

Bow Energy Ltd (ASX:BOW)

Developing its' substantial energy resources

Investor Presentation
March 2011



www.bowenergy.com.au

Disclaimer and Competent Expert



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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.

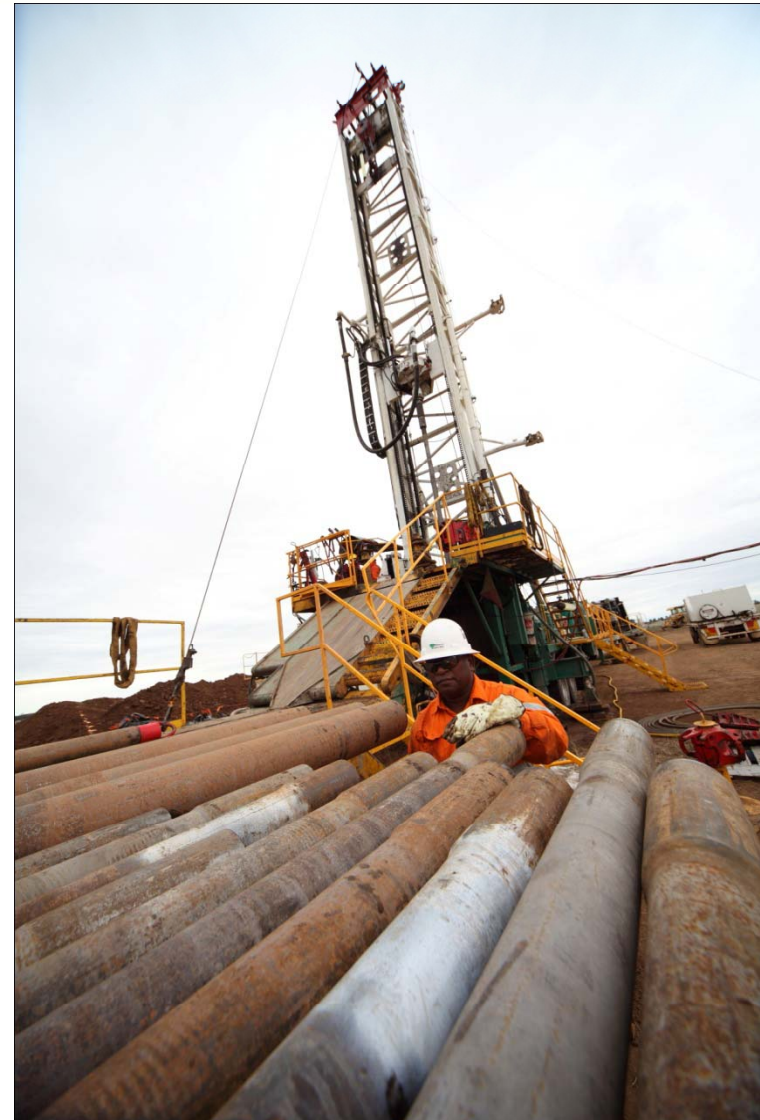
MBA - The estimates of gas in place estimates for the Norwich Park (ATP 1031P), Gunyah Block (ATP 1053P) and Bandanna Project (ATP 805P) has been prepared by Mr Doug Barranger of MBA Petroleum Consultants Pty Ltd (MBA). Mr Barranger has more than 25 years of experience in the petroleum industry and 10 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.

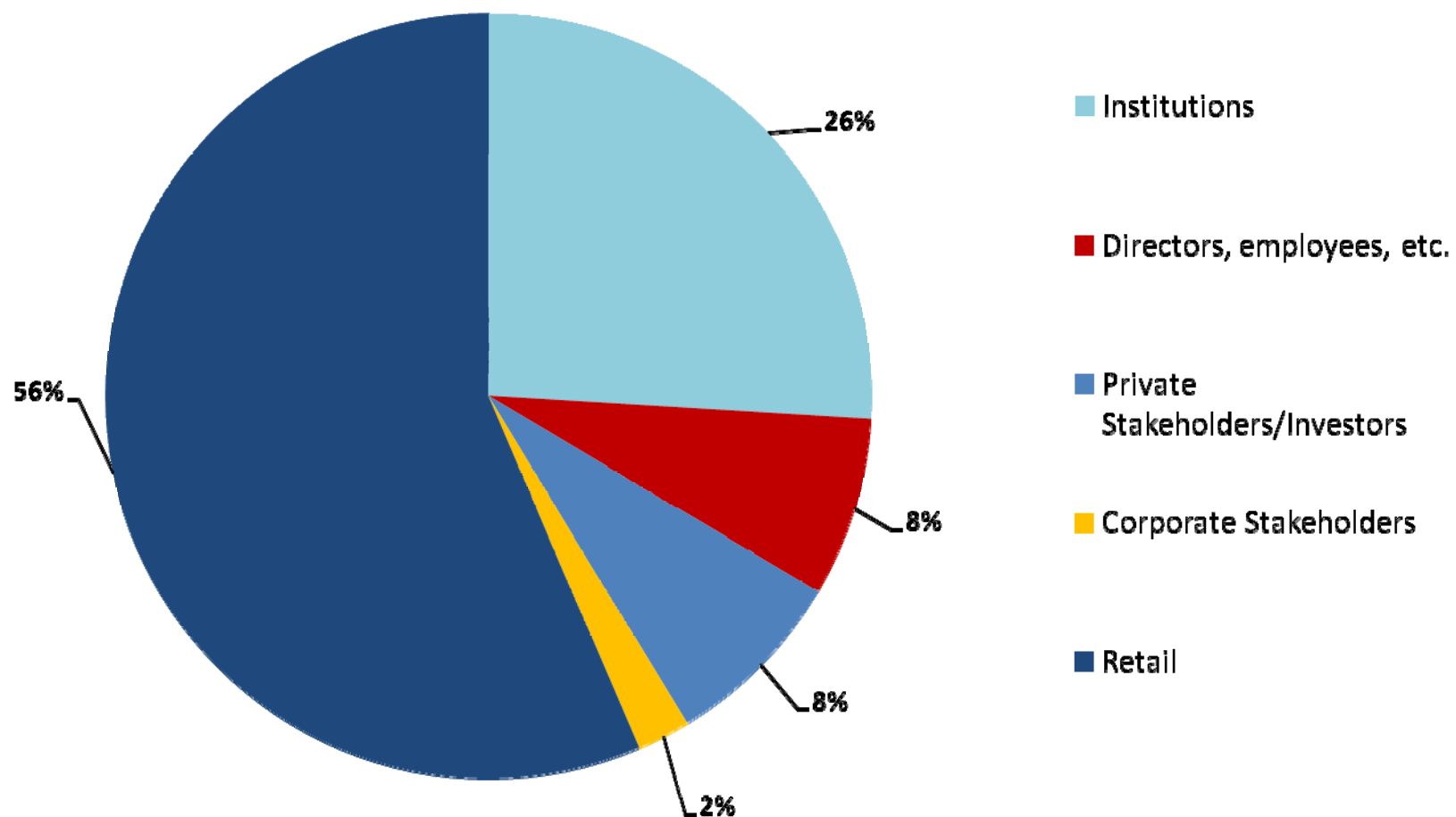
Company Overview



- An S&P ASX200 Index company
- Strategically located 100% owned CSG acreage adjacent to established CSG projects and markets
- 13 Tcf of gas potential with 3P gas reserves of 2,576 PJ and 2P gas reserves of 114 PJ
- Strong cash position to deliver targets of commercial gas flows, substantial 2P gas reserves and 30MW Blackwater Power Project
- Cooper Basin oil fields being appraised



A Growing Institutional Shareholder Base



Key Achievements CY2010



- ✓ **More than tripled 3P certified gas reserves**
- ✓ **First 2P reserves certified from Blackwater CSG Field, earmarked for 30MW Blackwater Power Project**
- ✓ **Construction of Blackwater Power Project underway**
- ✓ **Cuisinier-1 oil production continues at 400 barrels of oil per day and further wells to be production tested**
- ✓ **Bow promoted to S&P/ASX200 Index September 2010**

Aerial View of Construction Site for Blackwater Power Project (Jan 2011)



2011 Goals



Continued reserves growth and production

- Deliver commercial gas flows across multiple fields
- CSG reserve targets of 6,200PJ of 3P and 1,250PJ of 2P (net to Bow)

Domestic and export development strategy

- Continue to progress development strategies, including export LNG, electricity generation and domestic gas sales

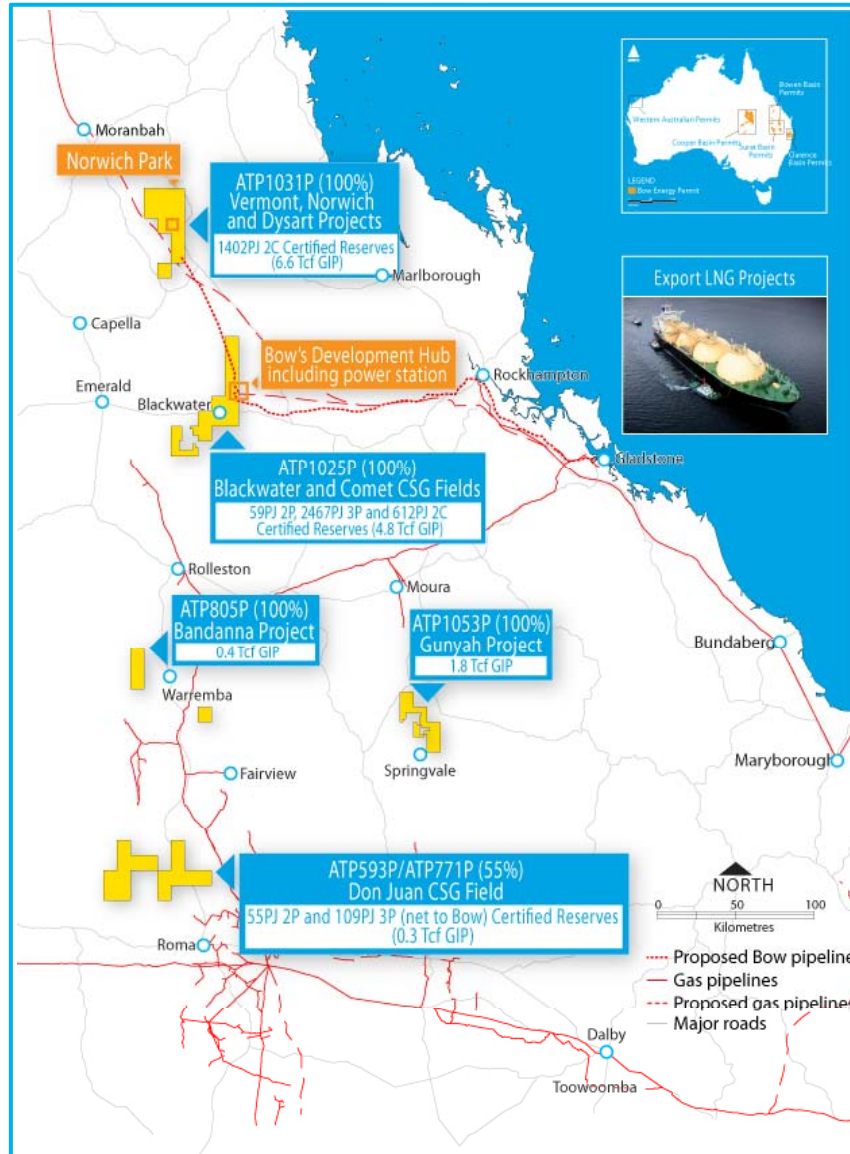
Infrastructure approvals

- Progress development approvals associated with gas field development and gas pipeline infrastructure

Commission Blackwater Power Project

- Complete construction of 30MW gas-fired project

Bow's 13Tcf Gas Potential are Well Located



- Bow's 100% CSG blocks in the Bowen Basin are strategically located to supply the proposed LNG Projects or domestic industrial users in Gladstone
- QCLNG (QGC, a BG Group company) LNG project achieved FID October 2010
- GLNG (Santos / PETRONAS / Kogas/Total) achieved FID in January 2011
- 4 other LNG Projects proposed in Gladstone
 - Arrow (Shell / PetroChina)
 - APLNG (Origin / ConocoPhillips)
 - LNG Ltd
 - Sojitz
- Bow has commenced EIS process for the proposed Bowen Basin gas field development and pipeline project linking Norwich Park and Blackwater to transport gas to Gladstone

Current CSG Reserves Positions in Queensland



- The four major export LNG projects have aggregated substantial reserves in an effort to underpin the gas needs of their respective projects

Bow is well on the way to its 3P reserves target of 6,200 PJ

Company	<u>Reserves / Resources as at February 2011 (PJ)</u>			
	1P	2P	3P	2C
APLNG (Origin / ConocoPhillips)	1,527	11,266	14,618	4,329
QCLNG (BG)	2,124	8,508	9,634	9,308
Shell LNG (Shell / PetroChina)	808	6,138	11,029 ¹	-
GLNG (Santos / Petronas)	1,432	5,606	7,680	4,285
Bow Energy	-	114	2,576	2,014
AGL	168	753	2,337	-
Molopo	24	222	610	906
Mitsui	38	184	424	419
Westside	30	94	381	-
CS Energy	23	70	189	-
Toyota Tsusho	4	42	128	33
Victoria Petroleum	-	45	89	-
Icon Energy	-	-	-	558
Stanwell	-	-	-	558
Blue Energy	-	-	-	454
Other	-	8	10	221
Total Queensland	4,412	29,242	46,474	25,915

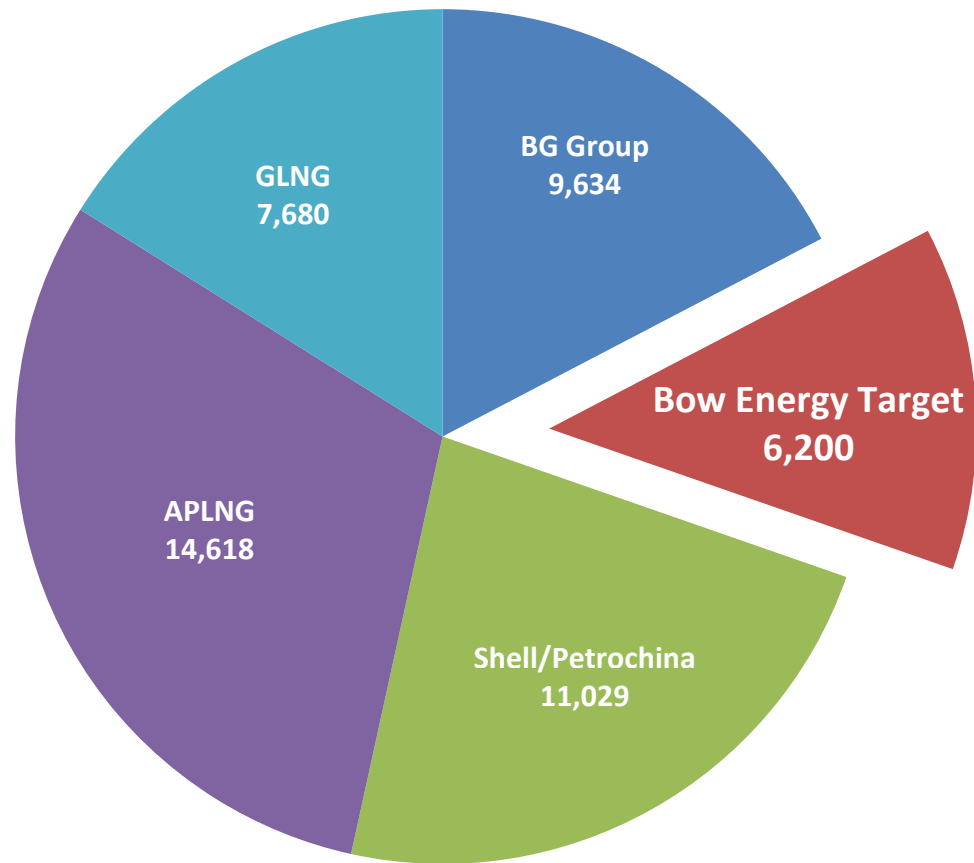
Source: Energy Quest,

1. Assumes AGL share of Bowen Basin gas reserves are delivered to Shell LNG project

Bow's targets – a meaningful reserves position



TOTAL 3P RESERVES (PJ)



BG, Shell, APLNG 3P reserve numbers sourced from Energy Quest Quarterly, November 2010 Report
GLNG 3P reserve numbers sourced from Santos ASX announcement - 08/02/2011
Bow 3P reserve numbers represent the companies end of 2011 target



Significant Reserves Shortfalls for Major LNG Projects



- APLNG almost has sufficient 2P reserves for 2-train LNG development
- GLNG, QCLNG and Shell have significant reliance on 3P reserves
- Initial gas from the Surat Basin with gas for later trains expected to be sourced from Bowen Basin. Bow's reserves are in the Bowen Basin - providing supply diversity
- Bow has the most significant 3P reserves today not destined for an export LNG project and has 100% interest in its key tenements
- Bow's 1,250PJ (2P) reserve target will position the company as the most significant independent in the region

Operator Group	Initial Capacity (mtpa)	Estimated Reserves (2P)	Estimated Shortfall (2P)
QCLNG (BG-QGC)	8.5 (2 x 4.25)	~8,500 PJ	~1,700 PJ
Shell-Arrow	8.0 (2 x 4.0)	~6,100 PJ	~3,500 PJ
GLNG (Santos-Petronas)	7.2 (2 x 3.6)	~5,600 PJ	~3,000 PJ
APLNG (Origin-Conoco)	9.0 (2 x 4.5)	~11,300 PJ	Nil
LNG Limited	1.5 (1 x 1.5)	Nil	~1,800 PJ

Note: Estimated Reserves required assumes a 20 year LNG project life and a gas requirements of approximately 60 PJ pa for each 1mtpa LNG capacity. Shortfall calculated based on required 2P reserves less 2P reserve estimates from Energy Quest

Source: Energy Quest, Company estimates

Bow Facilitating the Entire Value Chain



UPSTREAM DEVELOPMENT → MIDSTREAM INFRASTRUCTURE → DOWNSTREAM MARKETING

- 100% of three diversified Bowen Basin tenements with a GIP potential of over 13 Tcf
- Current appraisal programs on track to deliver reserve targets:
 - 1,250 PJ 2P
 - 6,200 PJ 3P
- Trialling proven completion methods to deliver commercial gas flow rates.



- Bow progressing approvals and planning of the 257 km pipeline to transport gas from Blackwater into Gladstone
- Pipeline to link Norwich Park gas field to the Blackwater development hub
- Proposing over 100PJ pa pipeline capacity
- Further expansion capacity to be tailored for Bow's future production and gas sales requirements



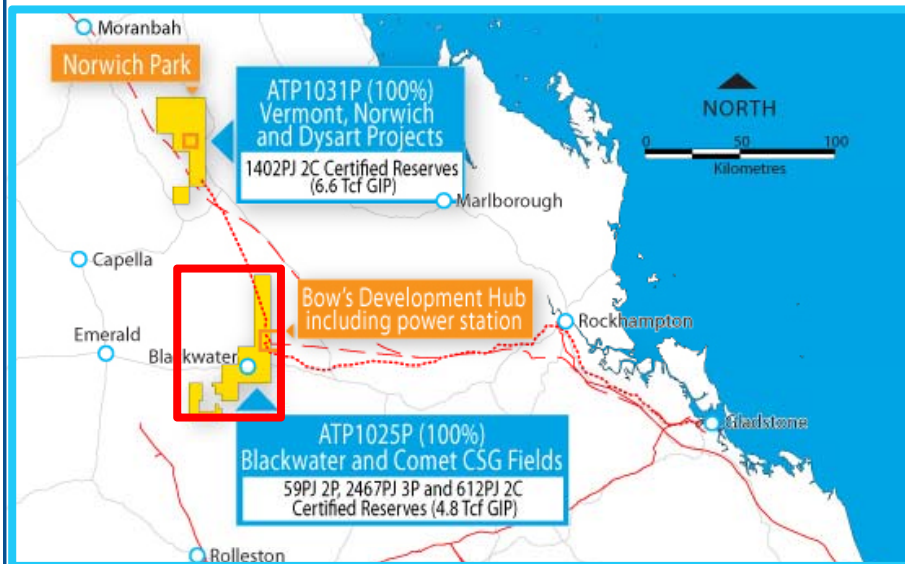
Export LNG
Gladstone Projects

Domestic Gas
Various opportunities being negotiated

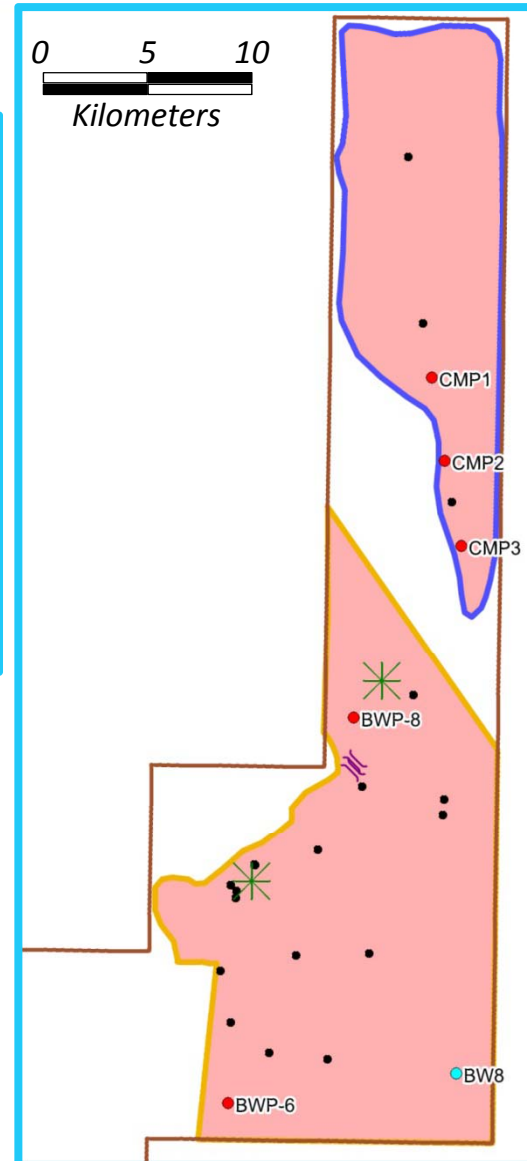
Electricity
Blackwater Power Station (underway)
Expand power generation

Core activities regardless of channel to market

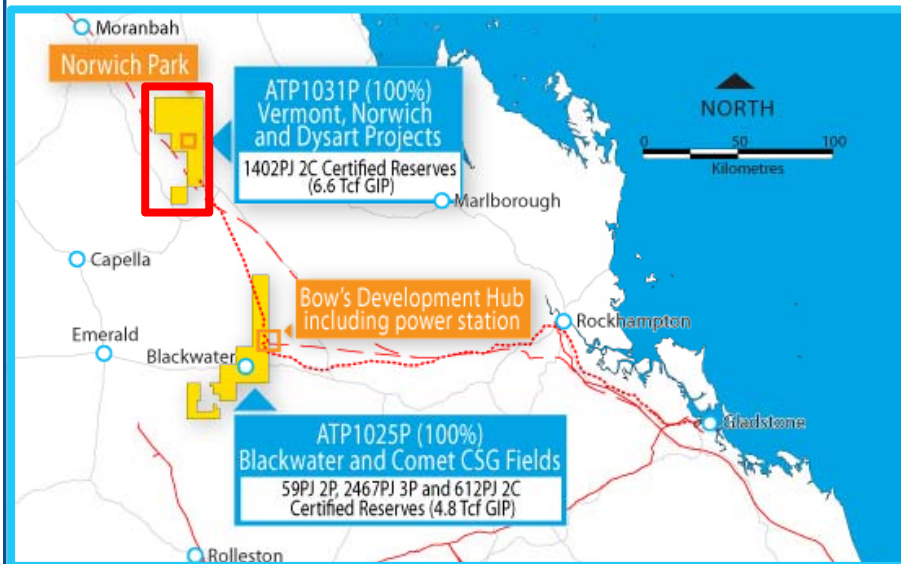
Over 2,467PJ 3P reserves at Bow 100% owned Comet Block



- Blackwater CSG Field
- Comet CSG Field
- Test Wells
- SIS Pilot
- 4 Spot FRAC Pilot
- Existing Wells
- Core Hole



1,402PJ 2C resources certified at Vermont in Norwich Park Block



Exploration results to date		
Well	Total net coal	DAF Gas Content
VM1	52m	14-22
VM2	77m	12-22
VM3	62m	10-22
NW1	66m	18-26
NW2	53m	11-28
NW3	42m	16-24
DY3	40m	Data Pending



Vermont - 100% Bow

1,402PJ 2C

Primary target – Fort Cooper & Moranbah CM

Dysart – 100% Bow

Primary target - Rangal CM
Secondary target – Fort Cooper & Moranbah CM

Norwich - 100% Bow

Primary target - Rangal CM
Secondary target – Fort Cooper & Moranbah CM

- Dysart Project
- Norwich Project
- Vermont Project
- Rangal CM Outcrop
- Regional Fault
- Proposed Core Holes
- Drilled Core Holes

Bow targeting continued reserves growth

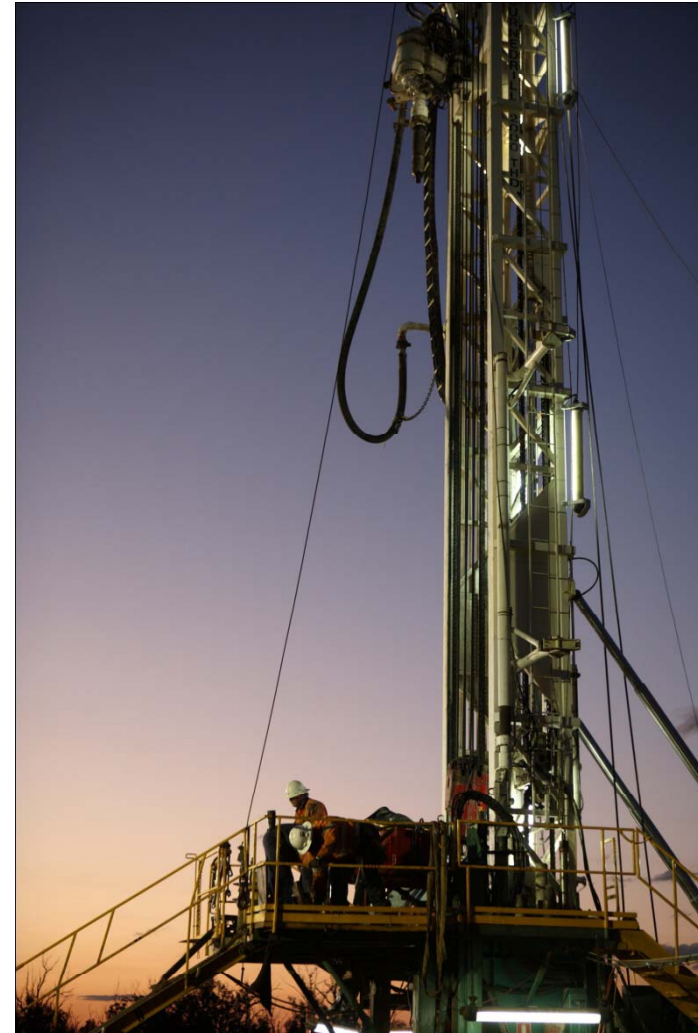


Project (all 100% unless stated otherwise)	Current Certified Reserves/Resources			Reserve Targets	
	2C Resources (PJ net to Bow)	3P Reserves (PJ net to Bow)	2P Reserves (PJ net to Bow)	3P Reserves (PJ net to Bow)	2P Reserves (PJ net to Bow)
Blackwater and Comet CSG Fields (ATP1025P)	612	2,467	59	2,467	535
Norwich Park (3 projects within ATP1031P)	1,402	-	-	3,000	660
Gunyah Project (ATP 1053)	-	-	-	600	-
Bandanna Project (ATP 805)	-	-	-	-	-
Don Juan Project (Bow 55%)	-	109	55	133	55
Total Reserves (net PJ to Bow)	2,014	2,576	114	6,200	1,250

A Significant Drilling Program for 2011



- 10 core holes
- 15 fraced production wells
- 9 lateral production wells
- 15 DFIT holes (permeability testing)
- Over 300 kilometres of new seismic acquisition
- More than 60% of this work is focussed on Norwich and Blackwater fields
- This work will account for more than \$40 million of expenditure and is a significant step up from prior years



The Integrated program - a significant step up from prior years



2011 CSG Appraisal Program	2011			
	1 st Quarter (Jan-Mar)	2 nd Quarter (Apr-Jun)	3 rd Quarter (July-Sept)	4 th Quarter (Oct-Dec)
Production Program • Up to 15 Fracture stimulation production wells and 9 lateral production wells in ATP1025P and ATP1031P.	Drilling/ Completions	Drilling/Pumping/Production		
Testing Program • Total of 15 wells across CSG portfolio planned	Completions/Testing/Pumping			
Core Hole Program • Up to 10 core holes across CSG portfolio	Gas Contents and Saturations			
Blackwater 30MW Power Station	Construction			Commissioning
GAS RESERVE TARGETS (net to Bow)			1,250PJ 2P / 6,200PJ 3P	

Strategic Roadmap for Bow Energy



- Bow will continue to develop its upstream resource, targeting significant gas reserves and production
- Bow continues to pursue multiple development strategies, including export LNG, electricity generation and domestic gas sales
 - ⇒ Negotiations with counter parties for long term gas off-take for significant volumes have continued
 - ⇒ Gas demand volumes range from 15 to 30 PJ per annum for long term 15+ year contracts

Planned Milestone	Timing
<ul style="list-style-type: none"> • Reserves growth and commencement of gas production pilots • Commenced construction of the Blackwater Power Project 	Underway
<ul style="list-style-type: none"> • Commercial gas flow rates • Continued reserves and gas production growth • Blackwater Power Project commissioning • Progress development approvals: gas field and Gladstone pipeline 	2011-12
<ul style="list-style-type: none"> • Submit CSG field development and approvals • Conditional off-take arrangements 	Late 2011 onwards
<ul style="list-style-type: none"> • Obtain pipeline licence / commence construction and field development 	Late-2012 onwards
Sales: Additional power generation, domestic supply and/or LNG sales	Late 2014 / early 2015

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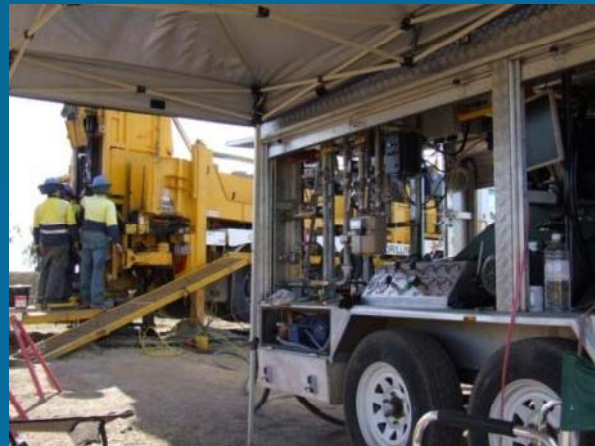
Cementing



CSG Drilling



Construction of Blackwater Power Project



Permeability testing



Installing an electric drive head



Starting to log well

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