



ASX Announcement

11 November 2010

Bow Announces Capital Raising to Fund CSG Development Opportunities

Bow Energy Ltd (ASX:BOW) ("Bow") today announced that it will undertake an institutional placement of new ordinary shares ("Placement") to raise approximately \$48 million. In addition to the Placement, Bow will offer eligible shareholders the right to participate in a Share Purchase Plan ("SPP") capped at \$30 million, details of which will be sent to shareholders shortly.

Further details of the capital raising, along with a business update, are included in the attached Investor Presentation.

Upon a successful completion of the Placement, Bow will be in a strong cash position which will be used primarily to fund coal seam gas activities (CSG) including:

- Ongoing exploration and appraisal activities;
- Production pilots;
- Field infrastructure and pipeline approvals; and
- Completion and commissioning of Bow's 100% owned 30 MW Blackwater Power Project.

Merrill Lynch International (Australia) Limited and Wilson HTM Corporate Finance Limited are acting as Joint Lead Managers for the Placement.

Bow shares will remain in trading halt pending completion of the Placement.

For and on behalf of the Board

Duncan Cornish
Company Secretary
Bow Energy Ltd

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Important Information

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any “U.S. person” (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”) (a “U.S. Person”).

The securities to be issued in the Placement and SPP have not been, and will not be, registered under the U.S. Securities Act. Securities may not be offered or sold in the United States or to U.S. Persons unless the securities have been registered under the Securities Act or an exemption from registration is available.