

Water Island Capital LLC

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To: ASX

From: Water Island Capital

Fax: 01161297780999

Pages: 4

Re: Form 604

Date: December 14, 2011

41 Madison Ave Fl 42, New York, NY 10010

Form 604**Corporations Act 2001
Section 671B**

Notice of change of interests of substantial holder

To: Bow Energy Ltd
Level 26, 10 Eagle Street
Brisbane QLD 4000

ACN/ARSN 63 111 019 857

To: ASX Limited

1.Details of substantial shareholder

Name Water Island Capital, LLC

There was a change in the interests of the substantial holder on 13 DEC 2011.

The previous notice was given to the company on 26 OCT 2011.

The previous notice was dated 27 OCT 2011.

2.Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate had a relevant interest in on the date the substantial holder are as follows

Class of securities	Previous notice		Present notice	
	Person's votes	Voting power	Person's votes	Voting power
Ordinary shares	21,494,611	5.94%	25,161,872	6.95%

3.Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows

Date of change	Person whose relevant interest changed	Nature of change	Consideration given in relation to change	Class and Number of securities affected	Person's votes affected
See Sched 1	See Sched 1	See Sched 1	See Sched 1	See Sched 1	See Sched 1

4.Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Nature of relevant securities	Class and number of securities	Person's votes
Water Island Capital LLC	Water Island Capital LLC		Beneficial holder	25,161,872 Ordinary	25,161,872

5.Changes in association

The persons who have become associates of, or have changed the nature of their association with, the substantial holder in relation to voting interests in the company or scheme are as follows

Name and ACN/ARSN (if applicable)	Nature of association
See Schedule	

6. Addresses

The addresses of persons named in this form are as follows

Name	Address
Water Island Capital LLC	41 Madison Ave, 42nd Floor, New York, NY 10010 USA

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Signature

print name Matthew Hemberger

capacity CFO/CCO

sign here

date 14/12/2011

Schedule 1

Date	Registered Company	Quantity	Value
28/10/2011	Water Island Capital, LLC	125,730	187,840.62
31/10/2011	Water Island Capital, LLC	250,000	373,750.00
1/11/2011	Water Island Capital, LLC	502,886	751,738.70
10/11/2011	Water Island Capital, LLC	150,000	222,750.00
11/11/2011	Water Island Capital, LLC	30,553	45,371.21
14/11/2011	Water Island Capital, LLC	161,467	239,778.50
15/11/2011	Water Island Capital, LLC	100,000	149,000.00
1/12/2011	Water Island Capital, LLC	700,000	1,053,500.00
2/12/2011	Water Island Capital, LLC	79,503	119,652.02
5/12/2011	Water Island Capital, LLC	200,000	301,000.00
6/12/2011	Water Island Capital, LLC	293,396	441,560.98
7/12/2011	Water Island Capital, LLC	170,000	255,850.00
8/12/2011	Water Island Capital, LLC	50,000	75,250.00
9/12/2011	Water Island Capital, LLC	250,000	376,250.00
12/12/2011	Water Island Capital, LLC	103,726	156,107.63
13/12/2011	Water Island Capital, LLC	500,000	752,500.00