled to participate in the Offer unless they:

- (a) have become entitled to exercise their Existing Vested Options under the terms of their issue and do so prior to the Record Date; and
- (b) participate in the Offer as a result of being a holder of Shares registered on the share register at 7.00pm (AEDT) on the Record Date.

If all entitled Optionholders elect to exercise their Options prior to the Record Date to participate in the Offer, a further 2,727,778 (approximately) New Shares may be issued under this Prospectus.

3.13 Overseas shareholders

The Company has not made investigations as to the regulatory requirements that may prevail in the countries, outside of Australia, New Zealand and Hong Kong, in which the Company's Shareholders reside.

The distribution of this Prospectus in places outside of Australia, New Zealand and Hong Kong may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe those restrictions. Any failure to comply with those restrictions may violate applicable securities laws.

The Company has decided that it is unreasonable to make offers under this Prospectus to Shareholders with registered addresses outside Australia, New Zealand and Hong Kong having regard to the number of Shareholders in those places, the number and value of the New Shares they would be offered and the cost of complying with the legal and regulatory requirements in those places. Accordingly, the Offer is not being extended to, and does not qualify for distribution or sale, and no New Shares will be issued, to Shareholders having a registered address outside Australia, New Zealand and Hong Kong.

3.14 Electronic prospectus

An electronic version of this Prospectus is available on the Internet at www.bowenergy.com.au.

The Entitlement and Acceptance Form may only be distributed together with a complete and unaltered copy of the Prospectus. The Company will not accept a completed Entitlement and Acceptance Form if it has reason to believe that the investor has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the

Prospectus

Entitlement and Acceptance Form or electronic copy of the Prospectus has been altered or tampered with in any way.

While the Company believes that it is extremely unlikely that in the Offer period the electronic version of the Prospectus will be tampered with or altered in any way, the Company cannot give any absolute assurance that it will not be the case. Any investor in doubt concerning the validity or integrity of an electronic copy of the Prospectus ought immediately request a paper copy of the Prospectus directly from the Company, the Share Registry or a financial adviser.

Prospectus

4. Information on Bow

4.1 Introduction

The Company's core energy businesses are the exploration and appraisal of CSG projects and oil exploration within Queensland.

The Company's strategy has continued to focus on finding oil and gas and progress projects close to both domestic markets and planned export markets. More recently, the Company has focussed a large portion of its resources on CSG projects.

The Queensland Government has indicated its support for CSG as an alternative energy source including:

- by introducing the Queensland Gas Scheme which requires Queensland electricity retailers and other liable parties to source 13% of their electricity from gas-fired generation. The Queensland Government has recently stated that this target is expected to increase to 18% by the year 2020; and
- by announcing in February 2009 a new policy tackling overlapping tenements between Underground Coal Gasification (UCG) and CSG producers. The government decided that in the case of existing exploration tenements where there were overlapping claims, preference would be given to the CSG tenure holder.

The Queensland Government is currently considering seven Liquefied Natural Gas (LNG) projects, a number of which are planned at Gladstone, Queensland. Bow aims to certify gas reserves with the intent to participate in gas supply to the proposed LNG facilities in Gladstone as well as pursue domestic gas markets.

4.2 CSG Projects

The Company is engaged in the exploration and appraisal of CSG in Queensland's Surat and Eromanga basins and is scheduled to commence exploration in the Bowen basin in 2009. The Company is currently focusing its efforts on the following CSG projects.

1) Don Juan CSG Project (Bow 55% (through its wholly owned subsidiary Roma CBM Pty Ltd))

The Don Juan CSG Project is a Joint Venture between Bow (55%) and Victoria Petroleum NL (45%) involving two tenements ATP 771P and ATP 593P located in the western Surat Basin approximately 40 km north of Roma. Bow's 55% ownership of the Don Juan CSG project is in the Walloon Coal Measures in both tenements.

Exploration activities performed to date have included the drilling of eleven wells over the two tenements. Drilling results so far have indicated that the area with the highest potential is in the southern central part of ATP 771P licence area which is located northwest of the BG Group plc (**BG Group**) Lacerta project. Sunshine Gas (now part of the BG Group) has previously publicly announced gas reserves of 1,097 PJs of 3P reserves which includes 469 PJs of 2P reserves at its Lacerta project.

MHA Petroleum Consultants, LLC (MHA) has been engaged as an independent third party to certify reserves on the Don Juan project. MHA has released its initial certification statement for the Don Juan CSG Project certifying gross 3P reserves of 192PJ. This equates to 105PJ of 3P reserves net to Bow, as a result of Bow's 55% interest in this Project.

Prospectus

2) Bowen Basin Blocks (Bow 100%)

The Company has recently been formally granted two CSG blocks, Norwich Park (ATP 1031P) and Comet (ATP 1025P). Additionally, the Company has been nominated by the Queensland Department of Mines and Energy as the preferred tenderer with respect to a third block, Gunyah (ATP 1051P), the grant of which is subject to concluding Native Title negotiations.

The Company has engaged MHA to provide advice on a drilling and testing program to obtain certified reserves on the Norwich Park and Comet blocks. The proposed initial gas reserve certification program will focus on the Comet block where the Company has commenced a comprehensive desktop reserves estimate study which incorporates the relevant petroleum and coal bore data within and around the tenement.

The Directors currently anticipate submitting the desktop study results to MHA by the end of March 2009 for independent review and verification with the target to obtain an initial 3P reserve certification by June 2009. In conjunction with the desktop study, core hole drilling to determine coal thickness and gas contents is scheduled to start in the second quarter of 2009. Assuming adequate coal thickness and gas content, coal permeability enhancement tests which may include multilateral drilling as required to obtain 2P reserve certification are planned.

A similar exploration and appraisal program on the Norwich Park block will begin after the Comet desk top study is completed with drilling planned shortly thereafter.

Norwich Park (ATP 1031P) – Prospectivity Overview

The Norwich Park block has an area of 874 km² with adjacent tenements operated by BG Group, Arrow Energy and Pure Energy.

Bow has identified three primary prospects in the Norwich Park Block to target for gas reserve certification. These are:

1. Vermont Prospect, which has the Moranbah Coal Measures play as the primary target;
2. Dysart Prospect, which has the Rangal Coal Measures play as the primary target; and
3. Norwich Prospect, which has the Rangal Coal Measures play as the primary target.

Previous Drilling Activity undertaken by other parties

The only drilled well in the Norwich Park block (CX-4 CSG, undertaken by CH4 Pty Ltd) intersected the upper part of the Rangal Coal Measures to its 297m total depth, and intersected 19.14m net coal including an individual seam 8.82m thick.

The Phillips Creek-1 well (undertaken by MCG Resources Australia Pty Ltd), which is located about 4km west of the block boundary, intersected 20.8m of net coal, with an individual seam 6m thick, in the Moranbah Coal Measures. Gas contents ranging from 6.4 to 16.7 m³/tonne, and permeability up to 4 millidarcies were reported.

Comet (ATP 1025P) – Prospectivity Overview

The Comet block is the central of the three Bowen Basin blocks and has an area of 974 km². Adjacent tenements are operated by BG Group, Arrow Energy and Pure Energy. The block is located between BG Group's Atria CSG project to the west and Pure Energy's Dingonose and Duckworth CSG prospects to the east.

Bow has identified three primary CSG prospects in the Comet Block to target for gas reserve certification. These are:

Prospectus

1. Atria South Prospect, which has the Fair Hill Formation of the Fort Cooper Coal Measures as the primary target.

Adjacent to the west and northwest of the Comet block, Sunshine Gas (now BG Group) has previously reported the presence of thick, highly gassy coals in its Atria project. Sunshine Gas has reported that nine wells were drilled at its Atria Project, with the total depth of wells ranging from 192 – 546m. 'Thick gassy coals (up to 25m³/tonne)' throughout the Permian Fair Hill Formation over an area of 350 km² were reported by Sunshine Gas. Two of the Atria wells occur within 5 km of the Comet Block boundary.

2. Comet Prospect, which has a dual Rangal Coal Measures/Fort Cooper Coal Measures coal seam targets.

Immediately east and southeast of the block, Pure Energy has reported certified 3P reserves of 1,231 PJ from its combined Dingonose-Duckworth project area. Pure Energy reported total net coals intersected ranging from 15 to 20m thick, with gas contents of 10-17 m³/tonne, occurring at depths from 450-600m.

3. Blackwater Prospect, which has a dual Rangal Coal Measures/Burngrove formation targets. Results from exploration of the Blackdown wells previously undertaken by MIM Holdings Limited, one of which is located within ATP 1025 and one of which is located within 15km of the boundary of ATP 1025, , have noted gas contents up to 18 m³/tonne.

3) Canaway CSG Project (Bow directly and through its wholly owned subsidiaries Seqoil Pty Ltd and Bow CSG Pty Ltd)

Bow drilled two fully cored exploration wells, Hobson-1 and Pebble Hill-1 during January and February 2009, to test a new potential CSG area located on the Canaway Ridge in southwest Queensland. The Canaway CSG Project extends over two granted tenements and one application where Bow has 65% to 100% interests. These are ATP 794P Barcoo block (Bow 65%), ATP 560P (Bow 100% interest in the shallow CSG rights in 3 sub blocks) and ATP 948P (Bow 100%) (permit grant subject to Native Title negotiations).

Hobson-1 reached a total depth of 432 metres and intersected a total of 22.34 metres of net coal with several of the individual seams over two metres thick. The majority of the coals were below 300 metres depth.

Pebble Hill-1, located 33 km to the south of Hobson 1, intersected 5.72 metres of net coal.

Full gas desorption analysis of coal samples from both wells are being conducted to estimate the gas contents and properties of the coals.

Assuming sufficient gas contents are confirmed in Hobson-1 and Pebble Hill-1, the Company may progress with its planned work program consisting of seismic reprocessing, which will assist in mapping coal seam continuity, and assuming continued success, additional core and pilot drilling through 2009.

4.3 Conventional Oil and Gas Activities

The Company's conventional petroleum portfolio is mainly oil focused. The highest profile projects are in the Queensland sector of the Cooper-Eromanga Basin and the Surat-Bowen Basin. Bow's interests in conventional oil and gas are held directly by Bow or through Bow's wholly owned subsidiaries Ocellaris Oil Pty Ltd and Seqoil Pty Ltd or a combination of these entities.

ATP 752P Barta Block (Bow 15% after farm-out completed) is in the Cooper-Eromanga Basin and contains the Cuisinier-1 Murta oil discovery, estimated by Santos, the operator, to begin

Prospectus

production late second quarter/early third quarter 2009 at 200-300 BOPD. Bow's share of the costs on one additional optional farm-out well, if drilled, and 3D seismic in the Barta Block will be met by joint venture partners under farm-out arrangements. A 103 km² 3D seismic program is planned to be acquired over the greater Cuisinier structure during April 2009. This may be followed by an appraisal and development drilling program designed to increase production from the oil field.

ATP 752P Wompi Block (Bow 15% after farm-out completed) is located near the Tickalara-Jackson pipeline. The joint venture recently completed a 200 km² 3D seismic program. Near field exploration drilling targets may be chosen from this data and the Company's share of the costs on up to four optional farm-out wells, if drilled, in this block will be met by joint venture partners under farm-out arrangements.

In the Surat-Bowen Basin in south central Queensland, the Company is producing oil at low rates from its 65% owned Rookwood Oil Field located in ATP 608P. Adjacent to this oil field, a 2D infill seismic acquisition program is due to commence in ATP 608P in April 2009, as part of the Mosaic Oil NL (Mosaic) staged farm-in program involving seismic acquisition and options available to Mosaic to drill additional earning wells in Bow's southwest Surat tenements. This exploration program is aimed at finding new oil fields near to existing oil production.

The Company also has an inventory of prospects and leads in its Central Eromanga oil project areas.

4.4 The Directors

The following persons are directors of the Company as at the date of this Prospectus:

Ron Prefontaine, Managing Director

Mr Prefontaine has been the Managing Director since the time of registration of the Company on 17 September 2004.

He has over 29 years exploration and production experience in the petroleum industry. Mr Prefontaine initially explored the Arctic and Western Canadian sedimentary basins before moving to Australia in 1981 where he carried out development and exploration work in the Cooper-Eromanga Basin and other areas for Santos Ltd (Santos). After leaving Santos in 1984 and until 1994 he held several senior positions including Chief Geophysicist for Oil Company of Australia NL.

Since 1994 he has consulted to the industry in technical and management positions, which included Chief Geophysicist for Mosaic Oil Limited and Director for Arrow Energy Ltd (Arrow) from 2001 to 2005. At Arrow, Mr Prefontaine was in charge of their early successful coal seam gas exploration program.

Mr Prefontaine founded Australian CBM Pty Ltd (now owned by Arrow Energy Ltd), Permian Oil Pty Ltd (now owned by Roma Petroleum NL, a wholly owned subsidiary of BG Group), SEQOil Pty Ltd (now owned by Bow Energy Ltd) and Ocellaris Oil Pty Ltd (now owned by Bow Energy Ltd).

Mr Prefontaine is past President of the Petroleum Exploration Society of Australia (Queensland) and the Queensland Petroleum Exploration Society.

Stephen Bizzell, Non-Executive Director

Mr Bizzell has been a Non-Executive Director since the time of registration of the Company on 17 September 2004. He is currently an Executive Director of Arrow Energy Ltd, a position he has held since 1999 and he has been instrumental in Arrow's corporate and commercial successes.

Prospectus

Mr Bizzell is a Chartered Accountant and early in his career was employed in the Corporate Finance division of Ernst & Young and the Corporate Taxation division of Coopers & Lybrand. He has had considerable experience and success in the fields of corporate restructuring, debt and equity financing and mergers and acquisitions and has over 15 years corporate finance and public company management experience in the resources sector in Australia and Canada with various public companies.

Mr Bizzell is also currently the Chairman of Renison Consolidated Mines NL and of boutique investment banking and funds management group Bizzell Capital Partners Pty Ltd.

Mr Bizzell is a member of the Audit & Risk Management Committee.

Nick Mather, Non-Executive Director

Mr Mather has been a Non-Executive Director since the time of registration of the Company on 17 September 2004. He has over 27 years technical and corporate experience and is also the Managing Director of D'Aguilar Gold Ltd, a listed gold exploration company. Mr Mather has focused his attention on the identification of, and investment in, large resource exploration projects.

During his tenure as an Executive Director of Arrow Energy Ltd from 2000 to 2004, Mr Mather drove the acquisition and business development of Arrow's large coal seam gas projects in south east Queensland.

Mr Mather was Managing Director of BeMaX Resources NL from 1997 until 2000 and was instrumental in the discovery of the world class Gingko mineral sand deposit in the Murray Basin in 1998.

Mr Mather is a member of the Audit and Risk Management Committee.

4.5 Senior Management

John De Stefani, CEO Commercial

Mr De Stefani is a chartered accountant with 19 years of business experience. Prior to joining Bow, Mr De Stefani spent the last eight years as General Manager / director of an expanding power generator and CEO of a high tech business which delivered strong sustainable growth.

Mr De Stefani has a proven successful track record in project finance, business development and asset management.

Mr De Stefani has a Bachelor of Business from the Queensland University of Technology and a MBA from London Business School. He is a member of Institute of Chartered Accountants of Australia and Australian Institute of Company Directors.

Paul Lipski, CEO Petroleum

Mr Lipski is a geologist with 25 years of domestic and international upstream petroleum experience which includes exploration, development / production, operations and business development primarily with small to medium size E&P companies in Australia and Canada. He is a skilled and proven oil finder, has a successful track record of petroleum business development and experience with coal seam gas exploration.

Mr Lipski's primary focus will be to value add and expand Bow's current oil and gas portfolio through successful exploration and appraisal programs and continued petroleum business development.

Prospectus

5. Effect of Offer on Bow

5.1 Financial position

To illustrate the effect of the issue on Bow, the pro-forma consolidated statement of financial position has been prepared based on 31 December 2008 reviewed statement of financial position.

The pro-forma statement of financial position as provided shows the effect of the Institutional Placement, the Offer as a fully underwritten offer and as if the Institutional Placement and the Offer (under this Prospectus) had been made on 31 December 2008 and the costs of the Institutional Placement and the Offer. The pro-forma assumes that the Offer is fully subscribed.

The accounting policies adopted in preparation of the proforma consolidated statement of financial position are consistent with the policies adopted and as described in Bow's financial statements for the half-year ended 31 December 2008. The reviewed financial statements for the half-year ended 31 December 2008 were prepared in accordance with the same policies.

The principle effects of the Institutional Placement and Offer (assuming the Offer is fully subscribed and no options are exercised) will be to:

- Increase cash reserves by approximately \$13.2 million (after cash expenses of the Institutional Placement and the Offer estimated to be \$240,000 and \$454,410 respectively)
- Increase Reserves by \$236,004 being the charge for the Underwriter Options which, subject to shareholder approval will be issued to the Underwriters in accordance with the terms of the Underwriting Agreements.
- Increase the number of Issued Ordinary Shares by 51,636,260 to 203,953,822.
- Subject to shareholder approval (for the issue of Underwriter Options), increase the number of Options by 9,833,488 to 32,550,155.

The increase of the cash reserves of the Company as a result of the Institutional Placement, together with the Offer, should provide the Company with sufficient working capital to proceed with the objectives outlined in this Prospectus.

If an Eligible Shareholder does not take up their entitlement in full it will result in their percentage holding in the Company being diluted by the Offer.

Prospectus

	Notes	Reviewed 31 December 2008 \$	Pro-forma Adjustments \$	Pro-forma 31 December 2008 \$
CURRENT ASSETS				
Cash and cash equivalents		6,787,354	13,247,381	20,034,735
Trade and other receivables		609,787	-	609,787
Inventories		319,676	-	319,676
Other current assets		92,054	-	92,054
TOTAL CURRENT ASSETS		7,808,871	13,247,381	21,056,252
NON-CURRENT ASSETS				
Plant and equipment		227,433	-	227,433
Exploration and evaluation expenditure	1	16,394,207	-	16,394,207
Other non-current assets		513,969	-	513,969
TOTAL NON-CURRENT ASSETS		17,135,609	-	17,135,609
TOTAL ASSETS		24,944,480	13,247,381	38,191,861
CURRENT LIABILITIES				
Trade and other payables		184,124	-	184,124
TOTAL CURRENT LIABILITIES		184,124	-	184,124
NON-CURRENT LIABILITIES				
Provisions		125,000	-	125,000
TOTAL NON-CURRENT LIABILITIES		125,000	-	125,000
TOTAL LIABILITIES		309,124	-	309,124
NET ASSETS		24,635,356	13,247,381	37,882,737
EQUITY				
Issued capital		25,115,430	13,011,377	38,126,807
Reserves		1,868,056	236,004	2,104,060
Accumulated losses		(2,348,130)	-	(2,348,130)
TOTAL EQUITY		24,635,356	13,247,381	37,882,737

Prospectus

Notes:

1. Exploration and Evaluation Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

A provision is raised against exploration and evaluation expenditure where the Directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review has been undertaken on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structure, waste removal, and rehabilitation of the site in accordance with clauses of mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that restoration will be completed within one year of abandoning the site.

2. Future Exploration Commitments

The Company has certain obligations to expend minimum amounts on exploration in Authorities To Prospect (ATP). These obligations are not recognised as liabilities in the Pro-forma Balance Sheet shown in this Prospectus. Exploration commitments may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Company. The estimate of the commitments to be undertaken are as follows:

Prospectus

Estimates of exploration commitments to be undertaken:	From 1 March 2009
	\$
Within one year	10,139,466
Later than one year but no later than two years	19,970,040
Later than two years but no later than five years	49,445,000
Later than five years	-
Total	79,554,506

Queensland petroleum exploration ATPs are granted subject to work and expenditure commitments which are expressed as either yearly or two-yearly undertakings.

The only tenement exploration commitments expressed over two years are for the Norwich Park tenement (ATP 1031P) and Comet tenement (ATP 1025P). The total commitments for these two tenements total \$71.5 million for the first four years of the tenements.

To keep tenements in good standing, work programs should meet certain minimum expenditure requirements within the four year renewal period of each ATP. If the minimum expenditure requirements are not met, the Company has the option to negotiate new terms or relinquish the tenements (or part thereof). The Company also has the ability to meet expenditure requirements by entering into joint venture or farmin arrangements.

5.2 Capital structure

The share capital structure of Bow immediately following the Offer, assuming the Offer is fully subscribed, will be as follows:

	Shares
Ordinary Shares on issue at the date of this Prospectus	174,817,562
Maximum number of New Shares under Prospectus ^{1,2}	29,136,260
Total:	203,953,822

Notes:

- If any of the Existing Vested Options are exercised prior to the Record Date, additional New Shares will be issued under the Offer under this Prospectus. If all Existing Vested Options on issue as at the date of this Prospectus were exercised prior to the Record Date, the Company's issued shares would increase by 16,366,667 Shares, resulting in a further 2,727,778 New Shares being issued pursuant to this Prospectus. This would increase the Company's total Shares on issue after completion of the Offer to 223,048,267 Shares.*
- Excludes rounding of Entitlements.*

Prospectus

As at the date of this Prospectus, the Company has options on issue as follows:

No. of Options	Exercise Price	Vesting Date	Expiry Date
1,250,000	\$0.40	Vested	20 May 2009
1,716,667	\$0.50	Vested	20 May 2010
13,300,000	\$0.50	Vested	7 November 2011
100,000	\$0.30	Vested	31 March 2010
50,000	\$0.30	14 February 2010	31 March 2010
1,050,000	\$0.40	1 July 2009	1 July 2011
1,050,000	\$0.40	1 July 2010	1 July 2011
1,050,000	\$0.75	1 July 2010	1 July 2012
1,050,000	\$0.75	1 July 2011	1 July 2012
1,050,000	\$1.00	1 July 2011	1 July 2013
1,050,000	\$1.00	1 July 2012	1 July 2013

In addition, subject to obtaining shareholder approval, the Underwriter Options (being 9,833,488 options to subscribe for ordinary shares exercisable at \$0.50 each on or before 7 November 2011) will be issued to the Underwriters in accordance with the terms of the Underwriting Agreements. Further details in this regard are set out in Section 7.4.

Prospectus

6. Risk factors

6.1 Introduction

Activities of Bow, as in any business, are subject to risks which may impact on its future performance. The future performance of Bow and the future investment performance of the New Shares may be influenced by a range of factors. Many are outside the control of the Board and the Company. Prior to making any decision to accept the Offer, investors should carefully consider the following risk factors applicable to the Company.

Careful consideration should be given to the following risk factors, as well as the other information contained in this Prospectus and the Eligible Shareholders own knowledge and enquiries, before an investment decision is made. Some of the risks may be mitigated by the Company using safeguards and appropriate systems and taking certain actions. Some of the risk may be outside the control of Bow and not capable of mitigation. There are also general risks associated with any investment in shares.

The risks listed should not be taken as exhaustive of the risks faced by Bow. Factors other than those listed may in the future materially affect the financial performance of Bow and the value of the New Shares offered under this Prospectus. Investors should read this Prospectus in its entirety and consult their professional advisers before deciding whether to accept the Offer for New Shares.

6.2 General Risks

The New Shares that are to be issued pursuant to this Prospectus are speculative because of the nature of the business of the Company. The Company has interests in the oil and gas exploration industry which is highly speculative and no assurances can be made that the Company's particular interests or projects will be successful.

A summary of the major general risks are described below:

Share Market Risk

The market price of Shares can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the Australian resources sector and exploration companies in particular. The Shares carry no guarantee in respect of profitability, dividends, return on capital, or the price at which they may trade on the ASX.

There are a number of factors (both national and international) that may affect the share market price and neither the Company nor its Directors have control of those factors.

General Economic Conditions

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that economic climate include the general level of economic activity, interest rates, inflation, supply and demand, industrial disruption and other economic factors. The price of commodities will also be of particular relevance to the Company. These factors are beyond the control of the Company and the Company cannot, with any degree of certainty, predict how they will impact on the Company.

Share price fluctuations

The market price of the Company's Shares will be subject to varied and often unpredictable influences in the share market. Both domestic and world economic conditions may affect the

Prospectus

performance of the Company. Factors such as the level of industrial production, inflation and interest rates impact all commodity prices.

Legislative Change

Changes in government regulations and policies may adversely affect the financial performance or the current and proposed operations generally of the Company. From 1 January 2009, The Environmental Protection Regulation 2008 has replaced the Environmental Protection Regulation 1998. Under the new regulation, a number of significant changes have occurred, including re-defining Environmentally Relevant Activities that impact permits to be issued and renewed. In addition, the Queensland Government water policy was announced in October 2008 (discussed below). These changes may increase operating costs and may have a material adverse effect on the Company. The Company is not aware of any other current or proposed material changes in relevant regulations or policy.

Unforeseen Expenses

While Bow is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

6.3 Risks Specific to an Investment in the Company

In addition to the general market and economic risks noted in Section 6.2, Eligible Shareholders should be aware of risks specific to an investment in the Company, which may include, but are not limited to those risks described below:

General Project Risks

There can be no assurance that the Company's planned development projects and exploration and appraisal activities will be successful. The drilling of oil and gas wells involves a high degree of risk, especially the risk of a dry hole or of a well that is not sufficiently productive to provide economic return of the capital expended to drill the well. There are also delays and other risks associated with the Company's reliance on third parties during the conduct of exploration and development activities.

Further, the Company's exploration and prospective production activities are dependent upon the grant and maintenance of appropriate licences, permits and regulatory authorities (**authorisations**) which may not be granted or may be withdrawn or made subject to limitations. Although the authorisations may be renewed following expiry or granted (as the case may be), there can be no assurance that such authorisations will be renewed or granted on the same terms. There are also risks that there could be delays in obtaining such authorisations. If the Company does not meet its work and/or expenditure obligations under its authorisations, this may lead to dilution of its interest in, or the loss of such authorisations. There are also risks associated with the construction of oil development projects, including risks arising from the complexity of the projects and the need to utilise many different contractors and suppliers. If such contractors and suppliers fail to meet their obligations or do not perform adequately, this could lead to delays and/or further costs in respect of such projects.

Volatility of oil and gas prices and markets

The Company's financial condition, operating results and future growth are dependant on the prevailing prices for oil and natural gas production. Historically, the markets for oil and natural

Prospectus

gas have been volatile and such markets are likely to continue to be volatile in the future. Prices for oil and natural gas are subject to large fluctuations in response to relatively minor changes to the demand for oil and natural gas, whether the result of uncertainty or a variety of additional factors beyond the control of the Company. These factors include weather and general economic conditions, the actions of the Organisation of Petroleum Exporting Countries, governmental regulation, political stability in the Middle East and elsewhere and the availability of alternative fuel sources. Any substantial decline in the prices of oil and natural gas could have a material adverse effect on the Company.

Reliance on Key Personnel

Whilst the Company has a small senior management and technical team, its progress in pursuing its exploration and evaluation programmes within the time frames and within the costs structure as currently envisaged could be dramatically influenced by the loss of key personnel. The resulting impact from such loss would be dependent upon the quality and timing of the executive's replacement.

Although the key personnel of Bow have a considerable amount of experience and have previously been successful in their pursuits of acquiring, exploring and evaluating gas and oil projects, there is no guarantee or assurance that they will be successful in their objectives pursuant to this Prospectus.

Industrial Risk

Industrial disruptions, work stoppages and accidents in the course of the Company's operations could result in losses and delays, which may adversely affect profitability.

Environmental Regulation and Risks

The Company's operations and projects are subject to State and Federal laws and regulation regarding environmental hazards. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted.

Significant liability could be imposed on the Company for damages, clean up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by the Company or its subsidiaries, or non compliance with environmental laws or regulations. The Company proposes to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage. There is also a risk that the environmental laws and regulations may become more onerous, making the Company's operations more expensive.

In addition to the above, the Queensland Government announced a new Water Policy in October 2008. The policy states that evaporation ponds would no longer be approved for CSG operations. This is an industry wide issue and is currently being discussed in workshops involving Australian Petroleum Production & Exploration Association (APPEA), industry and Queensland Government. The Company is now represented in these workshop discussions. If this water policy became legislation the impact on operations would be increased operating costs relating to water disposal for CSG businesses and such increased costs would have a material adverse impact on the Company.

Prospectus

Insurance Arrangements

The Company intends to ensure that insurance is maintained within ranges of coverage that the Company believes to be consistent with industry practice and having regard to the nature of activities being conducted. No assurance however, can be given that the Company will be able to obtain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any such claims. Insurance cover may not be available for every risk faced by the Company. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. The Company will insure the risk it considers appropriate for the Company's needs and for its circumstances.

Land Access Risk

Land access is critical for exploration and evaluation to succeed. In all cases the acquisition of prospective tenements is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.

Access to land for exploration purposes can be affected by land ownership, including private (freehold) land, pastoral lease and Native Title land or claims under the *Native Title Act 1993 (Commonwealth)*. Rights to petroleum tenements carry with them various obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area.

Government Policy and Taxation

Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Australia, may have an adverse effect on the assets, operations and ultimately the financial performance of both the Company and the entities in which the Company invests. These factors may ultimately affect the financial performance of the Company and the market price of its securities.

In addition to the normal level of income tax imposed on all industries, the petroleum industry is required to pay government royalties, indirect taxes, GST and other imposts which generally relate to revenue or cash flows. Industry profitability can be affected by changes in government taxation policies.

Native Title

Native title in Australia is governed by the *Native Title Act 1993 (Cth) (NTA)* and by complementary state legislation. The NTA provides a regime that enables persons claiming to hold native title to lodge a claim to that effect for determination. The NTA also provides for the determination of native title rights, their extinguishment, and for processes to deal with those rights in accordance with specific categories of acts that have occurred including "past acts" (before 1 January 1994), "intermediate period acts" (occurring between 1 January 1994 and 23 December 1996), and "future acts." Under this regime, native title is extinguished by grants of private freehold title and exclusive possession tenures.

The effect on each tenement will depend on the nature of the tenement, the date of its grant or proposed grant, and the nature of the underlying land tenures.

The effect of the NTA is that existing and new tenements held by the Company may be affected by native title claims and procedures. The Company has not undertaken the historical, legal or anthropological research and investigations at the date of this Prospectus that would be required to form an opinion as to whether any existing or future claim for native title could be

Prospectus

upheld over a particular parcel of land covered by a tenement. There is a potential risk that a determination could be made that native title exists in relation to land the subject of a tenement held by the Company which may affect the operation of the Company's business and development activities. In the event that it is determined that native title does exist or a native title claim has been registered, the Company may need to comply with procedures under the NTA in order to carry out its operations or to be granted any additional rights required. Such procedures may take considerable time, involve the negotiation of significant agreements, may involve access rights, and require the payment of compensation to those persons holding or claiming native title in the land the subject of a tenement. The involvement in the administration and determination of native title issues may have a material adverse impact on the position of the Company in terms of cash flows, financial performance, business development, ability to pay dividends and the share price.

Management Actions

The Directors will, to the best of their knowledge, experience and ability (in conjunction with their management) endeavour to anticipate, identify and manage the risks inherent in the activities of the Company, but without assuming any personal liability for same, with the aim of eliminating, avoiding and mitigating the impact of risks on the performance of the Company and its securities.

Joint Venture or Farmin Risks

The Company is a party to joint venture operating agreements or farmin agreements for prospects in which it will earn minority interests of 50% or less. Under these agreements, the Company may be voted into programs and budgets which it does not agree with or have the cash resources to fund. It may also be required to contribute to any increases in capital expenditure requirements and/or operating costs. Further, if any of the Company's joint venture partners fail to or are unable to fund their pro rata contributions to expenditure, the Company may have to make increased contributions to ensure that the program succeeds. It may also be the case that delays in programs may arise due to the joint venture partners not reaching agreement on joint venture decisions.

Exploration and Production

The oil and gas permits which the Company has an interest in are at various stages of exploration and potential investors should understand that oil and gas exploration and development are high risk undertakings. There can be no assurance that exploration of the project areas described in this Prospectus, or any other permits that the Company may acquire an interest in, will result in the discovery of an economic hydrocarbon reservoir. Even if an apparently viable reservoir is identified, there is no guarantee that it can be commercially exploited. Further, some of the permits are largely unexplored and have only a very limited history and there is no certainty that the proposed exploration will encounter any hydrocarbons that will ultimately be commercially viable.

The business of commodity development and production involves a degree of risk. Amongst other factors, success is dependent on successful design, construction and operation of efficient gathering, processing and transportation facilities. Even if the Company recovers potentially commercial quantities of gas, there is no guarantee that the Company will be able to successfully transport the gas to commercially viable markets or sell the gas to customers to achieve a commercial return.

Operating Risks

Industry operating risks include fire, explosions, blow outs, pipe failures, abnormally pressured formations and environmental hazards such as accidental spills or leakage of petroleum

Prospectus

liquids, gas leaks, ruptures, discharge of toxic gases, premature declines in reservoirs, cratering, uncontrollable flows of oil, natural gas or well fluids, remoteness of properties and adverse weather conditions. The occurrence of any of these risks could result in substantial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, cleanup responsibilities, regulatory investigation and penalties or suspension of operations. Damages occurring to third parties as a result of such risks may give rise to claims against the Company.

As protection against operating hazards, the Company maintains insurance against some, but not all, potential losses. In particular, the Company will maintain public and, where appropriate, product liability insurance, property damage insurance and control of well insurance in amounts which it considers adequate. However, the nature of these risks is such that liabilities could exceed policy limits in which event the Company could incur significant costs that would have a material adverse effect on its financial condition.

Commercialisation

Even if the Company recovers potentially commercial quantities of oil or gas, there is no guarantee that the Company will be able to successfully transport the oil or gas to commercially viable markets or sell the oil or gas to customers to achieve a commercial return.

Legal Title of Prospects

The process of confirming legal title to a prospect is an ongoing task. The Company continues this task of title confirmation immediately prior to the commencement of drilling a well and during ongoing exploration. Any failure to secure legal title may have a material adverse impact on the operations of the Company.

In the event that any of the prospect tenement cannot be drilled for any reason then a new prospect may be selected which has not yet been reviewed and may not have the same cost or potential for success.

Reserves Risk

There are numerous uncertainties inherent in estimating quantities of proven and measured reserves, including many factors beyond the control of the Company and its Directors. Any reserve data in this Prospectus represents estimates only. In general, estimates of economically recoverable oil and natural gas reserves are based upon a number of variable factors and assumptions, such as comparisons with production from other producing areas, the assumed effects of regulation by governmental agencies, assumptions regarding future oil and natural gas prices and future operating costs, all of which may vary considerably from actual results. All such estimates are, to some degree speculative, and classifications of reserves are only attempts to define the degree of speculation involved. For these reasons, estimates of economically recoverable oil and natural gas reserves attributable to any particular group of properties and classification of such reserves based on risk of recovery and other factors may vary substantially. Actual production with respect to reserves may vary from such estimates and such variances could be material.

Further, the future success of the Company will depend on its ability to find or acquire oil and gas reserves that are economically recoverable. There can be no assurance that the Company's planned development projects and exploration activities will result in significant reserves or that it will have success drilling productive wells. Reserve and resource estimates are estimates only and no assurance can be given that any particular level of recovery from hydrocarbon Reserves will in fact be realised or that an identified hydrocarbon resource will ever qualify as commercially viable which can be legally and economically exploited. The drilling of oil and gas wells involves a high degree of risk, especially the risk of a dry hole or of a well that is not sufficiently productive to provide economic return of the capital expended to drill the well.

Prospectus

Additional Funding Requirements

The Company is likely to require access to further funding in the future. If, for any reason, access to that capital is not available, the Company may be adversely affected in a material way. There can be no assurance that additional funds will be available. If the Company raises additional funds through the issue of equity securities, this might result in dilution to the existing shareholders.

Competition

A number of other oil and gas companies operate, and are allowed to bid for exploration and production licences and other services in the areas in which the Company operates, thereby providing competition to the Company. Larger organisations, in particular, may have access to greater resources than the Company, which may give them a competitive advantage. In addition, actual or potential competitors may be strengthened through the acquisition of additional assets and interests.

Carbon Pollution Reduction Scheme

On 15 December 2008, the Federal Government released its white paper in respect of the proposed introduction of a Carbon Pollution Reduction Scheme (**CPRS**). The white paper outlines the final design of the CPRS and the medium-term target range for reducing carbon pollution.

The precise nature and extent of the proposed CPRS awaits the release of appropriate legislation in early 2009 and, at this time, it is difficult for the Company to accurately determine how the CPRS may impact on the Company and its business activities. If the CPRS is carried into effect broadly in line with the final design of the CPRS outlined in the white paper, it is likely that the Company as a gas explorer will be subject to requirements to obtain carbon pollution permits (and incur the associated costs of obtaining those carbon pollution permits) unless it is able to take steps under the CPRS to minimise any adverse impact.

Location

Common to any form of gas or oil exploration is the significant costs which may be associated with transporting products to the market. If the area over which a petroleum lease is held is located a significant distance from any transport related infrastructure (eg a gas pipeline) then it is likely that infrastructure and transportation costs may be high. Any increase in these costs may have a material adverse effect on the Company.

Access to Infrastructure

The sharing with other industry participants of transportation and operating infrastructure (such as gas processing facilities and gas pipelines) is common in the gas sector. As such, the Company will rely on access to properly maintained operating infrastructure and shared facilities that in some circumstances may not be directly controlled by the Company in order to deliver its production to market. Any delay or failure to access properly maintained operating infrastructure or shared facilities may have a material adverse effect on the Company.

Financing

In order to proceed with the development of any of its projects, the Company is likely to be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise capital when it is required or that the terms associated with providing such capital will be satisfactory to the Company, which may prejudice the Company's ongoing ability to participate in these projects.

Prospectus

Speculative Nature of Investment

The above list of risk factors are not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.

Whether or not income will result from projects undergoing exploration, development and production programs is dependant on the successful establishment of exploration operations. Factors including costs, equipment availability, oil and gas prices affect successful project development as does the design and construction of efficient exploration facilities, competent operation and management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced consultants. In particular, changes in global economic conditions (including changes in interest rates, inflation, foreign exchange rates and labour costs) as well as general trends in the Australian and overseas equity markets may affect the Company's operations and particularly the trading price of the Shares on the ASX.

Shareholders should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for the Shares.

Prospectus

7. Additional information

7.1 Transaction specific prospectus

Bow is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under those obligations, Bow is obliged to comply with all applicable continuous disclosure and reporting requirements in the ASX Listing Rules.

This Prospectus is issued under Section 713 of the Corporations Act. This section enables disclosing entities to issue a prospectus in relation to securities in a class of securities which has been quoted by ASX at all times during the 12 months before the date of the Prospectus or options to acquire such securities. Apart from formal matters this Prospectus need only contain information relating to the terms and conditions of the Offer, the effect of the Offer on the Company and the rights and liabilities attaching to the New Shares.

Copies of the documents lodged by Bow with ASIC may be obtained from, or inspected at an office of ASIC.

The Company will provide a copy of any of the following documents, free of charge, to any person who asks for a copy of the document before the Closing Date in relation to this Prospectus:

- (a) audited financial statements for the Company for the year ended 30 June 2008;
- (b) reviewed half-yearly financial statements for the Company for the period ending 31 December 2008; and
- (c) any other financial statements lodged in relation to Bow with ASIC and any continuous disclosure notices given by Bow to ASX, in the period starting immediately after lodgement of the audited financial statements for the Company for the year ended 30 June 2008 and ending on the date of lodgement of this Prospectus with ASIC.

The ASX Announcements that the Company has made since 30 June 2008 are set out in Appendix A of this Prospectus.

The highest and lowest prices of shares in the Company on the ASX in the 6 month period before the date of this Prospectus and the respective dates of those sales are set out below.

		High	Low	Volume weighted average
		(cents)	(cents)	(cents)
One month		63.0 ⁽¹⁾	30.0 ⁽²⁾	46.1
Three months		63.0 ⁽¹⁾	16.0 ⁽³⁾	41.1
Six months		63.0 ⁽¹⁾	16.0 ⁽³⁾	36.0

Notes – dates:

- (1) 4 March 2009
- (2) 9 February 2009
- (3) 15 December 2008

Prospectus

The last market sale price of Shares as at 4 March 2009 was \$0.63.

The issue price of \$0.27 represents:

- a discount of 28% to the last market price of Shares on 12 February 2009, being the date prior to the announcement of the Offer;
- a discount of 57% to the last market price of Shares on 4 March 2009, being the date before lodgement of this Prospectus; and
- a discount of 34% to the three month volume weighted average price of Shares.

7.2 **Rights and liabilities attaching to new shares**

The rights attaching to ownership of the New Shares are set out in the Company's Constitution, a copy of which is available for inspection at the registered office of the Company during business hours. The following is a summary of the principal rights of holders of the New Shares, subject to any special rights attaching to any class of share at a future time. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Company's Shareholders.

Voting

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Share held by them.

Dividends

The New Shares will rank equally with all other issued shares in the capital of the Company and will participate in dividend out of profits earned by the Company from time to time. Subject to the rights of holders of shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of Shares in proportion to the Shares held by them irrespective of the amount paid up or credited as paid up thereon. The Directors may from time to time pay to Shareholders such interim dividends as in their judgment the position of the Company justifies.

Transfer of the Shares

Uncertificated System

Transfer of Shares may be effected by an instrument of transfer in accordance with any system recognised by the ASX Listing Rules and effected in accordance with the Securities Clearance House Business Rules approved under the Corporations Act or by an instrument of transfer in any usual form or by another form approved by the Directors or recognised by the Corporations Act or the ASX Listing Rules.

Certificated System

Subject to the Constitution and the Corporations Act, a Shareholder's share may be transferred by instrument in writing in any form authorised by the Corporations Act and the ASX Listing Rules or in any other form authorised by the Corporations Act and the ASX Listing Rules or in any other form that the Directors approve. No fee shall be charged by the Company on the transfer of any Shares.

Prospectus

Refusal to Register

The Directors, may, in their absolute discretion, refuse to register any transfer of Share or other securities where permitted to do so by the Corporations Act, the ASX Listing Rules or the SCH Business Rules. The Directors must refuse to register any transfer of Shares or other securities when required to do so by the Corporations Act or the ASX Listing Rules. If the Directors decline to register a transfer, the Company must within 5 business days after the date of lodgement of such transfer give to the lodging party written notice of the refusal and the reasons for it.

Winding up

Upon accepting the Entitlement to New Shares and paying the Acceptance Monies, Shareholders will have no further liability to make payments to the Company in the event of the Company being wound up pursuant to the provisions of the Corporations Act.

Future increases in Capital

The allotment and issue of any new shares is under the control of the Directors. Subject to the Listing Rules, the Company's Constitution and the Corporations Act, the Directors may allot or otherwise dispose of new shares on such terms and conditions as they see fit.

Variation of Rights

At present, the Company has only ordinary shares on issue. If the shares of another class were issued, the rights and privileges attaching to ordinary shares could only be altered with the approval of a resolution passed at a separate general meeting of the holders of ordinary shares by a three quarter majority of such holders or the written consent of the holders of at least three quarters of the ordinary shares.

General Meeting

Each holder of Shares will be entitled to receive notice of and to attend and vote at general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

For more particular details of the rights attaching to ordinary shares in the Company, investors should refer to the Constitution of the Company.

7.3 **Directors' interests**

The nature and extent of the interest (if any) that any of the Directors of the Company holds, or held at any time during the last 2 years in:

- (a) the formation or promotion of the Company;
- (b) property acquired or to be acquired by the company in connection with:
 - (1) its formation or promotion; or
 - (2) the Offer; or
- (c) the Offer,

is set out below.

Prospectus

Other than as set out below or elsewhere in this Prospectus, no one has paid or agreed to pay any amount, and no one has given or agreed to give any benefit to any director or proposed director:

- (a) to induce them to become, or to qualify as, a Director of the Company; or
- (b) for services provided by a director in connection with:
 - (1) the formation or promotion of the Company; or
 - (2) the Offer.

Set out below are details of the interest of the Directors in the securities of the Company immediately prior to lodgement of the Prospectus with the ASIC. Interest includes those securities held directly and indirectly. The table does not take into account any New Shares the directors may acquire under the Offer.

Director	Number of Shares	Number of Options
Ron Prefontaine	9,006,609	1,669,456
Stephen Bizzell	2,795,168	1,112,970
Nick Mather	2,357,188	Nil

Directors Fees

Set out below is the remuneration paid to the current Directors of the Company and their associated entities for the past 2 years.

Directors' remuneration for the period from 30 June 2008 to 4 March 2009:

Director	Fees	Other Benefits	Superannuation	Total
Ron Prefontaine	\$ 75,900	\$ 5,790	-	\$ 81,690
Stephen Bizzell*	\$ 26,667	\$ 5,790	-	\$ 32,457
Nick Mather **	\$ 26,667	\$ 5,790	-	\$ 32,457

Directors' remuneration for the financial year ended 30 June 2008:

Director	Fees	Other Benefits	Superannuation	Total
Ron Prefontaine	\$ 166,200	\$ 7,608	-	\$ 173,808
Stephen Bizzell*	\$ 40,000	\$ 7,608	-	\$ 47,608
Nick Mather **	\$ 40,000	\$ 7,608	-	\$ 47,608

Directors' remuneration for the financial year ended 30 June 2007:

Director	Fees	Other Benefits	Superannuation	Total
Ron Prefontaine	\$ 162,000	\$ 6,081	-	\$ 168,081
Stephen Bizzell*	\$ 40,000	\$ 6,081	-	\$ 46,081
Nick Mather **	\$ 40,000	\$ 6,081	-	\$ 46,081

* Mr Bizzell's fees are paid to Bizzell Capital Partners Pty Ltd.

** Mr Mather's fees are paid to Samuel Capital Pty Ltd.

Prospectus

7.4 Underwriting agreements

Bow has entered into individual Underwriting Agreements with each of Samuel Capital Pty Ltd, Bizzell Capital Partners Pty Ltd, ABN AMRO Morgans Corporate Limited and Wilson HTM Corporate Finance Limited (**the Underwriters**) on 5 March 2008.

The respective underwriting commitment for each Underwriter will be:

- Samuel Capital Pty Ltd underwriting \$2,666,667;
- Bizzell Capital Partners Pty Ltd underwriting \$1,333,333;
- ABN AMRO Morgans Corporate Limited underwriting \$1,933,395 plus one-half of the maximum number of Additional Shares that may be issued as a result of the exercise of Existing Vested Options prior to the Record Date; and
- Wilson HTM Corporate Finance Limited underwriting \$1,933,395 plus one-half of the maximum number of Additional Shares that may be issued as a result of the exercise of Existing Vested Options prior to the Record Date.

The Shortfall is broken up into tiers, namely:

- Tier 1 – the first \$1.5 million of the shortfall will be underwritten by Samuel Capital Pty Ltd as to 2/3rds and Bizzell Capital Partners Pty Ltd as to 1/3rd of the shortfall;
- Tier 2 – the second \$1.5 million of the shortfall will be underwritten by ABN AMRO Morgans Corporate Limited and Wilson HTM Corporate Finance Limited in equal portions; and
- Tier 3 – any remaining shortfall will be underwritten as follows:
 - Samuel Capital Pty Ltd will contribute 34.24%;
 - Bizzell Capital Partners Pty Ltd will contribute 17.12%;
 - ABN AMRO Morgans Corporate Limited will contribute 24.32% plus 50% of any Shortfall over \$7,866,790; and
 - Wilson HTM Corporate Finance Limited will contribute 24.32% plus 50% of any Shortfall over \$7,866,790.

Set out below is a summary of the material terms of those Underwriting Agreements.

- (a) Each of the Underwriters will be paid by the Company an underwriting fee, being a total of:
- (1) an amount equal to 4% of the amount underwritten by the Underwriter by way of cash; and
 - (2) subject to obtaining shareholder approval, five (5) unlisted options to subscribe for ordinary shares in the Company exercisable at \$0.50 each on or before 7 November 2011 for every \$4 underwritten by the Underwriter (**Underwriter Options**).
- (b) In the event that shareholder approval for the issue of the Underwriter Options is not obtained or the Company is not able to issue the Underwriter Options in accordance

Prospectus

with any approval that is obtained, the Company will pay a total amount equal to 7% of the amount underwritten by the Underwriter by way of cash.

- (c) In the event that any Existing Vested Options are exercised after 19 February 2009 but before the Record Date, entitling the holder of the Shares issued upon exercise of the Existing Vested Options to participate in the Offer, the Underwriters will be paid a cash fee of 7% in respect of their underwriting commitment relating to the Additional Shares issued as a result of the exercise of the Existing Vested Options.
- (d) The Company has agreed to indemnify the Underwriters, in respect of all costs of and incidental to the Offer, and indemnify the Underwriters and their related parties against all liabilities, losses, damages, costs or expenses arising out of the Prospectus and associated documents to the Offer.
- (e) The Underwriting Agreement provides that the Underwriters may terminate their obligations to underwrite the Offer upon the happening of the following:
 - (1) **Termination of Other Underwriting Agreements:** any of the underwriting agreements are terminated;
 - (2) **No Approval:** the Company fails to obtain the approval of shareholders to the issue of the Underwriter Options;
 - (3) **Lodgement of the Prospectus:** the Company fails to lodge the Prospectus with ASIC on the date stipulated in the timetable except where the sole reason for failing to lodge is an act or omission of the Underwriter;
 - (4) **quotation approval:** approval for Quotation is refused or not granted, other than subject to standard conditions customarily imposed, or any other conditions accepted in writing by the Underwriter by the on the date stipulated in the timetable or if approval is granted, such approval is subsequently withdrawn qualified or withheld before Completion;
 - (5) **S & P/ASX 200 Index fall:** if the S & P/ASX 200 Index is, at any time on 2 consecutive business days after the date of the Underwriting Agreement, prior to the date for allotment of the New Shares more than 10% below the level of that Index at the close of ASX trading on the trading day before the date of this Prospectus;
 - (6) **ASX: ASX:**
 - (A) announces or makes a statement to any person that the Company will be removed from the official list of ASX or Shares will be suspended from quotation, other than by an announcement by ASX of a trading halt or a voluntary suspension requested by the Company for the purposes of the Offer;
 - (B) removes the Company from the official list;
 - (C) ceases to quote the Shares on ASX;
 - (7) **adverse change:** any material adverse change occurs in the assets, liabilities, share capital, share structure, financial position or performance, profits, losses or prospects of the Company and the Group (insofar as the position in relation to an entity in the Group affects the overall position of the Company) from those respectively disclosed in the accounts, this Prospectus or public information about the Company, including:

Prospectus

- (A) any material adverse change in the reported earnings or future prospects of the Company or an entity in the Group;
 - (B) any material adverse change in the nature of the business conducted by the Company or an entity in the Group; or
 - (C) the insolvency or voluntary winding up of the Company or an entity in the Group or the appointment of any receiver, receiver and manager, liquidator or other external administrator; or
 - (D) any material adverse change to the rights and benefits attaching to in Shares; or
 - (E) any change that may have a material adverse effect.
- (8) **withdrawal:** the Company withdraws this Prospectus or terminates the Offer;
 - (9) **repayment:** any circumstance arises after lodgement of this Prospectus that results in the Company either repaying the money received from applicants (other than to applicants whose applications were not accepted in whole or in part) or offering applicants an opportunity to withdraw their applications for New Shares and be repaid their application money; or
 - (10) **no certificate:** the Company does not provide a closing certificate in the manner required by the agreement;
 - (11) **capital structure:** other than as contemplated by this Prospectus, the Company or any related body corporate of the Company takes any steps to alter its capital structure without the prior written consent of the Underwriter;
 - (12) **judgment:** a judgment in an amount exceeding \$100,000 is obtained against the Company or a related body corporate of the Company and is not set aside or satisfied within 21 days;
 - (13) **process:** any distress, attachment, execution or other process of a Governmental Agency in an amount exceeding \$100,000 is issued against, levied or enforced upon any of the assets of the Company or a related body corporate of the Company and is not set aside or satisfied within 21 days;
 - (14) **financial assistance:** the Company or a related body corporate passes or takes any steps to pass a resolution under section 260B of the *Corporations Act 2001 (Cwlth)*, without the prior written consent of the Underwriter;
 - (15) **suspends payment:** the Company or a related body corporate of the Company suspends payment of its debts generally;
 - (16) **insolvency:** the Company or a related body corporate of the Company is or becomes unable to pay its debts when they are due or is or becomes unable to pay its debts within the meaning of the *Corporations Act* or is presumed to be insolvent under the *Corporations Act*;
 - (17) **arrangements:** the Company or a related body corporate of the Company enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;

Prospectus

- (18) **ceasing business:** other than as contemplated by this Prospectus, the Company or a related body corporate of the Company ceases or threatens to cease to carry on business;
- (19) **disclosures in the Prospectus:** a statement contained in this Prospectus is materially misleading or deceptive, or a matter required by the *Corporations Act* is omitted from this Prospectus (having regard to section 713 *Corporations Act*);
- (20) **market conditions:** any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or in the international financial markets or any material adverse change occurs in national or international political, financial or economic conditions, in each case the effect of which is that, in the reasonable opinion of the Underwriter reached in good faith after consultation with the Company, it is impracticable to market the Offer or to enforce contracts to issue, allot or transfer the Shares or that the success of the Offer is likely to be adversely affected;
- (21) **supplementary prospectus:** the Company lodges a Supplementary Prospectus without the consent of the Underwriter or fails to lodge a Supplementary Prospectus in a form acceptable to the Underwriter in circumstances where the Underwriter reasonably believes that the Company is prohibited by section 728(1) *Corporations Act* from offering New Shares under this Prospectus;
- (22) **disclosures in Due Diligence Report:** any information supplied by or on behalf of the Company to the Underwriter in relation to the Group or the Offer as part of the due diligence process or becomes materially misleading or deceptive;
- (23) **material contracts:** termination (other than those that terminate due to the effluxion of time) or a material amendment of any material contract of the Company in both cases which have a material adverse effect on the Company;
- (24) **ASX quotation:** if reasonable grounds exist for the Underwriter to believe that any ASX conditions affecting the ASX in giving final approval to quotation of the underwritten New Shares will not be completed, fulfilled or waived by ASX so as to result in the underwritten New Shares being not granted official quotation by the date stipulated in the timetable.
- (25) **hostilities:** hostilities political or civil unrest not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities, political or civil unrest occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, any member state of the European Union, Japan, Indonesia, Singapore, Malaysia, Hong Kong, North Korea or the Peoples Republic of China or a significant terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (26) **general trading suspensions:** trading in securities generally has been suspended or materially limited, for at least one trading day, by any of the New York Stock Exchange, the London Stock Exchange or the ASX;
- (27) **change in management:** a change in the board of Directors of the Company occurs;
- (28) **legal proceedings and offence by Directors:** any of the following occurs:

Prospectus

- (A) material legal proceedings are commenced against the Company; or
 - (B) any Director is disqualified from managing a corporation under section 206A *Corporations Act*; or
- (29) **change to constitution:** other than as contemplated by this Prospectus, prior to the allotment of New Shares, a change to the constitution of the Company or the Company's capital structure occurs without the prior written consent of the Underwriter;
- (30) **compliance with regulatory requirements:** a material contravention by the Company or any entity in the Group of the *Corporations Act*, the Listing Rules, its constitution or any other applicable law or regulation;
- (31) **Prospectus to comply:** this Prospectus or any aspect of the Offer does not materially comply with the *Corporations Act*, the Listing Rules or any other applicable law or regulation;
- (32) **notifications:** any of the following notifications are made:
- (A) ASIC gives notice of an intention to hold a hearing under section 739(2) *Corporations Act* or issues an order under sections 739(1) or (3) *Corporations Act*;
 - (B) an application is made by ASIC for an order under Part 9.5 *Corporations Act* in relation to this Prospectus or ASIC commences any investigation or hearing under Part 3 *Australian Securities and Investments Commission Act 2001 (Cth)* in relation to the Short Form Prospectus;
 - (C) any person gives a notice under section 733(3) *Corporations Act* or any person who has previously consented to the inclusion of their name in this Prospectus (or any Supplementary Short Form Prospectus) or to be named in this Prospectus withdraws their consent after lodgement;
 - (D) the Company or an entity in the Group issues a public statement concerning the Offer which has not been approved by the Underwriter; or
- (33) **breach:** the Company breaches any of their material obligations under the underwriting agreement;
- (34) **representations and warranties:** any representation or warranty contained in the underwriting agreement on the part of the Company is breached or becomes false, misleading or incorrect to a material extent;
- (35) **prescribed occurrence:** an event specified in section 652C(1) or section 652C(2) *Corporations Act*, but replacing 'target' with 'Company'; or
- (36) **timetable:** an event specified in the timetable is delayed for more than 3 Business Days other than as the result of actions taken by the Underwriter or due to requirements of ASX (unless those actions were requested by the Company) or the actions of the Company (where those actions were taken with the Underwriter's prior consent).
- (37) **change in laws:** any of the following occurs which does or is likely to prohibit, materially restrict or regulate the Offer or materially reduce the likely level of

Prospectus

valid applications or materially affects the financial position of the Company or has a material adverse effect of the success of the Offer:

- (A) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia; or
 - (B) the public announcement of prospective legislation or policy by the Federal Government or the Government of any State or Territory or the Reserve Bank of Australia; or
 - (C) the adoption by ASX or their respective delegates of any regulations or policy;
- (38) **failure to comply:** the Company or any related body corporate of the Company fails to comply with any of the following:
- (A) a provision of its Constitution;
 - (B) any statute;
 - (C) the Listing Rules;
 - (D) a requirement, order or request made by or on behalf of the ASIC, the ASX or any Governmental Agency; or
 - (E) any agreement entered into by it;
- (39) **Prospectus**
- (A) in the Underwriter's reasonable opinion:
 - there has been a significant change affecting any matter included in this Prospectus; or
 - a significant new matter has arisen the inclusion in this Prospectus of information about which would have been required to be in this Prospectus if the matter had arisen when this Prospectus was prepared;
 - (B) the Company informs the Underwriter of any change, information or deficiency in this Prospectus, or lodges a Supplementary Prospectus.
- (40) **due diligence:** there is a material omission from the results of the due diligence investigation performed in respect of the Company or the verification material or the results of the due diligence investigation or the verification material are false or misleading.

The Underwriters' right to terminate their respective Underwriting Agreement are subject to the following:

- (a) if a notice is given in respect of a matter specified in paragraphs (19) to (40) above and such event is capable of remedy by the Company that notice shall be of no force or effect if the event is remedied by the Company within five Business Days after the notice is given. This shall not prejudice the right of the Underwriter to give a notice in respect of any other event which may have occurred, or which occurs subsequently;
- (b) the Underwriter may continue to underwrite the Offer after the happening of any one or more of the events set out above, at its sole discretion. In doing so, the Underwriter

Prospectus

may reserve its rights to terminate the Underwriting Agreement upon the provision of written notice to the Company which notice shall have immediate effect.

7.5 Limitation on foreign ownership

The Foreign Acquisitions and Takeovers Act (**the FATA**) places limitations on the rights of non-Australian residents to hold or vote the shares of an Australian company. The FATA regulates acquisitions giving rise to ownership of substantial amounts of a company's shares. The FATA prohibits:

- (a) any natural person not ordinarily resident in Australia; or
- (b) any corporation in which either a natural person not ordinarily resident in Australia or a foreign corporation (as defined in the FATA) holds a substantial interest (defined below); or
- (c) two or more such persons or corporations which hold an aggregate substantial interest (defined below),

from entering into an agreement to acquire shares if after the acquisition such person or corporation would hold a substantial interest in a corporation, without first applying in the prescribed form for approval thereof by the Australian Treasurer and receiving such approval or receiving no response in the 40 days after such application was made.

A holder will be deemed to hold a substantial interest in a corporation if the holder alone or together with any associates (as defined in the FATA) is in a position to control not less than 15 percent of the voting power in the corporation or holds interests in not less than 15% of the issued shares in that corporation. Two or more holders hold an aggregate substantial interest in a corporation if they, together with any associates (as so defined), are in a position to control not less than 40% of the voting power in that corporation or hold not less than 40 % of the issued shares in that corporation.

The Constitution of the Company contains no limitations on a non-resident's right to hold or vote the Company's Shares.

7.6 Subsequent events

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

- (a) the operations of the Company,
- (b) the results of those operations; or
- (c) the state of affairs of the Company.

7.7 Litigation

The Company is not engaged in any litigation which has or would be likely to have a material adverse effect on either the Company or its business.

7.8 Interests of experts and advisers

This section applies to persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, promoters of the Company and stockbrokers or arrangers (but not sub-underwriters) to the Offer (collectively **Prescribed Persons**).

Prospectus

Other than as set out below or elsewhere in this Prospectus, no Prescribed Person has, or has had in the last 2 years, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offer; or
- (c) the Offer of New Shares under this Prospectus.

Other than that as set out below or elsewhere in this Prospectus, no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with the:

- (a) formation or promotion of the Company; or
- (b) offer of New Shares under this Prospectus.

Samuel Capital Pty Ltd is one of the Underwriters to the Offer, in respect of which they are entitled to receive fees and commission under their respective Underwriting Agreement as set out in Section 7.4 above.

Bizzell Capital Partners Pty Ltd is one of the Underwriters to the Offer, in respect of which they are entitled to receive fees and commission under their respective Underwriting Agreement as set out in Section 7.4 above.

ABN AMRO Morgans Corporate Limited is one of the Underwriters to the Offer, in respect of which they are entitled to receive fees and commission under their respective Underwriting Agreement as set out in Section 7.4 above. In addition, ABN AMRO Morgans Corporate Limited assisted the Company with the Institutional Placement and for which ABN AMRO Morgans Corporate Limited was paid a fee of \$100,000 by the Company.

Wilson HTM Corporate Finance Limited is one of the Underwriters to the Offer, in respect of which they are entitled to receive fees and commission under their respective Underwriting Agreement as set out in Section 7.4 above. In addition, Wilson HTM Corporate Finance Limited assisted the Company with the Institutional Placement and for which Wilson HTM Corporate Finance Limited was paid a fee of \$100,000 by the Company.

HopgoodGanim Lawyers are acting as solicitors to the Offer and has performed work in relation to the Prospectus. In doing so, HopgoodGanim Lawyers have placed reasonable reliance upon information provided to them by the Company. HopgoodGanim Lawyers does not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately \$80,000 (excluding disbursements and GST) to HopgoodGanim Lawyers. Further amounts may be paid to HopgoodGanim Lawyers in accordance with its normal time based charges.

7.9 Expenses of the offer

All expenses connected with the Offer are being borne by the Company. Total expenses of the Offer are estimated to be in the order of \$ 690,414 (including \$454,410 of expenses payable in cash and a charge of \$236,004 to Reserves for the issue of Underwriters Options, subject to Shareholder approval).

7.10 Consents and disclaimers

Written consents to the issue of this Prospectus have been given and at the time of this Prospectus have not been withdrawn by the following parties:

Prospectus

Link Market Services Limited has given and has not withdrawn its consent to be named in this Prospectus as the share registry of the Company in the form and context in which it is named. It has had no involvement in the preparation of any part of this Prospectus other than recording its name as share registrar to the Company. It takes no responsibility for any part of the Prospectus other than the references to its name.

Samuel Capital Pty has given and has not withdrawn its consent to be named in this Prospectus as an Underwriter in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.

Bizzell Capital Partners Pty has given and has not withdrawn its consent to be named in this Prospectus as an Underwriter in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.

ABN AMRO Morgans Corporate Limited has given and has not withdrawn its consent to be named in this Prospectus as an Underwriter in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.

Wilson HTM Corporate Finance Limited has given and has not withdrawn its consent to be named in this Prospectus as an Underwriter in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.

HopgoodGanim Lawyers has given and has not withdrawn its consent to be named in this Prospectus as lawyers to the Offer in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.

BDO Kendalls (QLD) has given and has not withdrawn its consent to be named as auditors in the Prospectus in the form and context in which it is named. It takes no responsibility for any part of this Prospectus other than references to its name.

MHA Petroleum Consultants, LLC has given and has not withdrawn its consent to be named in this Prospectus in the form and context in which it is named. It takes no responsibility for any part of this Prospectus other than references to its name.

7.11 Directors' statement

This Prospectus is issued by Bow Energy Ltd. Each director has consented to the lodgement of the Prospectus with ASIC.

Signed on the date of this Prospectus on behalf of Bow Energy Ltd by



Ron Prefontaine
Managing Director



Stephen Bizzell
Non-Executive Director



Nicholas Mather
Non-Executive Director

Prospectus

8. Definitions & glossary

Terms and abbreviations used in this Prospectus have the following meaning:

1P Reserves	The proved reserves as defined by the Society of Petroleum Engineers.
2P Reserves	The sum of proved reserves plus probable reserves, as defined by the Society of Petroleum Engineers.
3P Reserves	The sum of proved reserves plus probable reserves plus possible reserves, as defined by the Society of Petroleum Engineers.
Acceptance	An acceptance of Entitlements
Acceptance Monies	The Offer Price multiplied by the number of New Shares accepted for
Additional Shares	Those New Shares which are issued under the Offer a result of the exercise of current Existing Vested Options, totalling a maximum of 2,727,778 shares.
Applicant	A person who submits an Entitlement and Acceptance Form
ASIC	Australian Securities & Investments Commission
ASX	ASX Limited
ASX Approval	The ASX agreeing to quoting of the New Shares issued under this Prospectus on the official list of the ASX
ATP	Authority to Prospect
Board	The board of directors of Bow
BOPD	Barrels of oil per day
Bow CSG Pty Ltd	Bow CSG Pty Ltd ACN 117 156 742, a wholly owned subsidiary of Bow
Business Day	A day, other than a Saturday or Sunday, on which banks are open for general banking business in Brisbane
Closing Date	The date by which valid acceptances must be received by the Share Registrar being 7 April 2009 or such other date determined by the Board and the Underwriter

Prospectus

Company or Bow	Bow Energy Ltd ACN 111 019 857
Constitution	The Constitution of the Company
Corporations Act	<i>Corporations Act 2001 (Cth)</i>
CSG	Coal Seam Gas, also known as coal bed methane (CBM), or coal seam methane (CSM) or natural gas contained within coals
Desktop Study	Geological studies performed in a project area which integrates the known and relevant geological data in the project area including coal, CSG and conventional petroleum well data to determine coal thickness, coal continuity and coal depths for each targeted coal measure as required for gas reserves estimates
Directors or Board	The board of directors of Bow from time to time
Eligible Shareholder	A shareholder of the Company that holds Shares in the Company on the Record Date
Entitlement and Acceptance Form or Form	An entitlement and acceptance form in the form accompanying this Prospectus
Entitlements	The entitlement to accept New Shares under this Prospectus
Existing Options	All existing options to subscribe for Shares currently on issue as at the date of this Prospectus
Existing Vested Options	Those Existing Options which have vested in the option holder and are capable of exercise prior to the Record Date
Hard Copy Prospectus	Paper version of this Prospectus
Institutional Placement	The issue by the Company on 23 February 2009 of 22,500,000 fully paid ordinary shares to institutional and sophisticated investors at an issue price \$0.27 each to raise \$6,075,000
Km	Kilometre
Km²	Square Kilometre
Law	The Corporations Act or any relevant and applicable law in Australia
Listing Rules	The official listing rules of the ASX

Prospectus

Material Contracts	The material agreement referred to in this Prospectus namely the Underwriting Agreement
New Shares	The Shares offered under this Prospectus
Ocellaris Oil Pty Ltd	Ocellaris Oil Pty Ltd ACN 009 646 691, a wholly owned subsidiary of Bow
Offer	The issue of New Shares in accordance with this Prospectus
Offer Price	\$0.27 cents for each New Share applied for
Official List	The official list of entities that ASX has admitted and not removed
Official Quotation	Quotation on the Official List
Online Prospectus	The electronic version of this Prospectus which can be viewed at www.bowenergy.com.au .
Opening Date	The date of commencement of the Offer in respect of the Preference Shares, expected to be 19 March 2009
Option Holders	The holders of the Existing Options
Options	Options on issue in Bow from time to time
Petajoule (PJ)	Measure of energy and is equal to one million gigajoules
Prospectus	This prospectus dated 5 March 2009 as modified or varied by any supplementary prospectus made by the Company and lodged with the ASIC from time to time and any electronic copy of this prospectus and supplementary prospectus
Record Date	13 March 2009
Register	Company register of Bow
Reserve Certification	Process carried out by a qualified third party to independently verify gas reserves. May also advise on work programs which may be required to certify reserves. MHA has been engaged as advisers and reserve certifiers for the Company's Bowen Basin and Surat Basin CSG projects. MHA has carried out reserve certifications for other Queensland based CSG companies including Arrow Energy, Pure Energy and Sunshine Gas (now BG Group).
Roma CBM Pty Ltd	Roma CBM Pty Ltd ACN 126 031 347, a wholly owned subsidiary of Bow

Prospectus

Securities	Has the same meaning as in Section 92 of the Corporations Act
Sequoil Pty Ltd	Sequoil Pty Ltd ACN 065 683 641, a wholly owned subsidiary of Bow
Share Registry	Link Market Services Limited
Shares	The ordinary shares on issue in Bow from time to time
Shareholders	The holders of Shares from time to time
Shortfall	Those New Shares for which the Entitlement lapses
Underwriter Options	a total of 9,833,488 options to subscribe for ordinary shares in the Company exercisable at \$0.50 each on or before 7 November 2011 which, subject to shareholder approval, will be issued to the Underwriters in accordance with the terms of the Underwriting Agreements.
Underwriters	Samuel Capital Pty Ltd, Bizzell Capital Partners Pty Ltd, ABN AMRO Morgans Corporate Limited and Wilson HTM Corporate Finance Limited (see Corporate Directory)
Underwriting Agreements	The agreements between Samuel Capital Pty Ltd, Bizzell Capital Partners Pty Ltd, ABN AMRO Morgans Corporate Limited and Wilson HTM Corporate Finance Limited and the Company summarised in Section 7.4

Prospectus

Appendix A

(ASX Announcements)

Date	Title of Announcement
02/07/2008	Bow to participate in two oil exploration wells this month
02/07/2008	Bow appoints Senior Executives
08/07/2008	Hudson-1 Spuds in Cooper Eromanga Basin Joint Venture
08/07/2008	MOS: Weekly Drilling Update
09/07/2008	Takeover Offer Presentation
09/07/2008	Intention to Make Takeover Bid
10/07/2008	Change of Director`s Interest Notice
10/07/2008	RPM: Intention to Make Takeover Bid
11/07/2008	Change of Director`s Interest Notice
11/07/2008	RPM: Revised Takeover Offer for Roma Petroleum NL
11/07/2008	Operations Update
11/07/2008	Becoming a substantial holder for RPM
14/07/2008	VPE:Orallo South-1 Coal Seam Gas Drill Update Don Juan CSG
14/07/2008	Operations Update
15/07/2008	RPM: Response to Takeover Offers by QGC and BOW
15/07/2008	Operations Update – Jawsone-1 Spuds
15/07/2008	MOS: Weekly Drilling Update 15 July 2008
16/07/2008	RPM: Supplementary Target`s Statement
16/07/2008	Operations Update
17/07/2008	Letter to Roma shareholders
17/07/2008	Operations Update
18/07/2008	Operations Update
21/07/2008	Operations Update
23/07/2008	VPE: Orallo South-1 Coal Seam Gas Weekly Drilling Update
29/07/2008	Bidder`s Statement
30/07/2008	Change of Director`s Interest Notice
30/07/2008	Bow planning to drill high potential coal seam gas area
30/07/2008	Quarterly Cashflow Report
30/07/2008	Quarterly Activities Report
31/07/2008	RPM: Roma Response to Lodgement of Bidders Statement
31/07/2008	Bow letter to Roma Shareholders
01/08/2008	VPE: Don Juan Coal Seam Gas Project Weekly Drilling Update
01/08/2008	Operations Update
04/08/2008	Appendix 3B
05/08/2008	Replacement Appendix 3B

Prospectus

Date	Title of Announcement
05/08/2008	Change in substantial holding for RPM
07/08/2008	Bow to issue replacement Bidders Statement
07/08/2008	Change of Director`s Interest Notice
08/08/2008	VPE: Don Juan Coal Seam Gas Project Weekly Drilling Update
08/08/2008	Operations Update – correction to total depth
08/08/2008	Operations Update
15/08/2008	Replacement Bidder`s Statement
15/08/2008	Operations Update
18/08/2008	VPE: Don Juan Coal Seam Gas Project Weekly Drilling Update
22/08/2008	RPM: RPM Recommendation in respect of the Bow Offer
22/08/2008	Share Issue – Section 708A(5)(e) Notice
22/08/2008	Appendix 3B
22/08/2008	Testing of Cuisinier-1 oil well to commence
02/09/2008	Presentation to RIU Good Oil Conference
05/09/2008	Withdrawal of Bid for Roma Petroleum NL
09/09/2008	Appendix 3B
10/09/2008	Notice of change of interests of substantial holder for RPM
12/09/2008	Cuisinier-1 flows oil on test
19/09/2008	Appendix 3B
22/09/2008	Bow successful bidder on three very high potential CSG block
24/09/2008	Change of Director`s Interest Notice
24/09/2008	Change of Director`s Interest Notice
30/09/2008	Full Year Statutory Accounts
02/10/2008	Change of Director`s Interest Notice
06/10/2008	Change of Director`s Interest Notice
08/10/2008	Change of Director`s Interest Notice
10/10/2008	Change of Director`s Interest Notice
13/10/2008	Change of Director`s Interest Notice
14/10/2008	Bow accepts very high potential CSG blocks
14/10/2008	Video Presentation on Bow`s Strategy
15/10/2008	Share Issue – Section 708A(5)(e) Notice
15/10/2008	Appendix 3B
23/10/2008	Presentation to Coal Seam Methane World Australia 2008
29/10/2008	Quarterly Cashflow Report
29/10/2008	Quarterly Activities Report
30/10/2008	Employee Share Option Plan
30/10/2008	Notice of Annual General Meeting/Proxy Form
31/10/2008	Change of Director`s Interest Notice
27/11/2008	Don Juan CSG Project Update

Prospectus

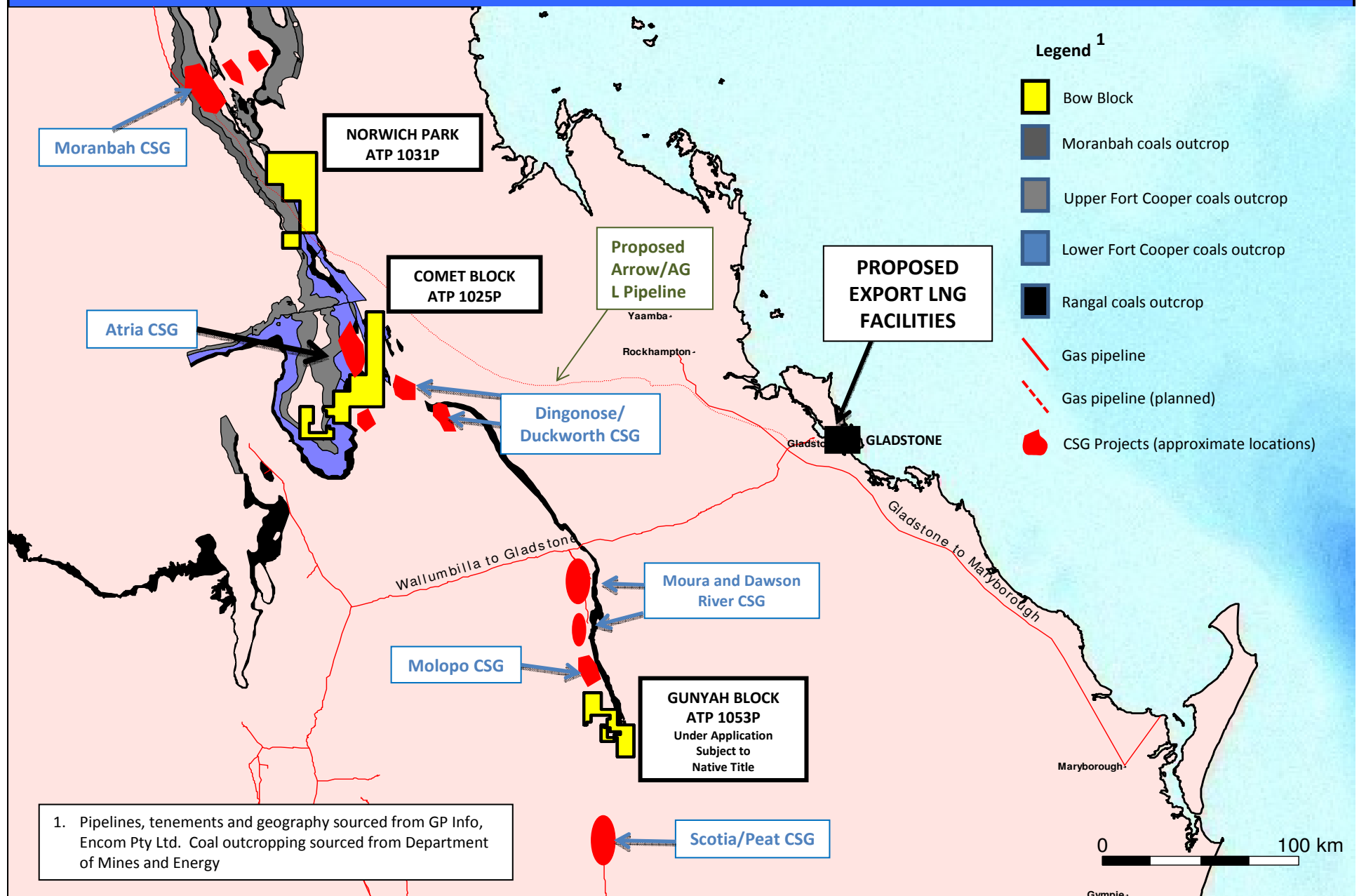
Date	Title of Announcement
28/11/2008	Results of Meeting
28/11/2008	VPE: Update on Don Juan CSG Project ATP 771P Surat Basin
28/11/2008	AGM Presentation to Shareholders
18/12/2008	Response to ASX Price Query
18/12/2008	Change of Director`s Interest Notice
18/12/2008	Change of Director`s Interest Notice
19/12/2008	Ceasing to be a substantial holder from OEX
24/12/2008	Change of Director`s Interest Notice
29/12/2008	Change of Director`s Interest Notice
12/01/2009	Becoming a substantial holder
12/01/2009	Change of Director`s Interest Notice
12/01/2009	Change of Director`s Interest Notice
16/01/2009	Canaway Ridge Coal Seam Gas Drilling Begins
28/01/2009	Update on Canaway Ridge Coal Seam Gas Drilling
30/01/2009	Quarterly Activities Report
30/01/2009	Quarterly Cashflow Report
30/01/2009	Bow Embarks on Bowen Basin CSG Reserves Certification
06/02/2009	Encouraging Results in First Canaway CSG Well
09/02/2009	VPE: Start of Drilling at Canaway Ridge CSG ATP 794P
13/02/2009	Trading Halt
16/02/2009	Appendix 3B
17/02/2009	VPE: Completion of Drilling Canaway Ridge CSG ATP 794P
17/02/2009	Investor Update and Capital Raising Presentation
17/02/2009	Second Canaway Ridge CSG well exceeds expectations
17/02/2009	Capital Raising Announcement
18/02/2009	Change of Director`s Interest Notice
18/02/2009	Change of Director`s Interest Notice
18/02/2009	Appendix 3B
19/02/2009	Appendix 3B
19/02/2009	Appendix 3B
23/02/2009	Share Issue – Section 708A Notice
26/02/2009	Bow to Expedite Reserves Certification Program
27/02/2009	Updated Rights Issue Timetable
27/02/2009	Notice to Option Holders
02/03/2009	Half Year Accounts
02/03/2009	Notice of General Meeting/Proxy Form
04/03/2009	192 PJ 3P Reserves Certified in the Don Juan CSG Project
04/03/2009	VPE:192 PJ 3P Reserves Certified in Don Juan CSG Surat Basin

Prospectus

Corporate Directory

Directors	Solicitors to the Offer	Auditors
<p>Ron Prefontaine, Managing Director Stephen Bizzell, Non-Executive Director Nicholas Mather, Non-Executive Director</p>	<p>HopgoodGanim Lawyers Level 8, Waterfront Place 1 Eagle Street Brisbane QLD 4000</p>	<p>BDO Kendalls (QLD) Level 18 300 Queen Street Brisbane QLD 4000</p>
Administration and Registered Office	Underwriters	Share Registry
<p>Bow Energy Ltd Level 5, Santos House 60 Edward Street Brisbane QLD 4000</p> <p>Phone: +61 7 3303 0675</p>	<p>Samuel Capital Pty Ltd Level 5, Santos House 60 Edward Street Brisbane QLD 4000</p> <p>Bizzell Capital Partners Pty Ltd Level 5, Santos House 60 Edward Street Brisbane QLD 4000</p> <p>ABN AMRO Morgans Corporate Limited Level 29, Riverside Centre 123 Eagle Street Brisbane QLD 4000</p> <p>Wilson HTM Corporate Finance Limited Level 38, Riparian Plaza 71 Eagle Street Brisbane QLD 4000</p>	<p>Link Market Services Limited Level 12 300 Queen Street Brisbane QLD 4000</p> <p>Phone: 1300 554 474</p>

Bowen Basin blocks offer CSG potential for planned LNG export facilities



1. Pipelines, tenements and geography sourced from GP Info, Encom Pty Ltd. Coal outcropping sourced from Department of Mines and Energy



Prospectus

Non-Renounceable Rights Issue

Registered Office and Principal Place of Business

Level 5, 60 Edward Street, Brisbane QLD 4000

Tel: (07) 3303 0675 Fax: (07) 3303 0651 Email: info@bowenergy.com.au Web: www.bowenergy.com.au

Share Register

Link Market Services Ltd

Level 12, 300 Queen Street, Brisbane QLD 4000

Phone: 1300 554 474 Web: www.linkmarketservices.com.au

SRN/HIN

Number of Shares held as at the Record Date, 7:00pm (AEDT) on 13 March 2009
Entitlement to New Shares (on a 1 New Share for every 6 Existing Shares basis)
Amount payable on full acceptance at A\$0.27 per New Share

Offer Closes 5:00pm (AEST): 7 April 2009

ENTITLEMENT AND ACCEPTANCE FORM

THIS ENTITLEMENT AND ACCEPTANCE FORM RELATES TO A NON-RENOUNCEABLE RIGHTS ISSUE OF NEW SHARES TO ELIGIBLE SHAREHOLDERS OF BOW ENERGY LTD.

As an Eligible Shareholder you are entitled to acquire 1 New Share for every 6 Existing Shares that you hold on the Record Date, at an Offer Price of A\$0.27 per New Share. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

IMPORTANT: The Offer is being made under the terms set out in the Prospectus. Before applying for New Shares, you should carefully read the Prospectus and this Entitlement and Acceptance Form.

If you have any queries concerning this Entitlement and Acceptance Form or your Entitlement, please call the Share Registry on 1300 554 474 (within Australia) or +61 2 8280 7454 (from outside Australia).

If you wish to take up all or part of your Entitlement, you have two options:

PAYMENT OPTIONS

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below.** Payment must be received via BPAY® before 5:00pm (AEST) on 7 April 2009. You should ensure that funds submitted through BPAY® are received before the Offer closes.

OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

If paying by cheque, bank draft or money order, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Share Registry before 5:00pm (AEST) on 7 April 2009.



Billers Code:
Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au
© Registered to BPAY Pty Ltd ABN 69 079 137 518

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

PLEASE DETACH AND ENCLOSE WITH PAYMENT

Pin
cheque(s)
here
(do not
staple)



SRN/HIN

A Number of New Shares accepted (being not more than your Entitlement shown above)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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B Payment amount (Multiply the number in section A by A\$0.27)

A\$

C PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS – Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to **“Bow Energy Ltd”** and crossed **“Not Negotiable”**.

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

D CONTACT DETAILS – Telephone number Telephone number – after hours Contact name

Bow Energy Ltd

The Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia, New Zealand or Hong Kong. In particular the Offer is not being made to any person in the U.S. or to a U.S. person. The Prospectus and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire New Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

ACCEPTANCE OF OFFER

By either returning the Entitlement and Acceptance Form with payment to the Share Registry, or making payment received by BPAY® by 5:00pm (AEST) on 7 April 2009:

- you agree to be bound by the terms of the Offer set out in the Prospectus; and
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Bow Energy Ltd.

HOW TO APPLY FOR NEW SHARES

1. IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: www.bpay.com.au

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.27.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

2. IF PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

B. Payment Amount

Enter into section B the total amount payable by you. To calculate the total amount multiply the number in Section A by A\$0.27.

C. Cheque, bank draft or money order details

Enter your cheque, bank draft or money order details in section C. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Bow Energy Ltd" and crossed "Not Negotiable". If you provide a cheque, bank draft or money order for the incorrect amount, Bow Energy Ltd may treat you as applying for as many New Shares as your cheque, bank draft or money order will pay for.

D. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Share Registry on 1300 554 474 (within Australia) or +61 2 8280 7454 (from outside Australia) between 8:30am and 5:00pm (AEST) Monday to Friday.

By accepting the Offer, you agree that Bow Energy Ltd's Share Registry, Link Market Services Limited, may disclose your personal information for purposes relating to your securityholding to its agents, related bodies corporate, contractors and service providers including printers and mailing houses and ASX and other regulatory authorities or as otherwise authorised under the Privacy Act.

3. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Prospectus electronically, your completed Entitlement and Acceptance Form with the payment for New Shares may be mailed to the postal address, or delivered by hand to the delivery address, set out below. **Your completed Entitlement and Acceptance Form and payment for New Shares must be received by the Share Registry no later than 5:00pm (AEST) on 7 April 2009. If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.**

Postal delivery

Bow Energy Ltd
C/- Link Market Services Limited
Locked Bag 3415
Brisbane QLD 4001

Hand delivery

Bow Energy Ltd
C/- Link Market Services Limited
Level 12, 300 Queen Street
Brisbane QLD 4000 *(Please do not use this address for mailing purposes)*

Entitlement and Acceptance Forms will NOT be accepted at Bow Energy Ltd's registered office or any branches.