



ASX Announcement

25 March 2010

Blackwater Delivers Initial 2P Certified Gas Reserves for Power Project Development

The Directors of Bow Energy Ltd (ASX:BOW) are pleased to announce an initial certification of 2P gas reserves of 59 petajoules (PJ) for its Blackwater CSG Field located approximately 250 km west of Gladstone, exceeding gas reserve requirements to underpin Bow's Blackwater Power Project.

The initial 2P reserves at Blackwater are defined within the top three seams over 6 metres of the Rangal coal seams representing 37% of a total target package of seven seams in the area of 16 metres. This represents a small portion (33km² of the 250km² 3P area, or 13%) of the Blackwater CSG Field where the first three appraisal wells and core holes BW-3 and BW-4 were drilled. This initial 2P reserve represents only 5% of the 2P potential over the Blackwater CSG Field. 2P reserves are yet to be assessed and defined over the balance of the Blackwater 3P area, representing 95% of the target.

Bow is continuing to drill additional appraisal wells on the Blackwater CSG Field to be followed by appraisal drilling on the adjacent Comet CSG Field. Work is progressing in the vicinity of the 2P reserves area and commissioning the first wells of the 12 well pilot production program on the Blackwater CSG Field for gas supply to the Blackwater Power Station later this year.

Commenting on the reserve upgrade, Bow's CEO – Commercial, John De Stefani, said, "We are pleased to have achieved initial 2P gas reserves sufficient to supply gas over the projected 20 year life of the Blackwater Power Project. This initial certification represents the first step in delivering Bow's end of year 2P reserves target of 450PJ. Bow continues its appraisal drilling, completion and gas production programs on the Blackwater and Comet CSG Fields as well as our other CSG projects in Queensland".

Bow's Net Reserves and end of 2010 targets

Project	Proven Reserves		2010 Reserve Targets	
	3P Reserves (PJ net to Bow)	2P Reserves (PJ net to Bow)	3P	2P
Blackwater CSG Field (Comet Block)*	1,382	59	> 1500	>200
Comet CSG Field (Comet Block)**	871	-	> 500	>100
Norwich Park Projects (3 prospects)	-	-	> 500	>100
Don Juan Project (55%)	107	55	150	50
Gunyah Project	-	-	> 100	n/a
Total Reserves (net PJ to Bow)	2,360	114	>2,750	>450

- * A further 435PJ of 2C resource was certified in the Rangal and Burngrove Coal Measures over the deeper part of the field located in the south eastern corner
- ** A further 439PJ of 2C resource was certified in the Rangal and Burngrove Coal Measures

Norwich Park Project Drilling Program

With the weather improving, drilling at Norwich Park is scheduled to recommence early next week. The first well drilled in this tenement, VM-1, reached a depth of 390 metres towards a target depth of 700 and intersected approximately 28 metres of gassy coals.

For and on behalf of the Board

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The 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.

Competent Person Statement - The estimates of gas reserve and resources for the Comet Block (ATP 1025P) and 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.

