



Bow Energy sets its sights on Blackwater

\$50 million power station to be built outside town

A \$50 MILLION power plant development near Blackwater is set to create 200 jobs for the region.

Bow Energy Limited announced its plans to capital raise funds for the 30 megawatt power plant on Friday.

Bow Energy chief executive officer commercial John De Stefani said the plant would be supplied by Coal Seam Gas from the organisation's Blackwater CSG field, and provide financial returns.

"This will give Bow near-term cash flow while we further increase our currently uncontracted reserves and evaluate longer term supply opportunities both for export and other domestic gas markets," he said.

Due for completion in 2011, the project will be constructed by Clarke Energy under a turnkey contract, and create 200 jobs during construction.

Once completed the site will require staff to take care of the day-to-day running of the plant and maintenance.

Central Highlands Regional Council Mayor Peter Maguire has welcomed the development, heralding its potential to boost local jobs and economic growth in the region.

"Queensland's Central Highlands region continues to show strong economic growth, and we welcome this considerable investment by Bow

fired power station of the same size.

Mr De Stefani said gas requirements for the power station represent around five per cent of the available 3P reserves currently defined.

"Bow has rapidly expanded its CSG reserves from its Blackwater field in the Comet block, having already certified 886 petajoules of 3P gas reserves within the Rangal Coal Measures and an additional 330PJ of 2C contingent resources within the Rangal coal

seams," he said.

"A further reserve increase from the deeper Burngrove Coal Measures is anticipated later this year.

"The project is set to generate new jobs during construction and jobs when brought into production in 2011."

CHRC Mayor Peter Maguire

Energy in the region's future development," he said.

"The project is set to generate new jobs during construction and jobs when brought into production in 2011.

"It will provide a new source of clean energy for industrial, mining and domestic users."

The station will generate enough electricity to power 30,000 homes, which will be fed back to the national grid.

Bow Energy has promoted the greenhouse friendly aspects of the station claiming it will generate 50 per cent less greenhouse emissions than a coal-

"Demand for CSG in both the domestic power generation market and for export as LNG continues to increase, with analysts forecasting a shortfall in gas reserves required for the planned major LNG projects.

"The company is currently targeting 250PJ of certified 2P gas reserves from its Blackwater field by the end of 2010, having already exceeded its 2010 3P target of 850PJ.

"Bow is excited by the opportunity to develop its gas reserves at an early stage, and is well on track to become a major upstream energy company."