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Company Announcements Platform
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OIL FLOWS TO DOUBLE MONTHLY REVENUE FROM SNAPPER #A-2 Drilling schedule update for Snapper #A-3

Target Energy Limited ("Target") (ASX Code: TEX) is pleased to announce that a workover on its Snapper #A-2 well has resulted in the well flowing oil at 230 barrels of oil per day (BOPD).

The workover was undertaken in accordance with the operator's standard operating procedure as we move up from the Hackberry gas sands to the oil-bearing 3rd and 4th Marg Tex sands. It is planned to choke this production back to 150 BOPD. With the current oil prices, **this flow rate will more than double Target's monthly revenues from this well.** Target has a 25% working interest in the well.

Snapper #A-3

The operator has further advised that site works are being completed for the upcoming St Martin Land #A-3 ("Snapper #A-3") well in St Martin Parish, Louisiana. The contracted Crown Drilling Company rig will move to the Snapper #A-3 site once drilling operations are complete at its present location, expected around 12 June.

Snapper #A-3 is targeting up to 4.2 Bcf of recoverable gas and 331,000 barrels of oil. The bottom-hole location of the well is programmed to be at a measured depth of 3,277 metres, approximately 300 metres north-north-east of the Target's Snapper A-1 producing well (TEX WI: 25%).

The well is considered to be a low-risk development well for multiple proven and by-passed pay zones and is expected to penetrate up to six pay zones.

Beyt #1A

In addition to the Snapper #A-3 well, Target Energy will participate in the Beyt #1A well later in the year. The well will be sidetracked from the Beyt #1 borehole to test 1st, 2nd and 3rd Marg Tex sands. Independent technical specialist, Risc Pty Ltd (Risc), recently reviewed this prospect and concluded that the well may recover up to 750,000 barrels of oil and may flow at rates up to 1,500 BOPD. Target will have a 15% Working Interest.

Target's Managing Director Laurence Roe said, *"This is a very encouraging result for Target Energy - with oil prices having strengthened, now is a good time to be flowing oil from the Snapper #A-2 well. At Snapper #A-3, site prep is underway and the Crown Rig will mobilise in to start drilling as soon as it has finished with its current well. We are also pleased that the work by Risc has indicated that the planned side-track at Beyt #1A later in the year has the potential to flow oil at quite high rates. All good news for Target shareholders.*

"Our work programs continue to progress - without debt and at minimal risk to our working capital. As a consequence I believe we are not only well placed to see off this takeover offer from Blaze Asset Pty Ltd, but grow Target into a mid-tier oil and gas producer within the next four to five years."

ENDS

For further information please contact:

TARGET ENERGY LIMITED address Level 2, 46 Ord Street West Perth WA Australia 6005 mailing address PO Box 140 West Perth WA 6872
ABN 73 119 160 360 telephone +618 9476 9000 facsimile +618 9476 9099 email admin@targetenergy.com.au website www.targetenergy.com.au

Shareholders

Laurence Roe

Tel: (08) 9476 9000

Email: admin@targetenergy.com.au.**Media**

Tony Dawe

Tel: 041 3322 110

tony.dawe@bigpond.com

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.