ASX ANNOUNCEMENT

TARGET ENERGY LIMITED

22 March 2007

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

THOROUGHBRED No.1 DRILLING SUCCESSFULLY COMPLETED

Target Energy Limited ("Target") (ASX CODE: TEX) is pleased to report that the Thoroughbred No.1 well, in Colorado County Texas, has been successfully completed. Drilling at Thoroughbred No. 1 earlier this week discovered two significant gas zones, which Target described as being "on the high side of expectations."

The Thoroughbred No. 1 well has been completed at a total depth of 1,450.8 metres and has been cased, cemented and secured at surface with a Larkin head. The rig was released at 6:00pm on 18 March 2007 (WDT). The well is presently waiting on completion orders. Target has previously reported that Thoroughbred No.1 had potential recoverable reserves of up to 1.3 BCF (Billion Cubic Feet) of gas.

Thoroughbred No.1 is the second well in Target's fully-funded 8-hole drilling campaign in Texas and Louisiana. The third well, Snapper A-1, in St Martins Parish Louisiana, spudded on 14 March 2007 and is testing potential recoverable reserves of up to 4.2 BCF of gas and 450,000 barrels of oil.

Snapper A-1 will take approximately four weeks to drill.

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

For further information please contact:

Shareholder Enquiries
Michael Martin
Tel: (08) 9476 9000
Email: admin@targetenergy.com.au

Media Enquiries
Tony Dawe
Tel: 041 3322 110

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 M.J.Martin, B Sc, a Director of Target Energy, who is a member of the American Association of Petroleum Geologists and has at least 5 years experience in the sector. He consents to that information in the form and context in which it appears.