



ASX Announcement

16 April 2009

Bow Expands and Accelerates Reserves Certification Programs

The Directors of Bow Energy Limited (Bow) are pleased to announce an expanded 2P reserve certification program on the Don Juan Coal Seam Gas (CSG) Project (Bow 55%) in the Surat Basin and accelerated reserve certification programs on the Comet Block, ATP 1025P (Bow 100%) and Norwich Park Block, ATP 1031P (Bow 100%) in the Bowen Basin, Queensland.

Don Juan CSG Project Surat Basin – Bow Expands 2P Testing Program

Recently Bow reported independently certified gross 3P reserves of 192 PJ (105 PJ net to Bow) in the Don Juan CSG field in the Surat Basin. Following this, reserve certifiers MHA Petroleum Consultants, LLC (MHA) advised Bow on an initial 2P testing program designed to certify 2P reserves and quantify the flow potential of the wells. Following excellent results of the initial Don Juan 2P testing program completed last week which indicated high coal permeabilities, Bow is now doubling the program from three to six wells with the objective of increasing the area from which 2P reserves may be converted from 3P reserves.

The original testing program was planned to test three coal-bearing intervals in each of the Carnarvon-2, Carnarvon-3 and Carnarvon-4 wells, located in the main focus area of the Don Juan project area. High coal permeabilities have been encountered in each of the initial three wells tested, prompting the Joint Venture to extend the testing program to include target coal intervals in the Taringa South-2, Taringa South-3 and Orallo North-2 wells. MHA's independent verification of the permeability tests on the initial three wells is expected to be completed within a month.

The Don Juan CSG Project is a joint venture between Bow, as Operator with 55% interest (Walloon Coal Measures only), and Victoria Petroleum having a 45% interest. The Don Juan CSG Field is located about 40 kilometres north of Roma in Queensland adjacent to and west of Sunshine Gas Ltd's (part of the British Gas Group) Lacerta CSG field. The Lacerta CSG field has certified gas reserves of 469 PJs of 2P and 1,097 PJs of 3P. Bow interprets the Don Juan CSG field to be a westerly extension of the Lacerta gas field.

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Bowen Basin CSG exploration and appraisal programs have Multiple Targets

As shown in figures below, Bow's 100% owned Comet (ATP 1025P) and Norwich Park (ATP 1031P) Blocks are located along proven CSG fairways in the Bowen Basin. The initial drilling programs on each of these blocks will target multiple coal seams within the Moranbah, Rangal and Fort Cooper Coal Measures.

Arrow Energy Ltd (Arrow) recently announced their first gas flows from the Fort Cooper Coal Measures in the Bowen Basin after hydro-fracking coals with permeability previously thought to be too low for gas production. They also reported high gas flow rates in excess of 1 million cubic feet per day from pilot wells in the Rangal Coal Measures in the South Walker CSG project located north of Bow's Norwich Park Block and, following these successes, are planning extensive appraisal and development in their areas of the Bowen Basin.

Comet Block (ATP 1025P) Bowen Basin – Drilling Program To Commence Shortly

Bow recently announced initial gas reserve certification by MHA of 174PJ of 3P reserves and 297PJ of 2C gas resources for the Rangal Coal Measures in part of the Comet Block. Bow is now scheduling up to an eight well coring program starting late April/early May 2009 over the greater Comet Block targeting both the Rangal and Fort Cooper Coal Measures with the objective of substantially increasing 3P reserves and upgrading 2C resource to 3P reserves.

Immediately east of the Comet Block, BG Group's Dingonose-Duckworth CSG Project has certified 1,213PJ of 3P reserves targeting both the Rangal and upper Fort Cooper Coal Measures. Adjacent to and immediately west of the Comet Block, BG Group's Atria CSG project has primarily targeted the lower Fort Cooper Coal Measures with this field interpreted to extend into Bow's Comet Block.

In conjunction with the 3P reserves certification program, Bow is planning production pilot drilling and completions which may include hydro-fracking, commencing early in the second half of 2009, aiming to achieve commercial gas flow rates and upgrade 3P to 2P reserves.

Norwich Park Block (ATP 1031P) Bowen Basin – Bow to mobilise second coring rig

The Norwich Park block is on trend with Arrow's Moranbah and South Walker CSG projects which have produced gas from the Moranbah, Rangal, and Fort Cooper Coal Measures. Bow plans to accelerate the exploration and appraisal drilling program on the Norwich Park block with an initial three core well program and is now sourcing an additional drilling rig with this program scheduled to commence in June 2009. The targets are multiple coal measures including Moranbah, Rangal and Fort Cooper Coal Measures with the initial objective of increasing Bow's current 3P reserves.

Managing Director, Ron Prefontaine commenting on Bow's accelerated CSG reserves certification programs stated, "As I have stated previously, our immediate plans are to aggressively pursue additional independent gas reserve certifications across our CSG portfolio through systematic appraisal and pilot programs. A successful expanded Don Juan CSG program would increase 2P reserves from our initial modest target while our Bowen Basin programs offer enormous CSG reserves potential.

The Bowen Basin is now recognised as having huge CSG resources with multiple coal measure targets, low associated water flow rates and is located in close proximity to planned LNG export facilities in Gladstone.

Recent potential commercial gas flow rates reported by other Bowen Basin operators in areas adjacent to and on trend with our Bowen Basin CSG projects have been achieved by multilateral drilling methods or hydro-fracking the coals. These excellent flow rates were from coals with permeabilities previously thought to be too low for commercial gas production.

I believe, along with others in the industry, that with continued exploration together with the application of new, improved drilling and completion methods, the huge untapped CSG resources known to exist in the Bowen Basin will offer massive long term gas supplies. Bow's plans to be a significant player in this CSG resource", Mr Prefontaine concluded.

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

Competent Person Statement - The estimates of gas reserves and resources for the Comet Block (ATP 1025P) and Don Juan CSG Field 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 over 28 years industry experience, and MHA have consented to the inclusion of the technical information contained in this announcement.

***CONTINGENT RESOURCES** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be subclassified based on project maturity and/or characterized by their economic status.

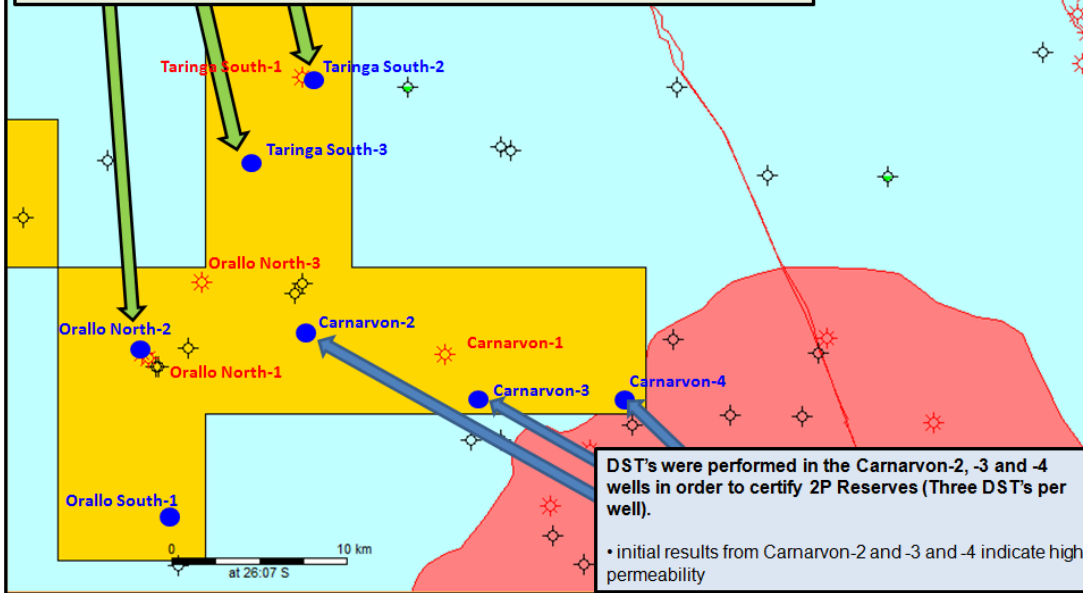
[Reference: Petroleum Resources Management System as sponsored by: Society of Petroleum Engineers (SPE), American Association of Petroleum Geologists (AAPG), World Petroleum Council (WPC), Society of Petroleum Evaluation Engineers (SPEE)]

ATP771P DON JUAN 2P TESTING PROGRAM

Bow Energy to add 3 additional wells to the Don Juan 2P testing program.

- Bow is proposing to perform DST's in the Taringa South-2, Taringa South-3 and Orallo North-2 wells (two DST's in TS-2, three DST's in TS-3 and ON-2)

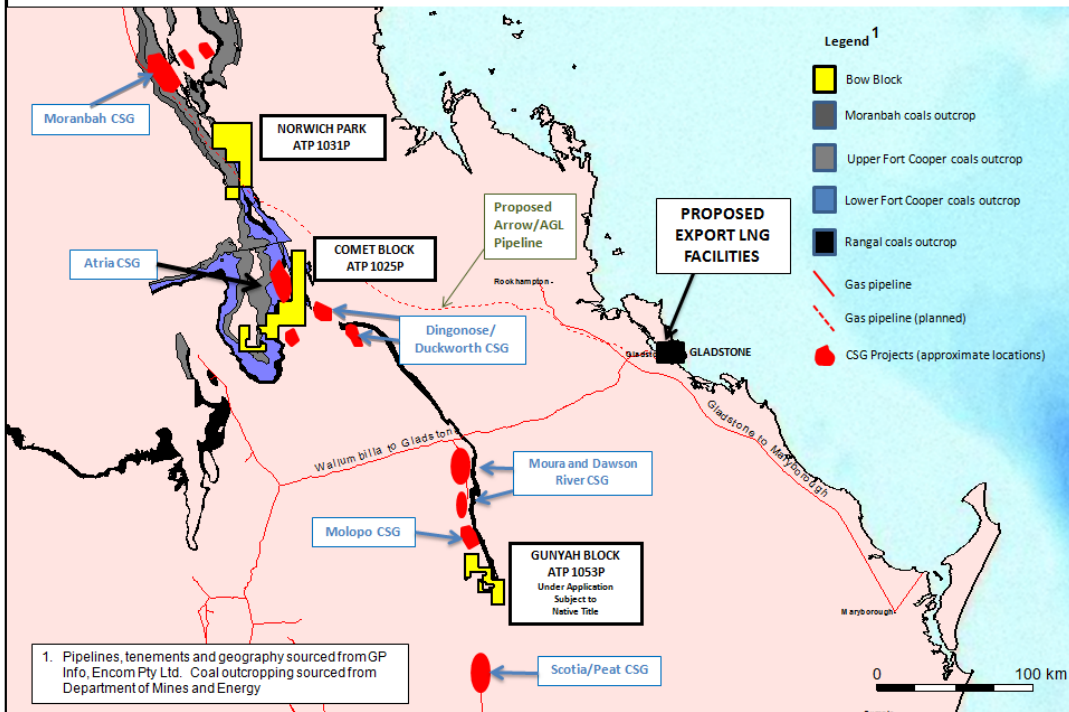
- It is Bow's view that pending positive results, this would allow additional 2P Reserves to be certified.



DST's were performed in the Carnarvon-2, -3 and -4 wells in order to certify 2P Reserves (Three DST's per well).

- initial results from Carnarvon-2 and -3 and -4 indicate high permeability

Bowen Basin blocks offer huge CSG potential for planned LNG export facilities in Gladstone



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

