

## ASX ANNOUNCEMENT

17 January 2008

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

# CATAPULT ON TARGET TO BECOME A “COMPANY MAKER”

## Highlights

- **Catapult 3 targeting 200 Bcf of potential recoverable gas & 10 million barrels of potential recoverable condensate**
- **Potential to become a “Company maker”**
- **Target to earn a 15% interest, drilling scheduled to commence in Q2/08**

Target Energy Limited (“Target”) (ASX Code: TEX) is pleased to announce it has reached agreement with Legend Petroleum of Houston Texas (“Legend”), to acquire a 15% interest in the Catapult 3 prospect, a substantial new gas prospect in Louisiana, targeting in excess of 200 Bcf of potential recoverable gas and 10 million barrels of potential recoverable condensate.

Managing Director Laurence Roe said, “Catapult has the potential to become a genuine “Company Maker” for Target Energy. Given our exploration success in the US to date, we’re confident that we have the right territory, the right partners and an appropriate level of exposure to create the conditions for further exploration success.”

The “Catapult 3” prospect is located approximately 50 kilometres south west of Lafayette in Vermilion Parish, Louisiana and is presently scheduled to be drilled in the second quarter of 2008. Drilling is expected to take approximately five weeks.

Target will earn a 15% working interest in the prospect. The Catapult 3 well is planned to be drilled to a depth of 4,724 metres (15,500 feet) and will target up to 204 Bcf and 10.2 million barrels of potential recoverable gas and condensate in Early Miocene-age Alliance (Planulina) and Trahan sands.

Mr. Roe added, “If this acquisition proves to be another successful discovery, it has the potential to catapult Target into a bigger league. While we consider Catapult to be a relatively high risk/high-reward play compared to some of our earlier acquisitions, the prospect is thoroughly mapped on 3D seismic, well integrated with the local geology and is adjacent to two recently drilled wells that tested with combined rates of 40 million cubic feet of gas per day and 2,300 barrels of condensate per day.”

Since listing on the ASX in 2007, Target Energy has made four consecutive oil and gas discoveries in the USA, with three of those four wells now in production and generating cash flow.

Target is currently drilling wells at the Bayou Berard (15% interest) and Teche prospects (10%), where it is targeting combined potential recoverable gas and condensates in excess of 24 Bcfe.

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**ENDS**

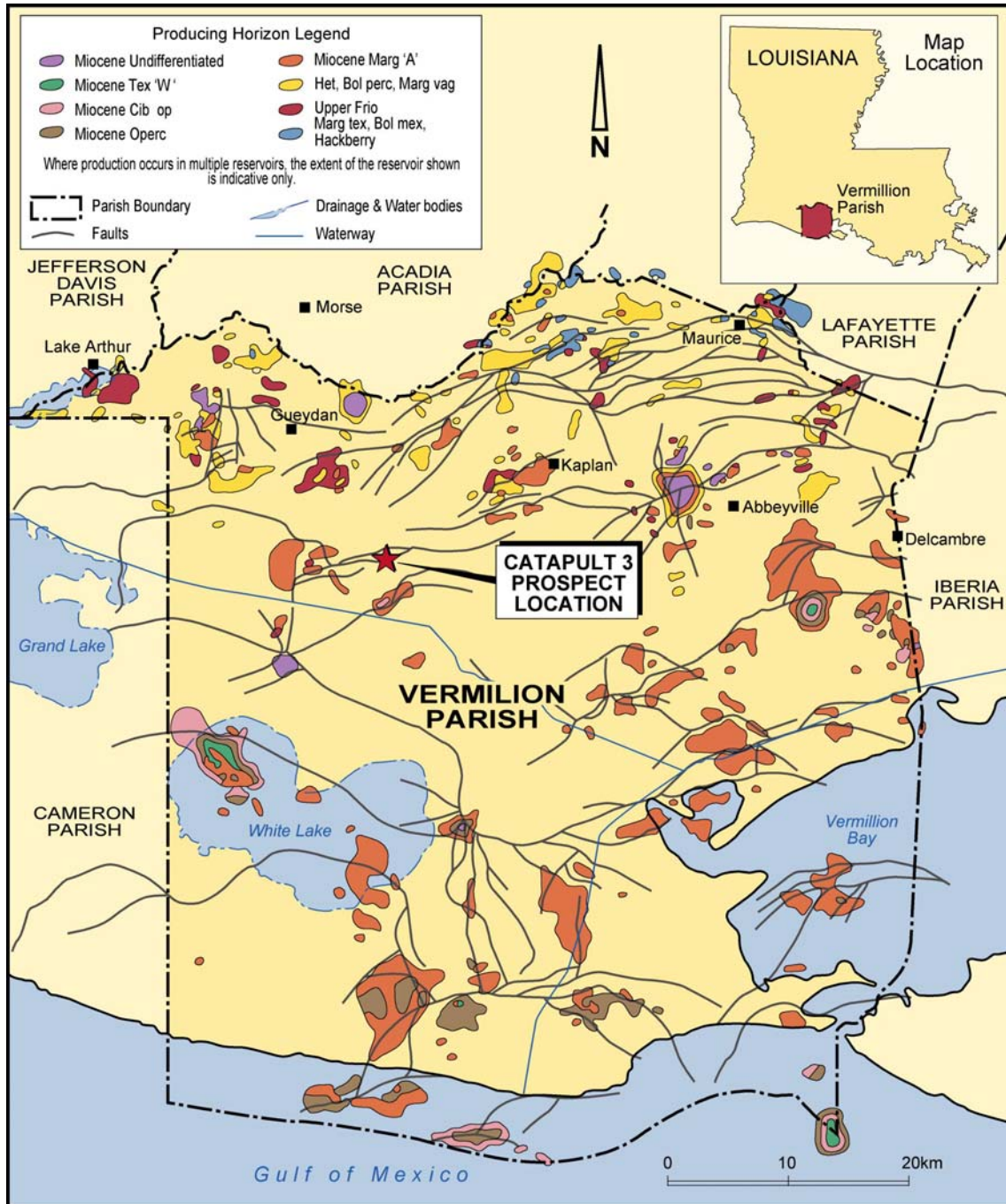
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NOTE: In accordance with ASX Listing Rules, any hydrocarbon reserves and/or drilling update information in this report has been reviewed and signed off by Mr Laurence Roe, B Sc, Managing Director of Target Energy, who is a member of the Society of 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.

Attachment 1 – Catapult 3 Location Map



**VERMILION PARISH, LOUISIANA**  
 Showing producing horizons, and the Catapult 3 prospect area.