



## ASX Announcement

18 October 2011

### FAIRWAY PROJECT OPERATIONS UPDATE

Target Energy Limited ("Target") (ASX CODE: TEX) is pleased to provide the following operations update.

#### BOA 12 #1 (Fairway Project, Howard County, Texas)

Processed log data has been received and completion operations are now underway at the BOA 12 #1 well in Howard County, Texas.

The log data has confirmed the potential prospectivity of the Wolfberry section and of shallower Clearfork and San Andres Formations. The logs also indicated the presence of oil in a low-porosity Fusselman zone.

The decision was taken to test the Fusselman zone and the well was perforated over a 2 metre interval in the upper part of the Fusselman and then stimulated with acid. A swabbing unit has been rigged up and flow testing is underway. BOA 12 #1 is presently flowing oil and water at a rate of approximately 120 Barrels per day, with oil cut ranging from 4% to 30%. The flow test is continuing.

Managing Director Laurence Roe commented, "At this time we plan to continue with the testing in the Fusselman to determine at what level the oil cut will stabilise and to assess the commercial viability of the Fusselman Formation."

The Company will further update the market in due course.

Target Energy is earning a 60% Working Interest in the Fairway project.

ENDS

For and on behalf of TARGET ENERGY LIMITED

**Laurence Roe**  
**Managing Director**

### Corporate information

#### ASX Code

TEX

TEXOB

#### Board of Directors

Chris Rowe, Chairman  
Laurence Roe, Managing Director  
Graham Riley, Director  
Stephen Mann, Director  
Ralph Kehle, Chairman TELA (USA)

Rowan Caren, Company Secretary

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#### Overview of activities

Target is exploring and producing a suite of highly prospective oil and gas projects in the USA.

*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 over 30 years' experience in the sector. He consents to that information in the form and context in which it appears.*