



ASX Announcement

17 December 2009

Bow Increases end 2010 Reserves target by 45% to 2,750PJ

The Directors of Bow Energy Ltd (ASX:BOW) are pleased to announce that it has increased its end of year 2010 3P coal seam gas (CSG) reserves target to 2,750PJ, up 45% from the previous target of 1,900PJ.

With the 2009 drilling success in the Blackwater CSG Field and recent successful capital raisings which have provided in excess of \$95 million cash, Bow is scheduling up to 52 exploration, appraisal and production wells during 2010 over seven CSG projects in the Bowen and Surat Basins in Queensland. The proposed 2010 drilling program is a four-fold increase on Bow's 2009 successful CSG reserves drilling program. Bow has sourced at least three drilling rigs to complete these programs.

Bow's proposed 2010 drilling campaign and reserves upgrade timetable is summarised in the attached presentation as given at the 15 December 2009 EGM. Bow is still targeting end of year 2010 2P reserves of 450 PJ.

Commenting on the reserve target upgrade and the 52 well 2010 drilling program, Bow's CEO – Commercial, John De Stefani, said, "Our latest internal estimates indicate Bow's 100% owned Blackwater CSG field, where 1340 PJ of 3P reserves were certified this year, together with the adjacent Comet CSG field may contain in excess of 2,000 PJ of 3P gas reserves. This huge potential along with the gas potential of Bow's other CSG projects has not only allowed us to increase our end of 2010 reserve targets by 45% but should provide continuous staged reserves upgrades throughout 2010 and beyond".

Bow's Current Net Reserves and end of 2010 targets

Project	3P Reserves (PJ net to Bow)	2P Reserves (PJ net to Bow)	2010 Reserve Targets 3P/2P
Blackwater CSG Field (Comet Block)*	1,340	-	> 1500/200
Comet CSG Project (Comet Block)	-	-	> 500/100
Norwich Park Projects (3 prospects)	-	-	> 500/100
Don Juan Project (55%)	107	55	150/50
Gunyah Project	-	-	> 100/na
Total Reserves (net PJ to Bow)	1,447	55	2,750/450

* A further 378PJ of 2C resource was certified in the Rangal and Burngrove Coal Measures over the deeper part of the field located in the south eastern corner

ASX Code: BOW

For and on behalf of the Board

Duncan Cornish
Company Secretary
Bow Energy Ltd

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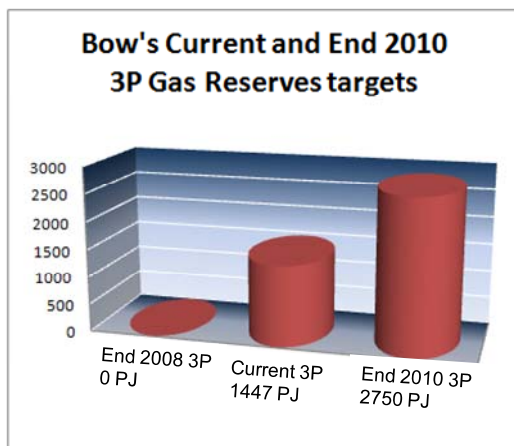
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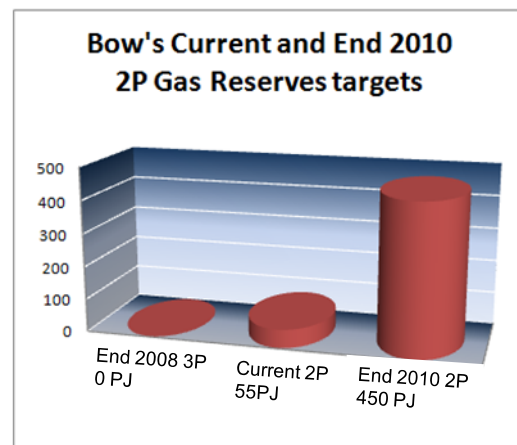
Summary of Bow's Current and End of 2010 Gas Reserve Targets



Gas reserves upgrades are expected to continue



2X increase to 2750 PJ of 3P
(up 45% from previous target of 1900 PJ)



8X increase to 450 PJ of 2P

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.

Competent Person Statement - The estimates of gas reserve 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 in the form and context in which it appears.

***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)]

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