

ASX ANNOUNCEMENT

06 May 2008

Company Announcements Platform
Australian Stock Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Target Commences Oil & Gas Production at Beyt #1

Target Energy Limited ("Target") (ASX Code: TEX) is pleased to report gas production has now commenced from its Beyt #1 well (Bayou Berard prospect) in St Martin Parish, Louisiana, USA. The well was put on line on 2 May, 2008 at an initial rate of 1 million cubic feet of gas per day with a steady flow of condensate (un-gauged).

Drilled in January 2008, the Beyt #1 well intersected productive Marg Vag sands which were successfully flow tested in March this year.

Target Energy's Managing Director Laurence Roe said the commencement of production at Beyt #1 was another positive step for the Company.

"The Beyt #1 is our fifth well to come into production. We are now producing from five of the seven wells we have drilled to date.

"With drilling scheduled to commence at both our East Chalkley oil project and our Bandito prospect later this month, we are looking forward to delivering more activity, and more success, to our shareholders."

Target Energy has a **15% Working Interest** in the Beyt #1 well.

For further information please contact:

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NOTE: In accordance with ASX Listing Rules, any hydrocarbon reserves and/or drilling update information in this report has been reviewed and signed off by Mr Laurence Roe, B Sc, Managing Director of Target Energy, who is a member of the Society of Exploration Geophysicists and has at least 5 years experience in the sector. He consents to that information in the form and context in which it appears.