



ASX Announcement

28 August 2009

EARLY ENCOURAGING DRILLING RESULTS ON THE COMET CSG PROSPECT

Bow Energy Limited (ASX: BOW) is pleased to provide a progress report on continued encouraging results from the exploration drilling programs in the Comet and Blackwater Coal Seam Gas (CSG) Fields located 230 km west of Gladstone, Queensland where several export CSG to LNG projects are planned by third parties.

Comet CSG Prospect - Thick Gassy Coals Intersected in the first two wells (ATP 1025 - Bow 100%)

Bow has had early encouraging drilling results from the first two or three planned core holes currently underway on the Comet CSG Prospect with coal thicknesses and depths similar to the Blackwater CSG Field. The Comet CSG Prospect is located immediately north of the Blackwater CSG field in ATP 1025P and has Rangal and Burngrove Coal Measures as the primary targets.

- CM-1 has drilled to a total depth of 750 metres intersecting 22.5 metres of coal in the Rangal and Burngrove Coal Measures. Preparations are being made for permeability testing.
- CM-3 has drilled to a depth of 355 metres towards a target depth of 575 metres. To date the well has intersected approximately 19.4 metres of coal with further coal expected from the Burngrove and Fairhill Coal Measures.

Early desorption of the coal cores suggest similar high gas contents as those encountered in the adjacent Blackwater CSG field.

Blackwater CSG Field – Bow is preparing for 2P Reserves Certification Program (ATP 1025 - Bow 100%)

To date 559 PJ of 3P reserves have been certified in the Blackwater CSG field from the Rangal Coal Measures. Bow has completed drilling and testing on core holes BW-5 and BW-7 which are targeting additional reserve upgrades from the Rangal Coal Measures and initial reserves from the deeper Burngrove Coal Measures. The final 3P program core hole in the field, BW-6, is scheduled to commence early September.

Bow is on track to commence a multi-well 2P drilling program on the Blackwater CSG field mid to late September 2009. Bow has engaged MHA Petroleum Consultants, LLC (MHA) to advise Bow on a drilling and testing program with the aim of upgrading 3P to 2P certified reserves in this field.

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Subject to final approval, the initial 2P drilling program may consist of five production testing wells and three monitor wells. Additional infill drilling will likely be required but these locations will be determined after the analysis of the early results from the initial 2P production wells.

Summary of Blackwater CSG Field Drilling Program

Well	Spud Date	Total Coal Intersected	Coal Depths	Results to Date
BW-1	30 June	23 metres	370-695 metres	Drilled to a total depth of 723 metres with permeability testing completed and results being analysed.
BW-2	13 May	5.35 metres (upper Rangal only)	From 493 metres	Well suspended after hole instability due to highly fractured coals. Confirmed gas contents in the range of 10-17m ³ /tonne DAF* in upper Rangal.
BW-2A	15 July	2.71 metres (upper Rangal only)	From 495 metres	Drilled to 517 metres and suspended after hole instability due to highly fractured coals. New well (BW-7) drilled a further 750 metres north of BW-2A.
BW-3	25 June	25 metres	117-474 metres	Drilling completed to a depth of 530 metres. Permeability testing confirmed multiple permeable coal zones in both the Rangal and Burngrove Coal Measures. Encouraging volumes of gas observed desorbing from coals taken between 117 metres to 474 metres, suggesting high gas saturation levels.
BW-4	1 June	21 metres	202-400 metres	Drilling completed to a depth of 612 metres with encouraging permeability results obtained. Confirmed gas contents in the range of 13-18m ³ /tonne DAF in the Rangal and Burngrove Coal Measures.
BW-5	23 July	18.7 metres in Rangal and Burngrove only	385-585 metres	Drilled to a depth of 626 metres to base of Burngrove Coal Measures only. Permeability tests completed and results being analysed.
BW-7	2 August	25 metres in Rangal and Burngrove only	498-741 metres	Drilled to a depth of 780 metres to base of Burngrove Coal measures only. Permeability tests completed and results being analysed.

Summary of Comet CSG Prospect Drilling Program

Well	Spud Date	Total Coal Intersected	Coal Depths	Results to Date
CM-1	18 August	22.5 metres	256-656 metres	Drilled to a depth of 750 metres to base of Burngrove Coal measures only. Permeability tests to commence shortly.
CM-3	21 August	19.4 metres to date	193-354 metres	Drilled 355 metres to date with a target depth of 575 metres targeting Rangal and Burngrove coal measures. Further Burngrove Coal Measures yet to be drilled.

* Gas contents are quoted as "Dry Ash Free" or DAF.

Current Operations

- Depco rig DR28 currently drilling on CM-3
- Depco rig DR18 currently drilling on CM-1

For and on behalf of the Board

Duncan Cornish
Company Secretary
Bow Energy Ltd

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For further information contact:

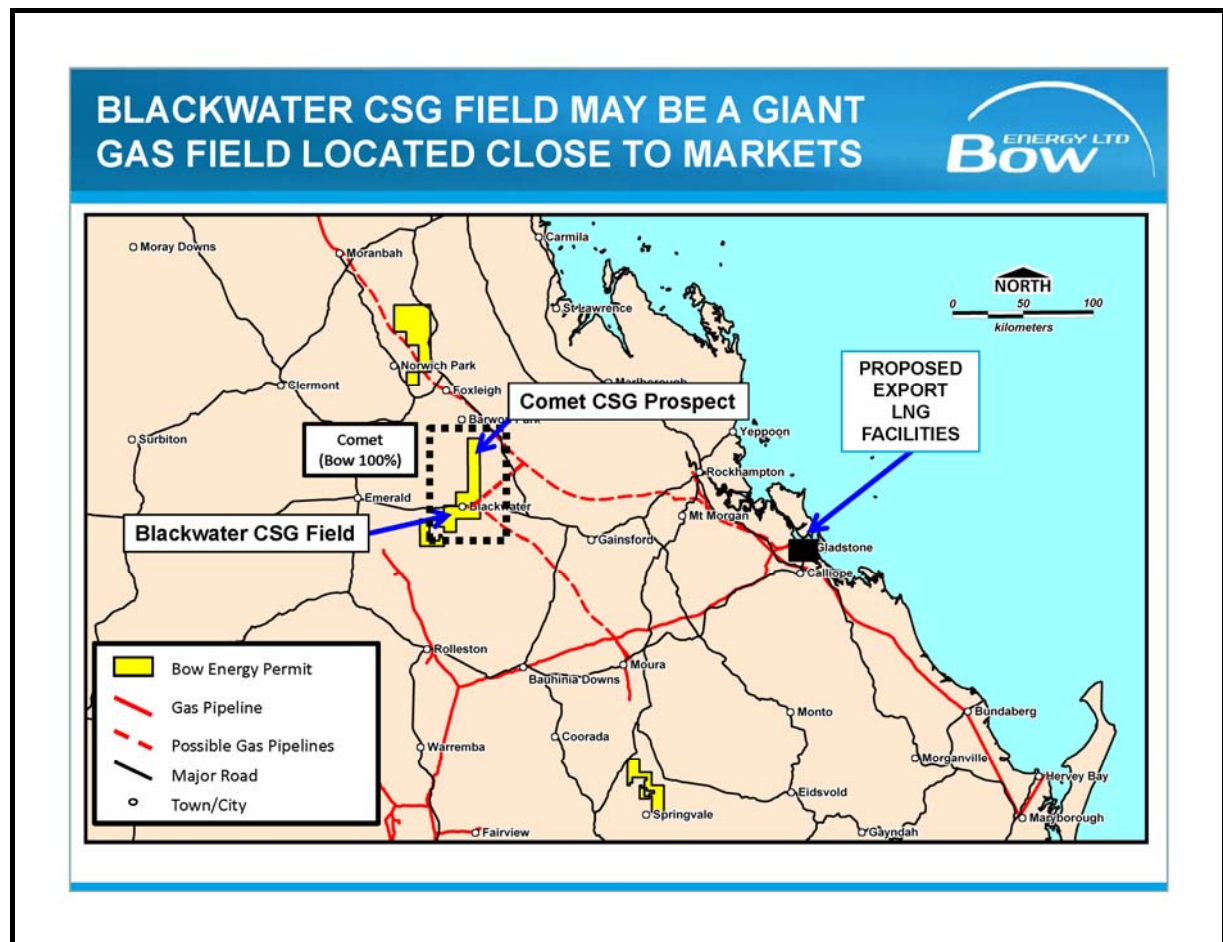
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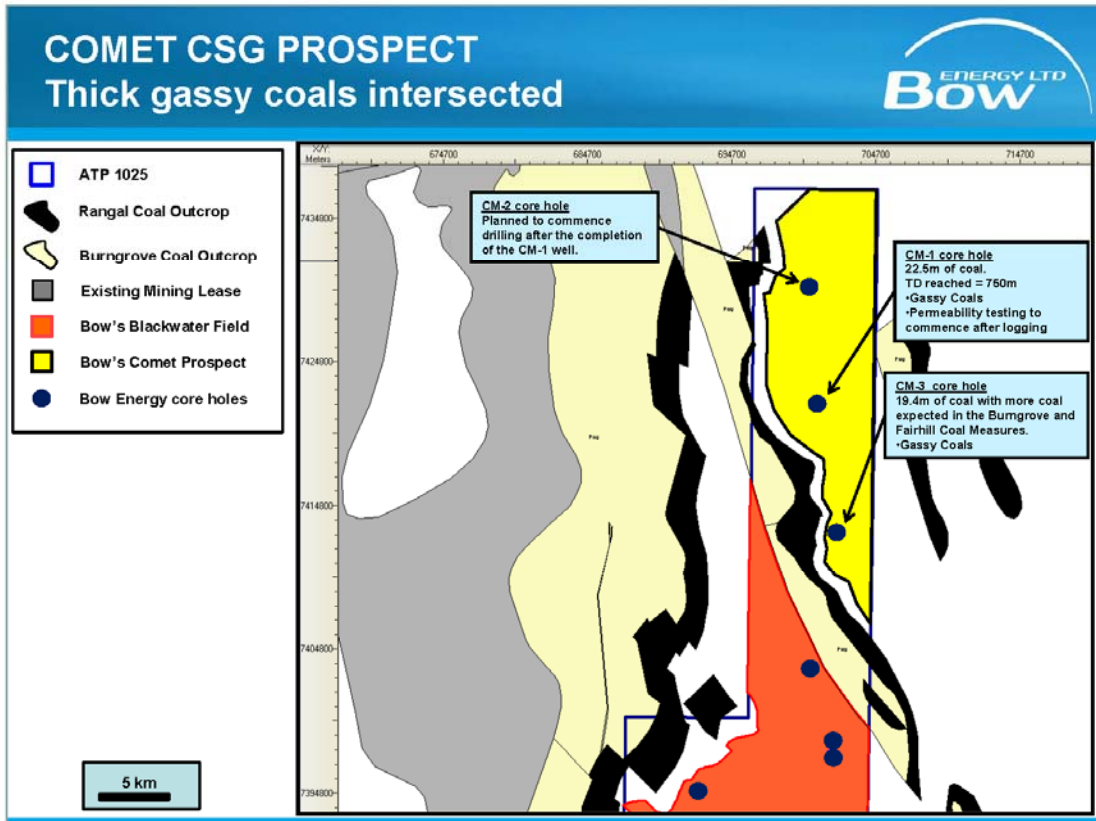
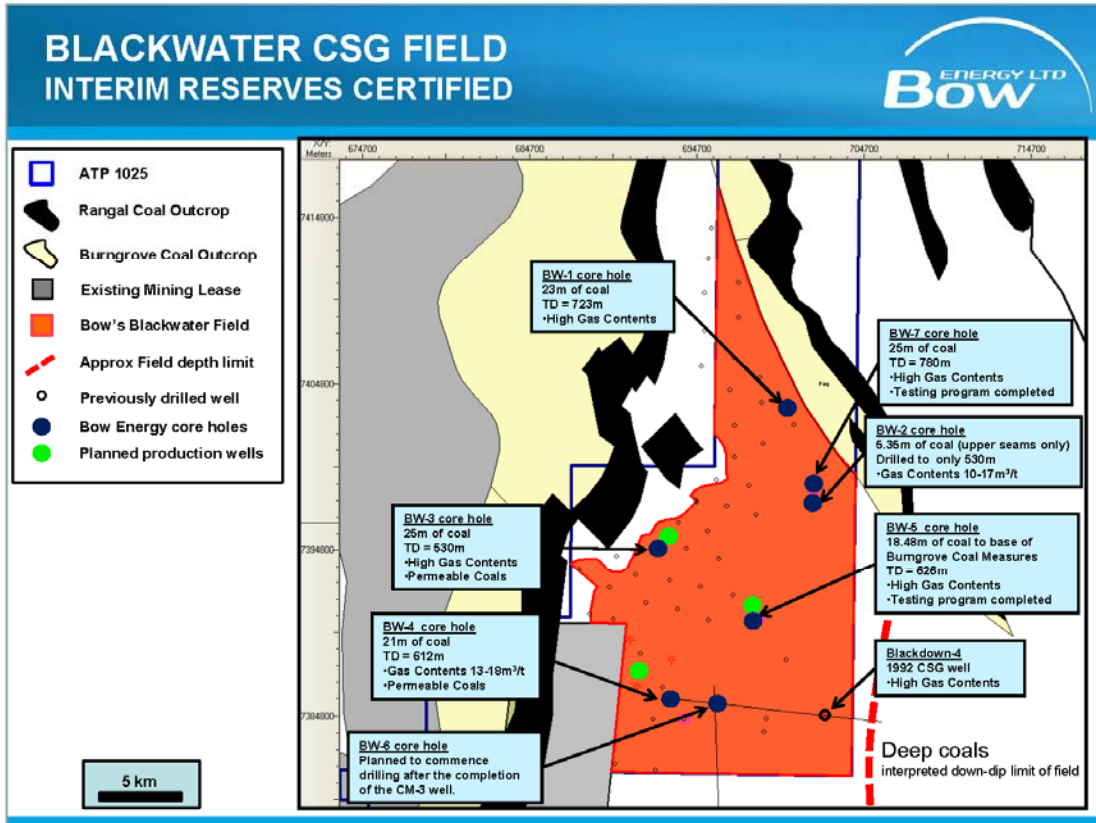
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The technical information contained herein in the form and context in which it appears is based on information which was compiled by the Company's Managing Director, Ron Prefontaine, who has more than 30 years experience in petroleum exploration.

Competent Person Statement - The estimates of gas reserves 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.



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