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

Snapper A2 flows at 2.1 mmcfgd

Target to become cash flow positive

Target Energy Limited ("Target") (ASX Code: TEX) is pleased to announce that its SML (Snapper) #A-2 ("Snapper A2") (TEX: 25%) well in St Martin Parish, Louisiana has been completed and flow-tested at rates up to 2.1 million cubic feet of gas per day (mmcfgd), with minor associated oil, from the Hackberry A-4 sands.

Gas produced from Snapper A2 will be tied into the nearby Snapper A1 production facilities, and is expected to be online within a month.

Managing Director Laurence Roe said, "With both Snapper A1 and Snapper A2 wells in production, Target Energy expects to become cash flow positive. The cash flows from our four operating wells now provide a consistent income stream underpinning Target's aim of increasing its level of participation in larger and potentially more rewarding projects. With the Bandito, Parks North, Snapper A3 and Catapult wells at various stages of development, and targeting a combined 300 Bcf of gas, we anticipate further positive announcements in coming months."

Following the mobilisation of a Completion rig to the Snapper A2 well site, three intervals within the Hackberry A-4 sandstone were perforated from 3,023.7m to 3,038.3m.

The Hackberry A-4 is the second-deepest of the seven pay zones previously identified on wireline logs:

Measured Depth (metres)	Zone	Potential Net pay
2,779.8	Marg Howie	3.7 metres
2,807.2	1 st Camerina	2.7 metres
2,882.2	3rd Marg Tex	4.0 metres
2,905.4	4 th Marg Tex	1.8 metres
2,948.1	Hackberry A-1	9.1 metres
3,023.7	Hackberry A-4	6.1 metres
3,048.3	Hackberry A-5	1.2 metres
Total		28.7 metres

In accordance with the operator's program, the Hackberry A-4 Sandstone was completed first with the shallower zones to be completed at a later date.

Target Energy has a **25% Working Interest** in the 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.