

ASX ANNOUNCEMENT

13 February 2008

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

Target Commences Oil & Gas Production at Snapper A-2 Total gas production increased by 70% Target cash-flow positive

Target Energy Limited ("Target") (ASX Code: TEX) is pleased to report gas production has now commenced from its Snapper A-2 discovery well in St Martin Parish, Louisiana, USA. The well is initially flowing at a rate of 1.3 million cubic feet of gas per day plus approximately 27 barrels of oil per day.

Drilled in November 2007, the Snapper A-2 well intersected 28.7 metres of potential oil and gas pay in seven separate zones. The well is currently producing from the Hackberry A-4 sand (6.1 metres of pay), with the remaining zones to be completed and produced at a future date.

Target Energy's Managing Director Laurence Roe said the commencement of production at Snapper A-2 was another major milestone for the Company.

"Snapper A2 is our fourth discovery well to come into production, and increases our total gas production by 70%. The cash flow generated by the Snapper A-2 well makes Target effectively cash-flow positive."

Target Energy has a **25% Working Interest** in the Snapper A-2 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.