



# Bow Energy Ltd (ASX:BOW)

Annual General Meeting

John De Stefani

CEO

21 November 2011

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## Competent Person Statements

- **MHA** – The estimates of gas reserve and resources for the Blackwater Block (ATP 1025P), Comet Block (ATP 1025P) and Don Juan CSG Field (ATP 771P) have been prepared by 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 the form and context in which each such reference appears.
- **MBA** – The estimates of gas in place estimates for the Norwich Park (ATP 1031P), Gunyah Block (ATP 1053P) and Bandanna Project (ATP 805P) have been prepared by Mr Doug Barrenger of MBA. Mr Barrenger has more than 25 years of experience in the petroleum industry and 10 years of experience in the CSG industry and Mr Barrenger and MBA have consented to the inclusion of the technical information contained in the form and context in which each such reference appears.
- **NSAI** – The estimates of gas reserves and resources tabulated (ATP 1031P) have been prepared by Mr John Hattner of NSAI, Dallas, Texas, USA. Mr Hattner is a full-time employee of NSAI and is a person qualified to prepare information in relation to an entity's hydrocarbon reserves in accordance with the ASX Listing Rules. Mr Hattner and NSAI have consented to the use of the reserves and resource figures as contained in the form and context in which each such reference appears.
- **Bow** – Other technical information contained herein is based on information compiled by Bow's Chief Operating Officer, Mr Vic Palanyk, who has over 30 years' experience in the petroleum industry and 15 years in CSG.

# 2011 Review – Overview



- Challenging year with operations significantly disrupted from summer floods compounded by new and proposed changes to QLD government policy and regulatory conditions
- Bow did achieve growth in gas reserves:
  - 109% growth in 2P certified gas reserves
  - 17% growth in 3P certified gas reserves
  - Contingent resources by 189% to 2,521 PJ
- Subsequent to year end, Arrow Energy offer of \$1.52 per Bow share that is recommended by all Bow Directors and shareholder approval set for 21 December 2011

# Focus on Safety



- **Bow is committed to a safe and healthy workplace for all of its employees, consultants, service providers and site visitors**
- *One Lost Time Injury incurred for the year (Bow's LTIFR\* of 1.2 in line with industry standards)*
- *FY2011 has seen development of robust Health and Safety Procedures*
- *Development of comprehensive HSE training program for all Bow staff and key contractors*

\* LTIFR (Lost Time Injury Frequency Rate based on 200,000 man hours)

# 2011 Review – Operations



- Encouraging trends on pilot production wells at Blackwater CSG Field
- Drilling and appraisal activities in the Norwich Park block were significantly delayed due to lingering effects of the summer floods and complexities arising from the new Queensland Government Land Access Code
- Bowen Basin development progressed with EIS for upstream and midstream development options
- 30MW power station civil, construction, mechanical and electrical and pre-commissioning works have now been completed
- CSG industry subject to increasingly heightened public and government scrutiny over the potential impacts of CSG exploration and production
  - Includes strategic cropping, urban exclusion areas, and land access

# 2011 Review – Queensland Floods



*BWP 39 at Blackwater CSG Field*

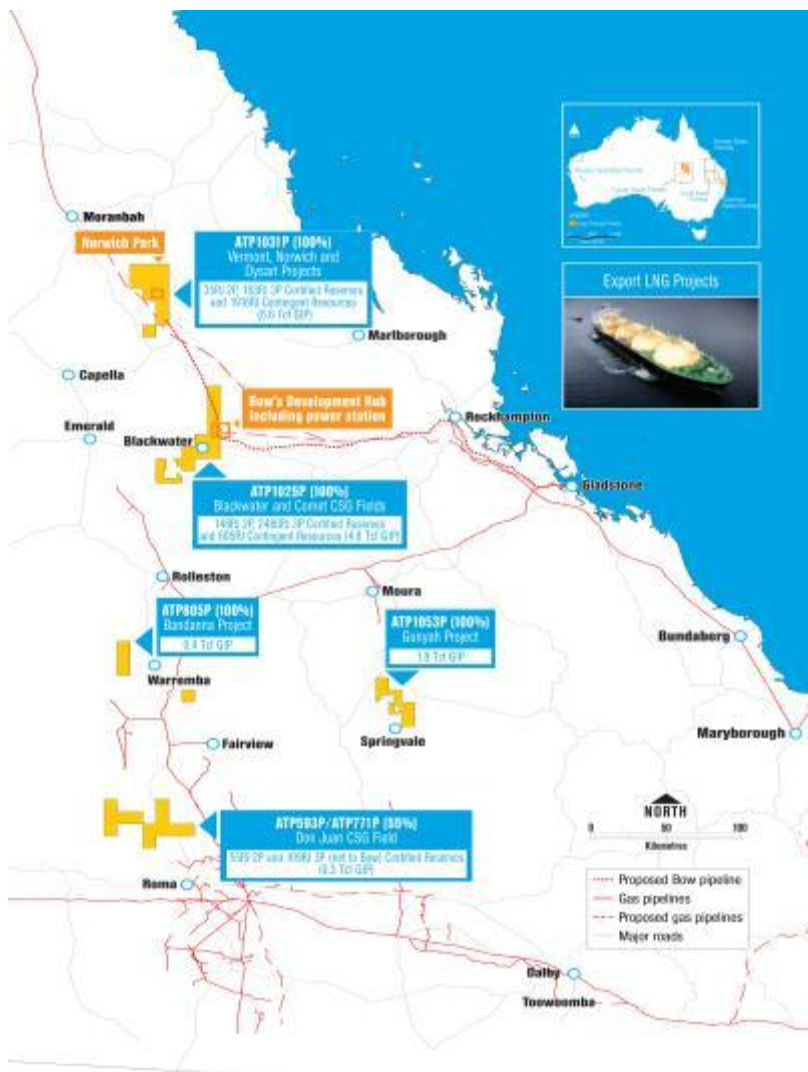


*Aerial view of flood Norwich Park tenement*



*Flooded river crossing*

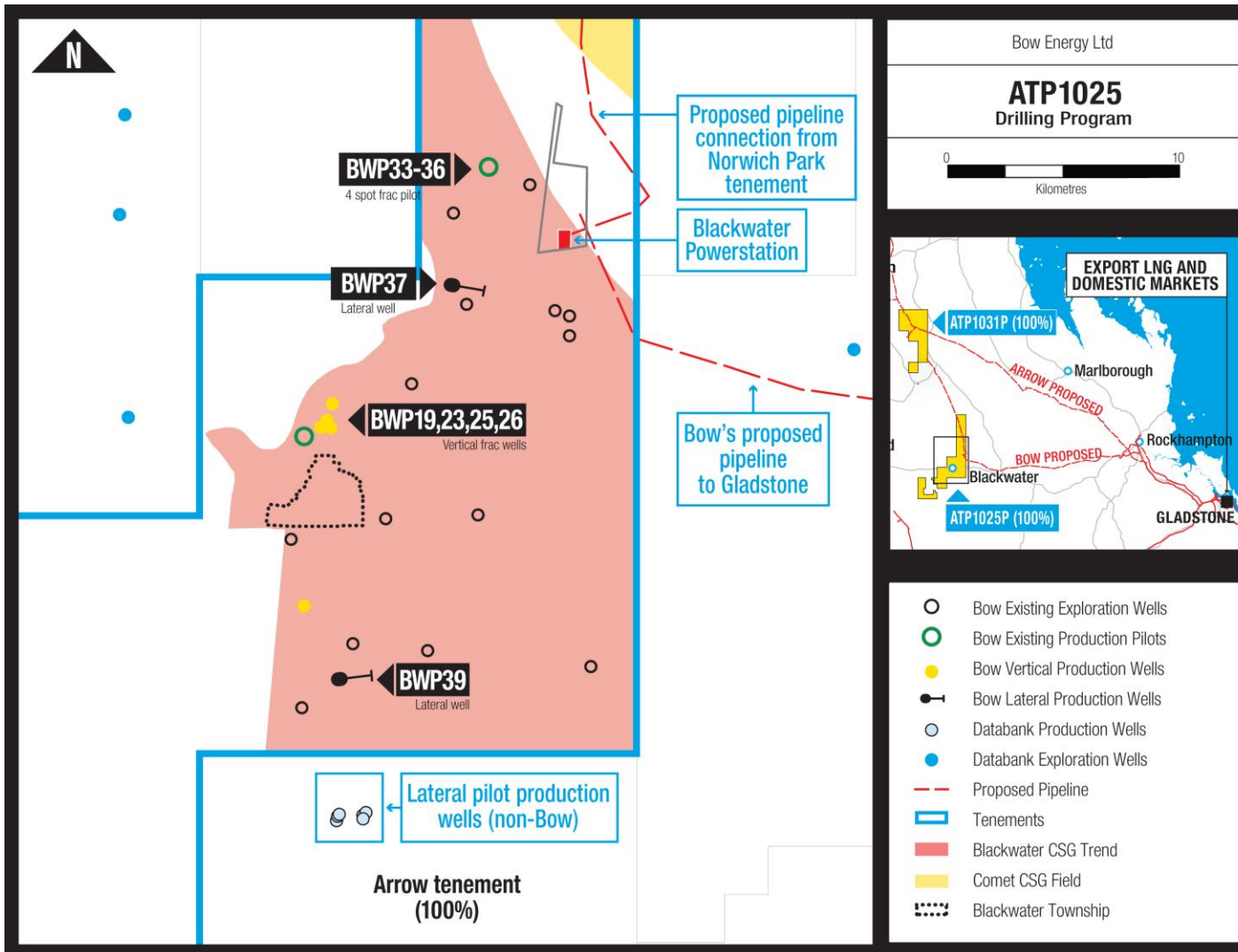
# Bow's substantial gas reserves are well located



- Bow's 100% CSG blocks in the Bowen Basin strategically located
- Bow has progressed EIS process for development approvals for CSG fields and pipeline to Gladstone

Project (all 100% unless stated otherwise)	Current Certified Reserves/Resources		
	Contingent Resources (PJ net to Bow)	3P Reserves (PJ net to Bow)	2P Reserves (PJ net to Bow)
Blackwater and Comet CSG Fields (ATP1025P)	605	2,480	148
Norwich Park (3 projects within ATP1031P)	1,916	163	35
Gonyah Project (ATP 1053)	-	-	-
Bandanna Project (ATP 805)	-	-	-
Don Juan Project (Bow 55%)	-	109	55
<b>Total Reserves (net PJ to Bow)</b>	<b>2,521</b>	<b>2,752</b>	<b>238</b>

# Multiple pilots in progress at Blackwater



**Blackwater**  
 – 100% Bow  
 2P of 148PJ  
 3P of 1,609PJ  
 2C of 166PJ

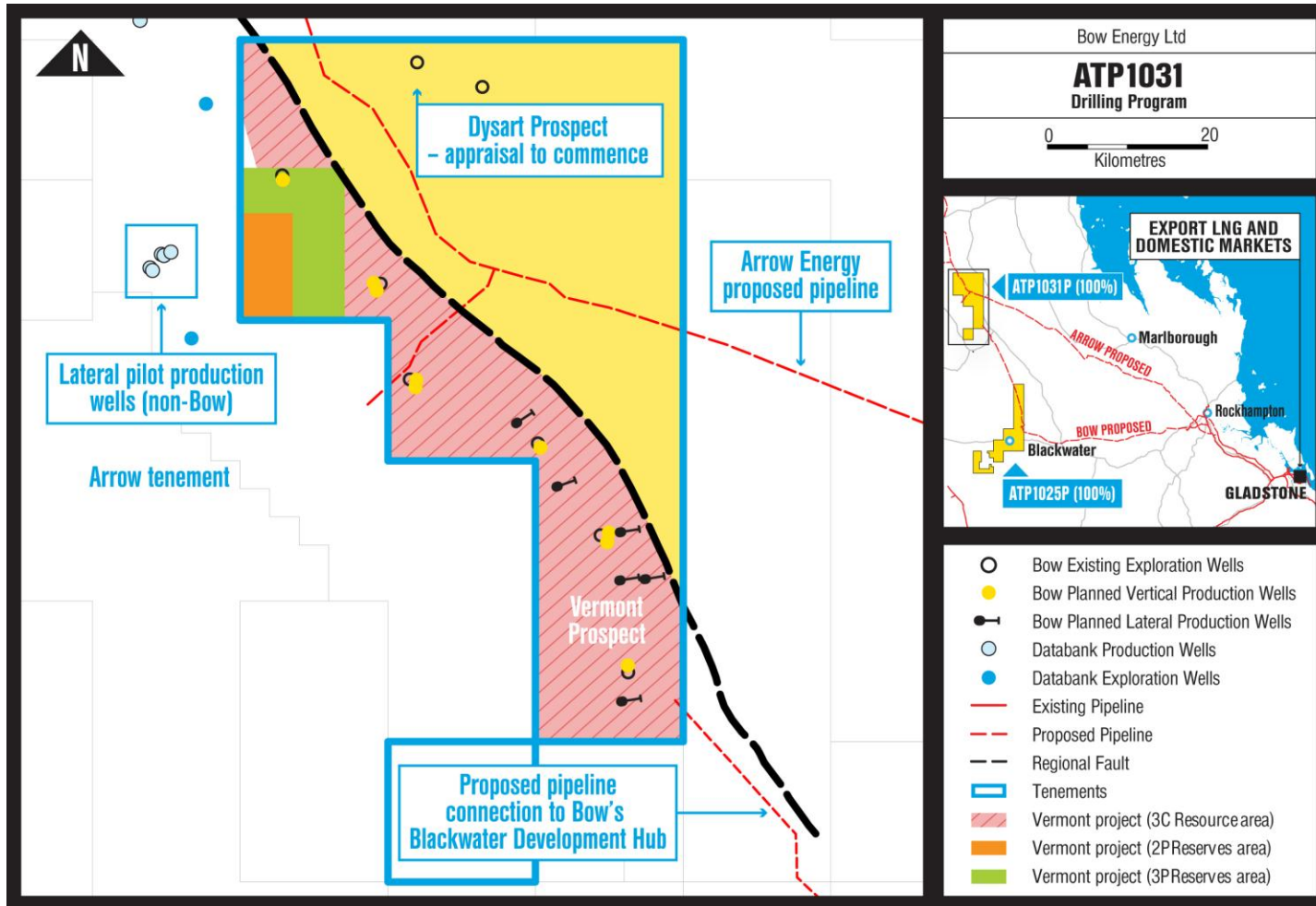
Certified in  
 Rangal and  
 Burngrove Coal  
 Seams

**Comet**  
 100% Bow

3P of 871PJ  
 2C of 439PJ

Certified in  
 Rangal and  
 Burngrove Coal  
 Seams

# Norwich Park CSG tenement



**Norwich Park**  
 - 100% Bow  
 2P of 35 PJ  
 3P of 149 PJ  
 Contingent Resources of 1,916 PJ  
 Gas in Place of over 6.6 Tcf

# Focus on Environment & Community



- **Bow is committed to minimal environmental impact and to fostering strong relationships with the communities in which we operate**
- A recent routine inspection by DERM found:
  - No evidence of environmental harm noted
  - Solid erosion and sediment control measures
  - Bow had demonstrated a strong commitment to rehabilitation
  - Bow had expended time and funds to ensuring infrastructure was well maintained
- Community partnerships:
  - Central Highlands Rugby Club
  - Central Highlands Regional Council Youth Development Week
  - Blackwater Indigenous Girls Touch Football Team
  - Blackwater Indigenous Boys Touch Football Team



# Timetable on Scheme pursuant to Arrow Proposal



<b>Scheme Booklet to be mailed to all Bow shareholders</b>	21 November 2011
<b>Scheme Meeting to vote on Scheme</b>	21 December 2011
<b>General Meeting to vote on Options Resolution</b>	21 December 2011
<b>Second court hearing to approve Scheme</b>	22 December 2011
<b>Expected record date for determination of entitlements to Scheme consideration</b>	4 January 2012
<b>Expected implementation date for Scheme</b>	11 January 2012

