



## ASX Announcement

27 July 2010

### Large Gas Field Potential at Norwich Park

The Directors of Bow Energy Ltd (ASX:BOW) are pleased to provide a progress report on the drilling program currently underway in the Norwich Park block, ATP 1031, (Bow 100%) located approximately 300 km north-west of Gladstone, Queensland. Bow has identified three potentially high potential CSG prospects within this block, Vermont, Dysart and Norwich. Bow has now completed the first 4 wells as part of a 7 well initial CSG exploration program.

The four wells drilled to date have intersected an average of approximately 63 metres of gassy coals. Most seams are described as bubbling gas, some are fractured and bright and all seams are correlateable between the wells. Preliminary gas desorption rates suggest high to very high gas contents which is low in CO<sub>2</sub> and over 96% methane gas.

The wells are spaced between 8 to 10 km apart suggesting a very large CSG field extending over a 40 km trend so far. The coal thickness in these Norwich Park block wells are over twice as thick as those in Bow's 100% owned Comet Block (ATP 1025P) where 2,253PJ of 3P gas reserves are currently certified. The results to date suggest Norwich Park block contains considerably more gas per km<sup>2</sup> than the Comet Block (ATP 1025P) suggesting more gas may be extracted per well.

Due to the initial excellent technical results, and in anticipation of certifying substantial gas reserves, Bow has scheduled permeability testing on three Vermont wells later this quarter and initial pilot production wells later this year. Bow is currently targeting 100 PJ 2P and 1,200 PJ 3P gas reserves by end calendar 2010 on the Norwich Park block.

A summary of four core wells drilled to date is set out below:

Well	Spud Date	Total Gassy Coal Intersected	Current Status
VM-1	20/12/09	52 metres	Core drilling completed to total depth of 785 metres.
VM-2	17/4/10	77 metres	Core drilling completed to total depth of 806 metres.
VM-3	21/5/10	62 metres	Core drilling completed to total depth of 825metres.
NW-1	23/6/10	63 metres	Core drilling completed to total depth of 961metres.

A second drilling rig is scheduled to commence next month to complete the Norwich Park initial exploration program. The current drilling rig will demobilise and commence drilling BW-8 at Blackwater CSG Field with the aim of upgrading the majority of the current 2C resource to 3P gas reserves in the south-western section of the field.

For and on behalf of the Board

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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), Gonyah Block (ATP 1053P) and Bandanna Project (ATP 805P) has been prepared by Mr Doug Barrenger of MBA Petroleum Consultants Pty Ltd (MBA). Mr Barrenger 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.

**About Bow Energy Ltd**

Bow Energy Limited (ASX:BOW) is an S&P ASX 200 All Australian Index and S&P ASX 300 Index Company. The company's primary business is the discovery and commercial production of Coal Seam Gas (CSG) and conventional oil fields, with projects in several of Australia's producing basins.

The company is focused on expanding its CSG reserves, with eight CSG projects located within the highly prospective Bowen and Surat Basins of Queensland, and developing production for domestic and export natural gas customers.

The company has GIP potential across its CSG projects of over 13.8 Tcf and to date has certified net gas reserves of 2,360 petajoules (PJ) of 3P and 114 PJ of 2P. A record drilling program is underway for 2010, targeting year-end reserves of 4,128 PJ of 3P and 455 PJ of 2P.

Bow is currently developing the Blackwater Power Project, Bow's 100% owned 30 megawatt power station near Blackwater, central Queensland, which is scheduled for commissioning by the end of the first quarter 2011.

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### Current Reserves and Revised Reserve Targets\*

Project (all 100% unless stated otherwise)	Current Certified Reserves		End 2010 Reserve Targets		End 2011 Reserve Targets	
	3P Reserves (PJ net to Bow)	2P Reserves (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 CSG Field <sup>^</sup> (Comet Block)	1,382	59	1,750	200	1,750	450
Comet CSG Field <sup>^</sup> (Comet Block)	871	-	871	100	1,000	200
Norwich Park Projects (3 prospects <sup>#</sup> )	-	-	1,200	100	2,500	400
Gunyah Project	-	-	200	-	600	100
Bandanna Project	-	-	-	-	200	-
Don Juan Project (55%)	107	55	107	55	150	100
<b>Total Reserves (net PJ to Bow)</b>	<b>2,360</b>	<b>114</b>	<b>4,128</b>	<b>455</b>	<b>6,200</b>	<b>1,250</b>

\* Timing of reserve targets subject to such items as weather and availability of drilling and other support services

# 3 prospective fields are Vermont, Dysart and Norwich.

<sup>^</sup> A further 874 PJ of 2C resource was certified in the Rangal and Burngrove coal measures across these two fields

# Norwich Park Prospects (Bow's 100%) GIP Potential of 6.5 Tcf – Drilling underway

