

ASX ANNOUNCEMENT

15 March 2007

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

THOROUGHbred No.1 – OPERATIONS UPDATE

Target Energy Limited (“Target”) (ASX CODE: TEX) is pleased to provide the following operations update. All reported depths are below the Rotary Table (RT) on the rig floor.

Report Date: 10:00 pm 14/03/07 (Western Aust Daylight Time) /
7:00 am 14/03/07 (USA Central Standard Time)

Current Depth: 1,147 metres RT

Progress: Well commenced drilling at 6:30pm on 10 March 2007 (WDT). The well is presently at 1,147 mRT - tripping out of hole and conditioning mud.

Hydrocarbon Indications Hydrocarbon shows will only be reported after wireline logs have been run and evaluated at the Total Depth of the well.

Primary and Secondary Targets The primary targets are Oligocene age sandstones (Frio sands) at a depth of approximately 1,250 metres. The well will be drilled to a total depth of 1,448 metres to test additional Miocene and Frio potential.

Thoroughbred prospect Working Interest holders (subject to completion of earning phase):

Everest Resource Company et al	50.75% (Operator)
Target Energy Limited	25.00%
Day Star Drilling & Development, Inc	12.75%
Anderson Oil Ltd	10.00%
A & H Investments	1.50%

While operations are underway, the company will issue routine releases every Thursday or at any such time that material matters require an earlier release.
ENDS

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.