



ASX Announcement

15 April 2010

Completion Program Continuing at Highway 71

US-focused oil and gas exploration and production company, Target Energy ("Target") (**ASX:TEX**) is continuing its completion program at the Merta #1 well at its 25%-owned Highway 71 prospect in Wharton County, Texas.

Following the perforation and flow-test of the Upper Wilcox sand, analysis of the pressure data was undertaken and the well subsequently "swabbed" to reduce the amount of fluid in the borehole. The well was then shut-in and monitored for pressure build up. A second swabbing run was later undertaken.

While the swabbing runs recovered water with a minor amount of oil, there was no further evidence of gas; the work also confirmed the low permeability of the sands at this location. Operations at the Upper Wilcox sand will now be terminated.

The Operator is presently preparing a procedure to move uphole to complete the well in the Cook Mountain interval, where strong gas shows were noted while drilling and with wireline log and formation test data subsequently indicating the presence of approximately 9 metres of potential net gas pay within three zones. The Cook Mountain completion is expected within two weeks.

New Ventures

Target also is presently investigating a number of new ventures opportunities, both in the USA and elsewhere internationally. It is the view of the Board that at the Company's current market capitalisation, its assets are substantially undervalued and the Board is therefore advancing strategies to allow the value of these assets to be leveraged in accelerating the Company's participation in new projects.

For and on behalf of
TARGET ENERGY LIMITED

Laurence Roe
Managing Director

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.

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Corporate information

ASX Code
TEX

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

Target has interests in producing assets in its East Chalkley oil field and Section 28 Project.