



Bow Energy Ltd (ASX:BOW)

Developing substantial energy resources

John De Stefani – CEO
Queensland Gas Conference
August 2011

Disclaimer and Competent Expert



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Competent Person Statements

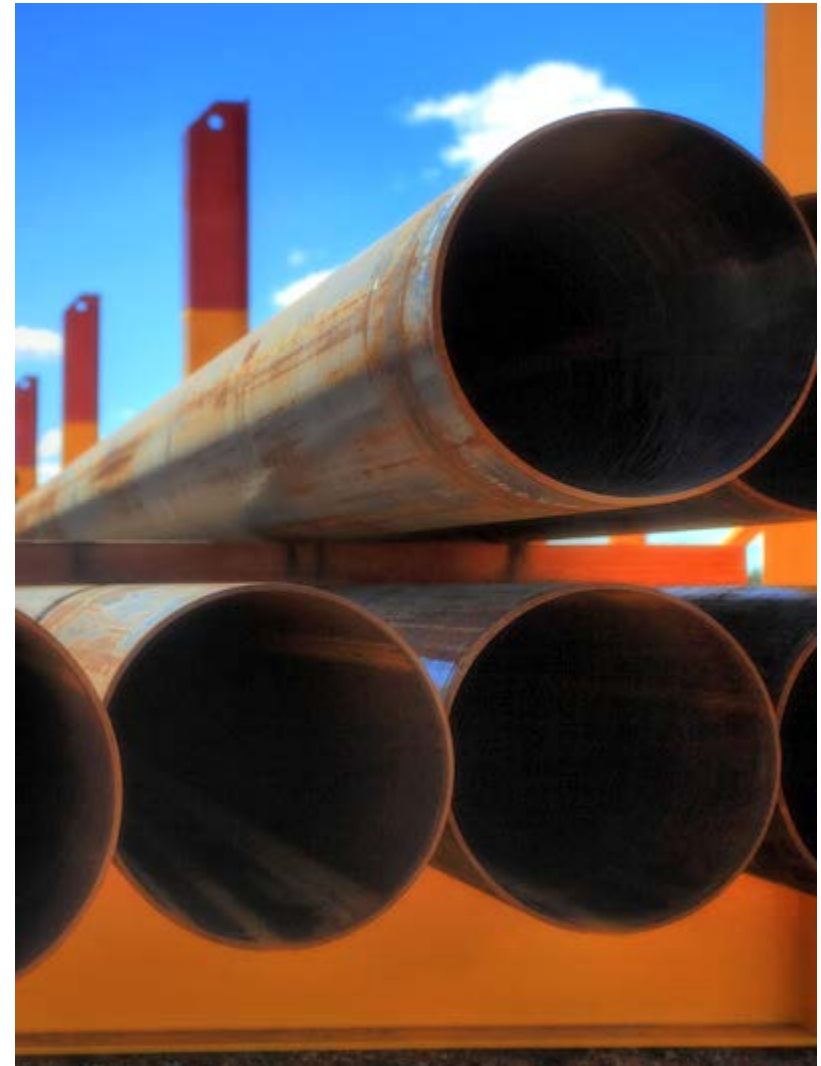
MHA - The estimates of gas reserve and resources for the Comet Block (ATP 1025P) and Don Juan CSG Field (ATP 771P) has been prepared by MHA Petroleum Consultants, LLC (MHA) in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System approved by the Society 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.

MBA – The estimates of gas in place estimates for the Norwich Park (ATP 1031P), Gunyah Block (ATP 1053P) and Bandanna Project (ATP 805P) has been prepared by Mr Doug Barranger of MBA Petroleum Consultants Pty Ltd (MBA). Mr Barranger has more than 25 years of experience in the petroleum industry and 10 years of experience in the coal seam gas industry.

Bow – Other technical information contained herein is based on information compiled by the Company’s Chief Operating Officer, Vic Palanyk, who has more than 15 years experience in coal seam gas.

Contents

- Company overview
- Strategy
- Work program and activities
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- Gas marketing
- Summary and valuation





Company overview

Company Overview



BOW IS:

- an S&P ASX200 Index company,
- with 13 Tcf of gas potential on 100% owned located CSG tenements near domestic and export gas markets

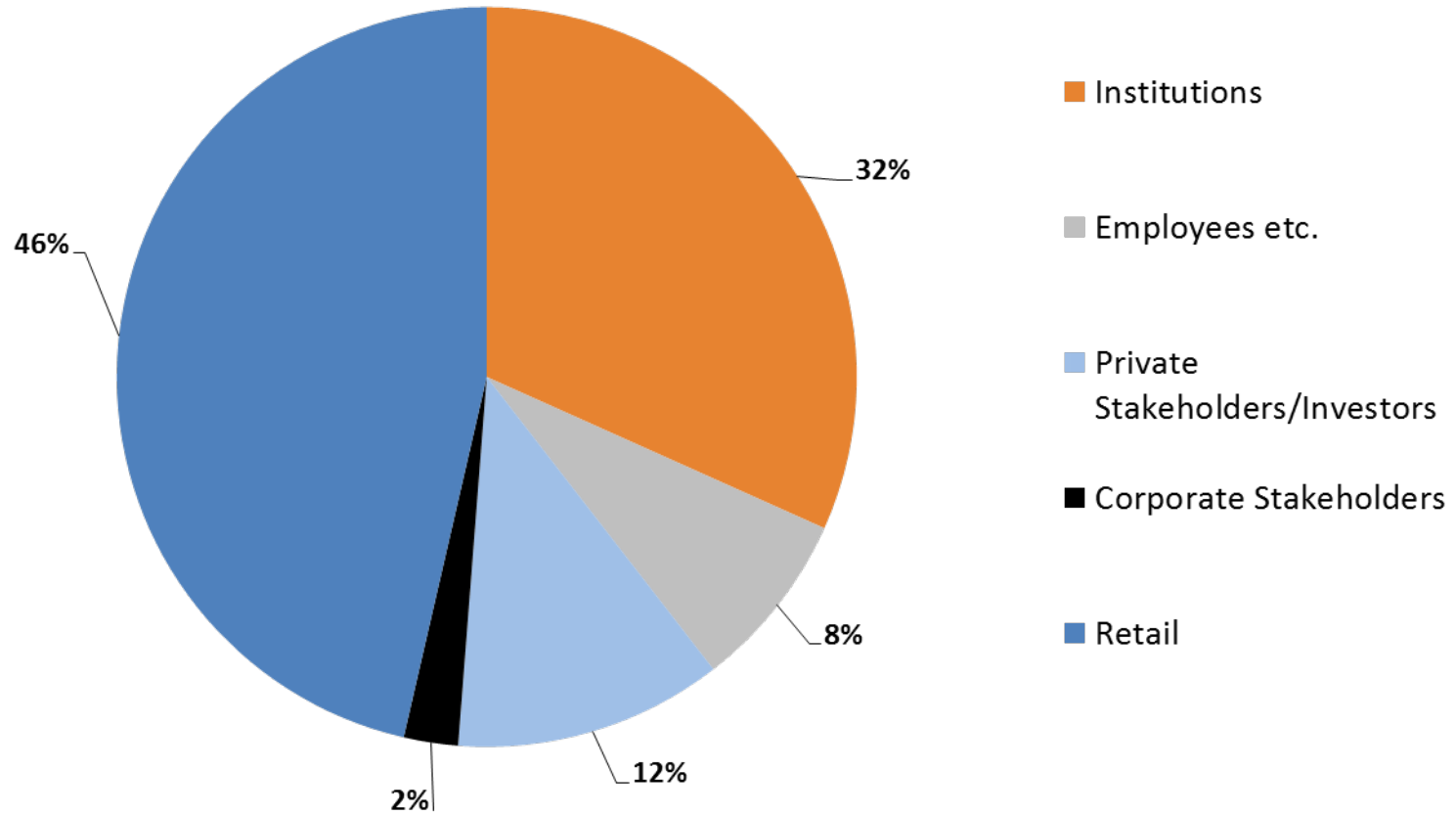
BOW HAS:

- 3P gas reserves of 2,752 PJ and 2P gas reserves of 238 PJ
- circa \$94 million cash to deliver reserves targets

BOW TO:

- prove commercial gas flows from trialling several well completion techniques
- deliver 1,250PJ of 2P reserves and 6,200PJ of 3P reserves

Shareholders





Strategy

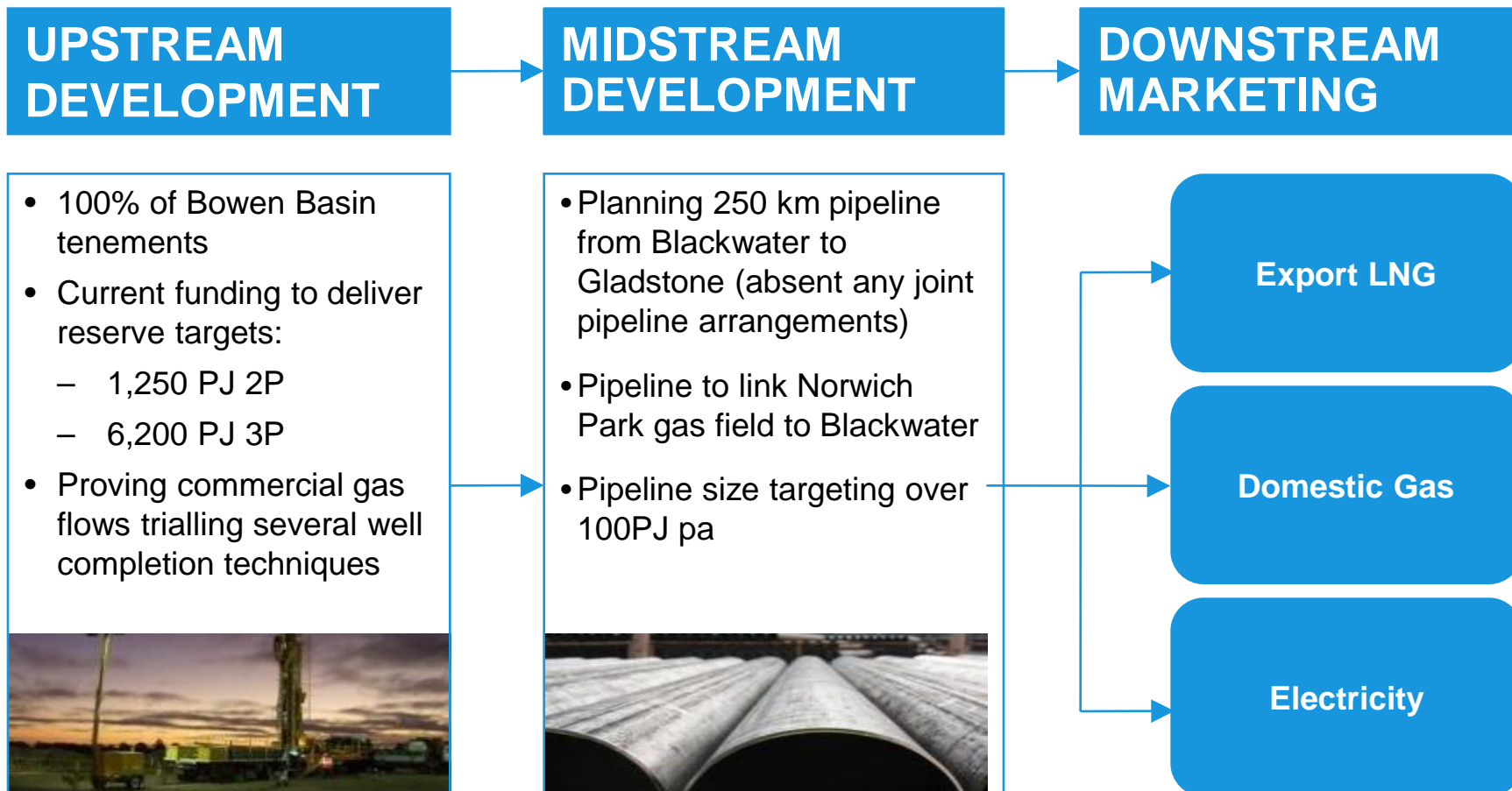
Bow's substantial gas reserves are well located



- Significant favourably located reserves position already defined
- 6 LNG projects committed or proposed for Gladstone
- Export and domestic market opportunities identified

Project (all 100% unless stated otherwise)	Current Certified Reserves/Resources			Current Funding to Deliver Reserve Targets	
	Contingent Resources (PJ net to Bow)	3P Reserves (PJ net to Bow)	2P Reserves (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	2,467	535
Norwich Park (3 projects within ATP1031P)	1,916	163	35	3,000	660
Gunyah Project (ATP 1053)	-	-	-	600	-
Bandanna Project (ATP 805)	-	-	-	-	-
Don Juan Project (Bow 55%)	-	109	55	133	55
Total Reserves (net PJ to Bow)	2,521	2,752	238	6,200	1,250

Bow development strategy



CSG Development Roadmap



Key Milestone	Indicative Timing
<ul style="list-style-type: none"> • Trialling various completion methods to prove commercial gas flows 	<p>Underway and ongoing</p>
<ul style="list-style-type: none"> • Reserves growth and gas production • Gas field and Gladstone pipeline approvals • Identify and agree terms with partner(s) for domestic/export project • Commissioning Blackwater Power Project 	<p>2011-12</p>
<ul style="list-style-type: none"> • FID for either domestic/export project 	<p>End 2012 / Early 2013</p>
<ul style="list-style-type: none"> • Gas sales: Additional power generation, domestic supply and/or LNG sales 	<p>End 2014 / Early 2015</p>



Work Program and Activities

Northern Bowen Basin – development positives



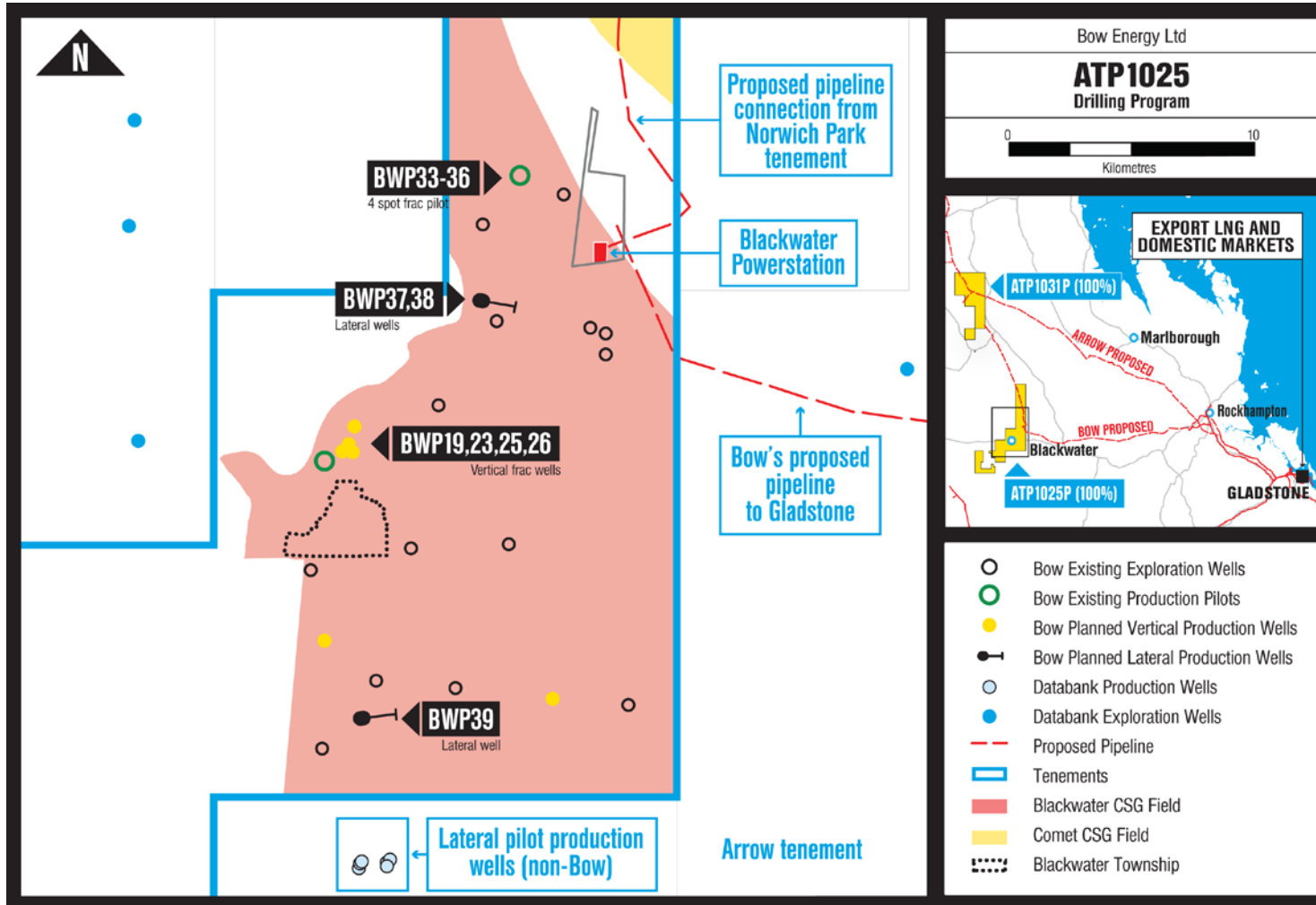
- Tenements do not overlie the Great Artesian Basin
- Typically <10% water production of Surat Basin
- Bigger properties – fewer landowners
- Mostly coal mining and grazing land

Resulting in:

- Lower capital spend
- Lower operating costs
- Lower community impact
- Lower environmental impact



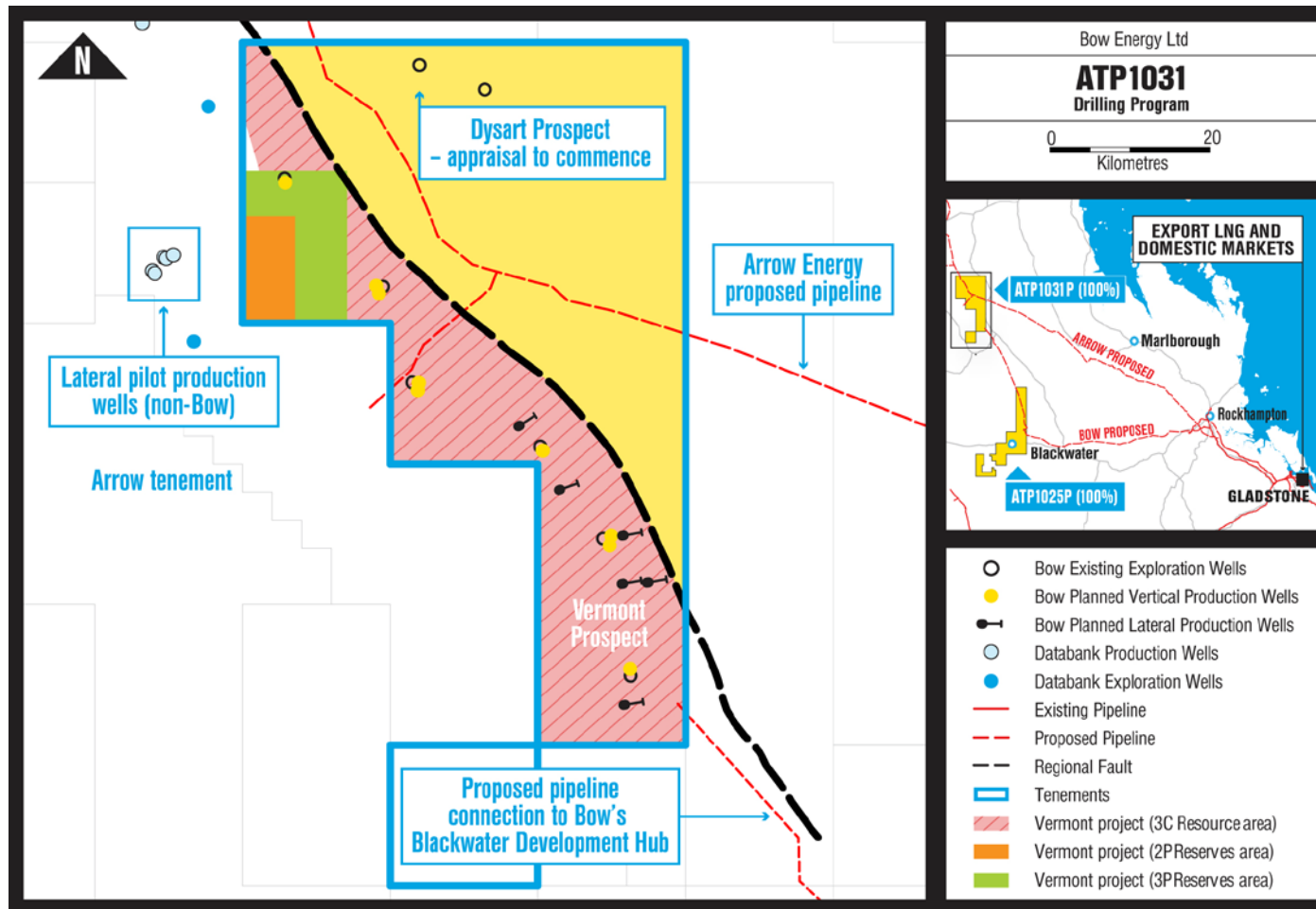
Multiple pilots in progress at Blackwater



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 tenement with 6.6 Tcf Gas in Place



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



Gas Reserves



Current CSG reserves positions in Queensland

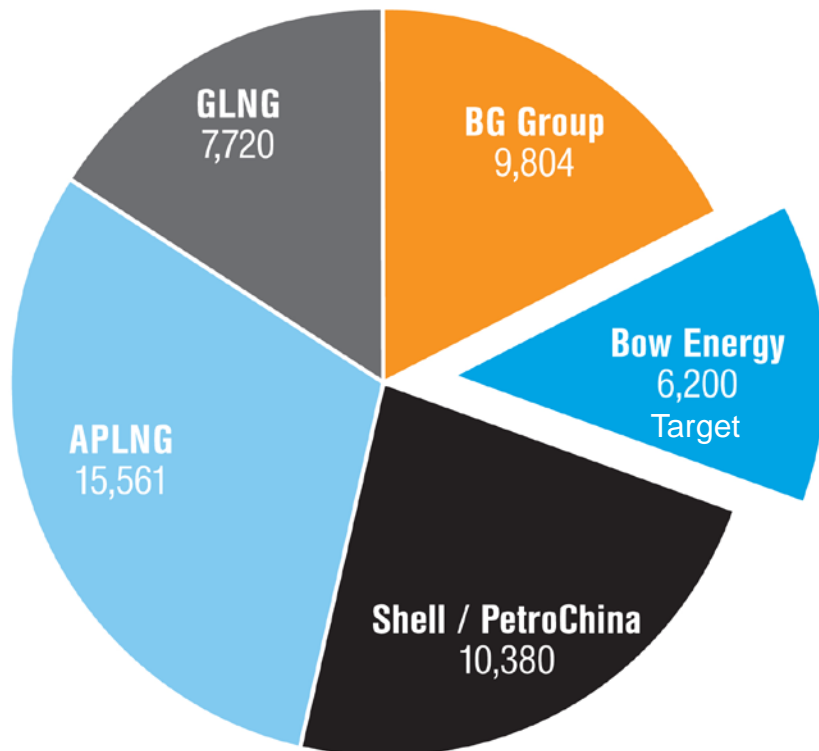


Bow is well on the way to its 3P reserves target of 6,200 PJ

Company	Reserves as at June 2011 (PJ)		
	1P	2P	3P
APLNG (Origin / ConocoPhillips) ¹	1,527	11,218	15,561
QCLNG (BG led JV)	2,120	8,480	9,804
Arrow LNG (Shell / PetroChina)	697	6,639	10,380 ²
GLNG (Santos led JV)	1,432	5,638	7,720
Bow Energy	-	238	2,752
Molopo	24	349	836
Mitsui	21	272	604
Westside	11	114	432
Senex	0	79	248
CS Energy	23	82	153
Toyota Tsusho	4	42	128
Other	-	8	10
Total Queensland	5,860	33,159	48,628

Source: Energy Quest 1. APLNG includes Origin's non-APLNG 3P reserves of approximately 1,000PJ
 2. Assumes AGL share of Bowen Basin gas reserves are delivered to Shell LNG project

Bow's reserve target – a meaningful position



Total QLD 3P Reserves

- BG Group
- Bow Energy
- Shell / PetroChina
- APLNG
- GLNG

BG, Shell, APLNG 3P reserve numbers sourced from Energy Quest Quarterly, May 2011 Report

Bow 3P reserve numbers represent the company's target



Gas Marketing

Bow believes there are significant reserves shortfalls for major LNG projects



- GLNG, QCLNG and Shell relying on converting significantly more 3P to 2P
- Surat Basin gas for initial trains, later trains from Bowen Basin. Bow's reserves are in the Bowen Basin – providing supply diversity
- Bow has the most significant 3P reserves uncontracted and 100% interest in its key tenements

Operator Group	Initial Capacity (Mtpa)	Estimated Reserves (2P)	Estimated Shortfall (2P)
QCLNG (BG led JV)	8.5 (2 x 4.25)	~8,500 PJ	~1,700 PJ
Arrow (Shell/PetroChina JV)	8.0 (2 x 4.0)	~6,600 PJ	~3,000 PJ
GLNG (Santos led JV)	7.8 (2 x 3.9)	~5,600 PJ	~3,700 PJ
APLNG (Origin-Conoco)	9.0 (2 x 4.5)	~11,200 PJ	Nil
LNG Limited	1.5 (1 x 1.5)	Nil	~1,800 PJ
Sojitz	1.0 (2 x 0.5)	Nil	~1,200 PJ

Note: Estimated Reserves required assumes a 20 year LNG project life and a gas requirements of approximately 60 PJ pa for each 1Mtpa LNG capacity. Shortfall calculated based on required 2P reserves less 2P reserve estimates from Energy Quest. Source: Energy Quest, Company estimates

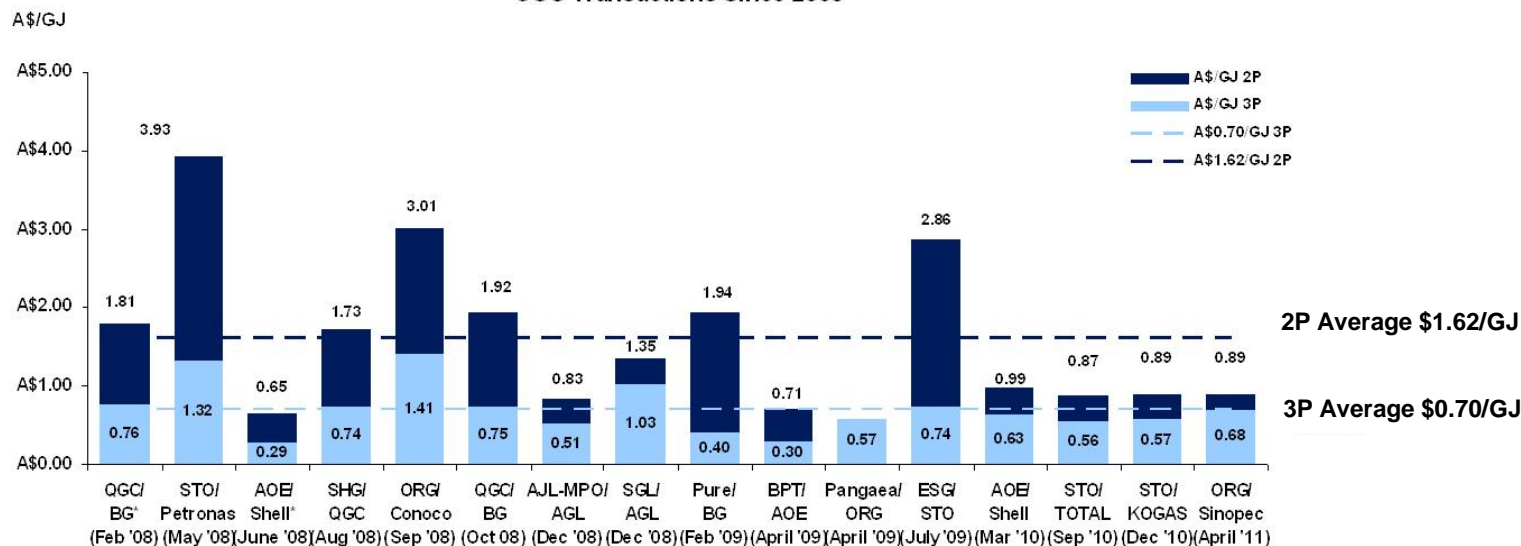


Summary and Evaluation

Bow current valuation of 3P is 9c/GJ



CSG Transactions Since 2008



Source: Merrill Lynch

Catalysts for re-rating:

- CSG pilot production wells demonstrate path to commercial gas flows
- Convert 3P => 2P reserves
- Define new 3P reserves
- Obtain commercial agreements with strategic partner

Bow valuation calculation:

Price (15 August 2011)	\$0.98
Shares	350.5m
Market Cap	\$343.5m
Less cash (Jun qtr)	(\$94m)
Enterprise Value	\$250m
Divided by 3P (2,752PJ)	\$0.09/GJ



Contact

John de Stefani
CEO

jdestefani@bowenergy.com.au
+61 7 3238 6300