

29 November 2007

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

DRILLING UPDATE

Target Energy Limited ("Target") (ASX CODE: TEX) is pleased to provide the following operations update. All reported depths are below the Rotary Table (RT) on the rig floor.

SML (SNAPPER) A-2

Report Date: 9:00 pm 28/11/07 (Western Aust Daylight Time) /
6:00 am 28/11/07 (USA Central Standard Time)

Current Depth: 3,072.7 metres RT (corrected Total Depth)

Progress: Prepare to run 127mm (5") production liner. Commence rigging down.

Hydrocarbon Indications: Has previously advised seven potential oil and gas pay zones have been identified in the well. The operator's initial log analysis indicated the following potential pay:

Measured Depth (metres)	Zone	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

Comments The rig will be released in the next 24-48 hours and will move immediately to the Bayou Berard Prospect.

Target has a 25% Working Interest in the SML (Snapper) A-2 well.

RIVIANA FOODS #1 (TECHE PROSPECT)

Report Date: 9:00 pm 28/11/07 (Western Aust Daylight Time) /
6:00 am 28/11/07 (USA Central Standard Time)

Current Depth: 1208.8 metres RT

Progress: Drill ahead from 126.1m RT to 1,208.8m RT in 251mm (9 7/8") hole. Prepare to run 194mm (7 5/8") intermediate casing.

**Hydrocarbon
Indications**

Hydrocarbon shows will only be reported after wireline logs have been run and evaluated at the Total Depth of the well. The well will take approximately four weeks to drill to the programmed Total Depth of 3,810 metres (12,500 feet).

**Primary and Secondary
Targets**

Drilling at the Teche prospect will target up to 22.4 Bcfe of potential recoverable gas and condensate in Oligocene age "Bol mex 2" sands. Additional potential is recognised in a number of other sands which will also be tested in an optimal position.

Target Energy will earn a 10% Working Interest in the well (subject to completion of earning phase):

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

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.