



ASX Announcement

15 January 2010

Bow to Commence 2010 Reserves Upgrades and Production Drilling Programs

The Directors of Bow Energy Ltd (ASX:BOW) are pleased to announce that following a delay due to recent heavy rainfalls within its operational areas in Queensland, Bow will commence its 2010 coal seam gas exploration, appraisal and production drilling programs of up to 52 wells early next week. Bow's reserves targets for the end of 2010 are 2,750PJ of 3P and 450 PJ of 2P increasing from the current 1447 PJ of 3P and 55 PJ of 2P. Bow has sourced three drilling rigs to complete these programs.

The long term lead items for Bow's 100% Blackwater 30 Mw power station have been ordered and the approvals processes have commenced.

The drilling programs and power station are fully funded after successful capital raisings which have provided in excess of \$95 million cash.

Bow is currently in negotiations for a number of gas offtake agreements with potential customers and is targeting firm pathways to gas sales in excess of 30 PJ per annum by the end of 2010.

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

ASX Code: BOW

Drilling Program	2010				2011	BOW ENERGY'S END OF 2010 TARGET
	1 st Quarter (Jan-Mar)	2 nd Quarter (Apr-Jun)	3 rd Quarter (Jul-Sep)	4 th Quarter (Oct-Dec)	1 st Quarter (Jan-Mar)	
1P Program 12 production pilot in Blackwater CSG Field	Drilling/Completions		Pumping/Testing	Connection		To supply up to 2PJ/annum to Blackwater Power Station
2P Program 17 additional test wells in the Blackwater CSG Field 10 additional test wells subject to 3P drilling	Drilling/Completions		Pumping/Testing			450 PJ of 2P Reserves
3P Program Total of 13 core holes across entire CSG portfolio	Coal thickness, Gas Contents and Saturations					2750 PJ of 3P Reserves
Blackwater 30MW Power Station	Approvals		Construction			Expected completion late 2010/ early 2011
END 2010 TOTAL RESERVES (net to Bow)					450PJ 2P / 2750PJ 3P	

For and on behalf of the Board

Duncan Cornish
Company Secretary
Bow Energy Ltd

For further information contact:

John De Stefani
CEO - Commercial
Tel: +61 7 3303 0675

Ron Prefontaine
Managing Director
Tel: +61 7 3303 0675

Bow Energy Limited
ACN 111 019 857
Level 5, 60 Edward St
Brisbane QLD 4000
Tel: +61 7 3303 0675 Fax: +61 7 3303 0651
Website: www.bowenergy.com.au

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.

ASX Code: BOW