



ASX Announcement

7 August 2009

BLACKWATER CSG FIELD ENCOURAGING DRILLING RESULTS CONTINUE

Bow Energy Limited (ASX: BOW) is pleased to provide a progress report on the initial results from the first six wells of the exploration drilling program in the Comet and Norwich Park Coal Seam Gas (CSG) blocks located in the west of Gladstone, Queensland.

Bow continues to focus drilling efforts on the Blackwater CSG Field with six core holes completed and two further core holes planned (BW-6 and BW-7 underway) to complete this initial core drilling program. Bow is then proposing a minimum of three pilot production wells.

Following completion of the core holes at the Blackwater CSG Field, the exploration drilling program will continue on the Comet Prospect (northern prospect within the Comet block ATP 1025P) with three core holes planned and then mobilise to the Norwich Park CSG block (ATP 1053P) where a minimum of seven core holes are planned over the next six months.

Blackwater CSG Field Drilling Update

- BW-5 drilling completed to depth of 626 metres. 18.7 metres of coal intersected including over 11 metres of coal in the Rangal Coal Measures. Drilling in this well terminated at the base of the Burngrove Coal Measures.
- BW-7 spudded on 2 August. Core drilling is underway at a current depth of 458 metres with an expected total depth of 780 metres, penetrating both the Rangal and Burngrove Coal Measures.
- The encouraging results to date of the first five core holes in Rangal Coal Measures are currently being assessed by Bow's independent gas reserves certifier. The deeper Burngrove Coal Measures will be assessed following completion of BW-5, BW-7 and a further core hole BW-6 planned in the southern part of the Blackwater Field.
- Bow is in the process of securing a high capacity rig to commence a pilot production program in the Blackwater CSG Field in September 2009.

Current Operations

- Depco rig DR28 drilling on BW-7
- Depco rig DR18 currently testing on BW-5

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Summary of Blackwater CSG Field

Well	Spud Date	Total Coal Intersected	Coal Depths	Current Status
BW-1	30 June	23 metres	370-695 metres	Core drilling and permeability testing completed. Depth of 723 metres. Permeability analysis underway.
BW-2	13 May	5.35 metres (upper Rangal only)	From 493 metres	Well suspended after hole instability due to highly fractured coals. Confirmed gas content in the range of 10-17m ³ /tonne in upper Rangal. Deeper seams were to be tested by BW-2A.
BW-2A	15 July	2.71 metres (upper Rangal only)	From 495 metres	Drilled to 517 metres and suspended after hole instability due to highly fractured coals. New well (BW-7) a further 750 metres north of BW-2A is underway
BW-3	25 June	25 metres	117-474 metres	Drilling completed to a depth of 530 metres. Permeability testing confirmed multiple permeable coal zones in both the Rangal and upper Fort Cooper Coal Measures. Gas observed desorbing from coals taken from 117 metres to 474 metres, indicating high gas saturation levels. Analysis underway.
BW-4	1 June	21 metres	202-400 metres	Drilling completed to a depth of 612 metres. Encouraging permeability results obtained with analysis underway.
BW-5	23 July	18.7 metres from Rangal and Burngrove only	385-585 metres	Drilling completed to a depth of 626 metres. Coring focussed on Rangal and Burngrove Coal Measure targets.
BW-7	2 August	n/a	n/a	Core drilling underway at current depth of 458 metres with an expected total depth of 750 metres.

* Gas contents are quoted as "Dry Ash Free" or DAF.

For and on behalf of the Board

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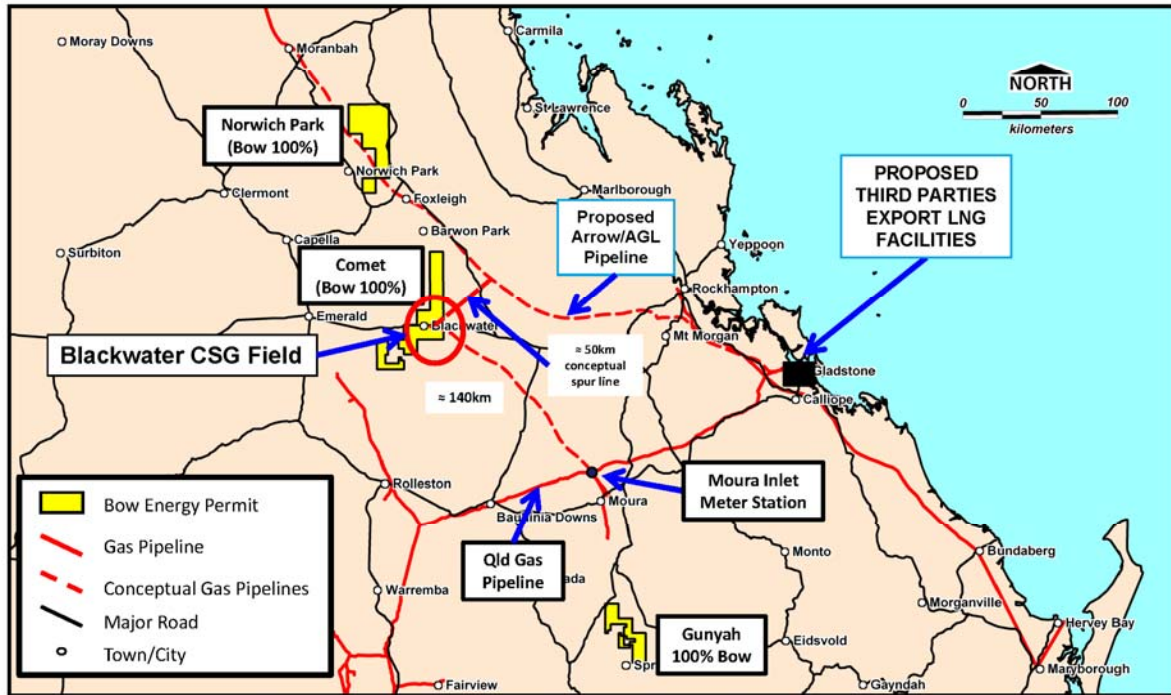
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The technical information contained herein is based on information compiled by the Company's Managing Director, Ron Prefontaine, who has more than 30 years experience in petroleum exploration.

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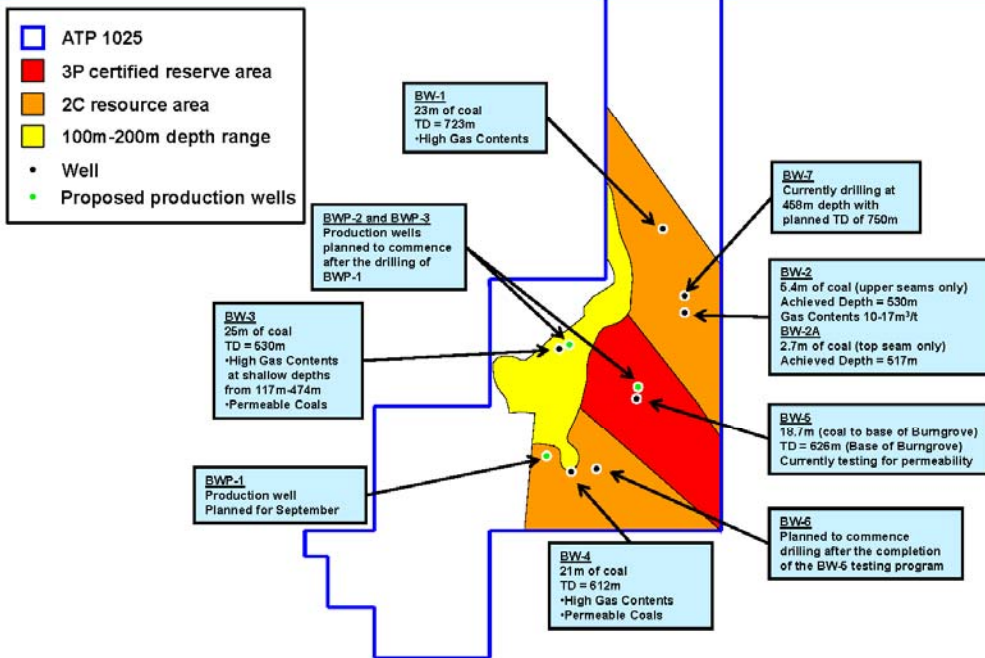
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A number of alternative routes to proposed export LNG facilities in Gladstone



ATP1025P - BLACKWATER CSG FIELD

Preliminary results submitted to MHA



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