

## ASX Announcement

20 November 2015

### Target Energy AGM & Fairway Project Update

#### Annual General Meeting

The 2015 Annual General Meeting of Target Energy Limited (“Target”) will be held at 2.30pm (WST) today (20 November 2015) at The Vic Boardroom, 226 Hay Street, Subiaco, Western Australia.

#### Fairway Project Update

##### Legal

In February 2015, Target announced that the Company’s subsidiary TELA Garwood LP (“TELA Garwood”) had filed a lawsuit in the District Court of Harris County (Houston), Texas against Victory Energy Corporation and Aurora Energy Partners (“Victory”, “Aurora”).

The suit charged that Aurora, acting by and through its general partner, Victory, breached its obligation to purchase certain of TELA Garwood’s interests in the West Texas Fairway Project (Howard and Glasscock Counties), pursuant to a Purchase and Sale Agreement between TELA Garwood and Aurora dated June 30, 2014 (“PSA”). Aurora and TELA Garwood completed a first closing on June 30, 2014, but failed to complete a second closing, originally scheduled for July 31, 2014, as a result of Aurora’s breaches of its obligations under the PSA.

TELA Garwood subsequently filed a Motion For Summary Judgement, which is currently scheduled to be heard on 4 December 2015 in the District Court of Harris County, Texas.

Managing Director Laurence Roe stated, “At the hearing, presently scheduled for 4 December, we will be asking the court to grant summary judgement in favour of TELA Garwood and thereby hold Victory and Aurora accountable for the damages suffered by TELA Garwood as a result of Aurora’s breaches of its obligations under the PSA.”

#### Corporate information

ASX Code: TEX  
OTCQX Code: TEXQY

##### Board of Directors

Chris Rowe, Chairman  
Laurence Roe, Managing Director  
Stephen Mann, Director

Rowan Caren, Company Secretary

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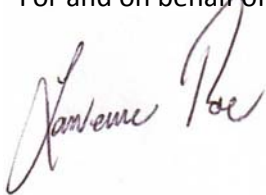
### Divestment

Target has engaged a landman to assist the Company in accelerating its efforts to sell all or part of its interests in the Fairway Project in Howard and Glasscock Counties in West Texas. An audit of the leases held by the Company is underway as part of that effort.

### Workover Program

The Fairway partners are also undertaking workovers on a number of producing wells in the project. The workovers are required to maintain the operational capacity of the wells. The combination of these necessary work programs and reduced sales revenue due to easing commodity prices have effectively added to amounts owed by TELA Garwood to the operator, which until recently were being regularly reduced by the direct application of sales revenue to outstanding invoices.

For and on behalf of TARGET ENERGY LIMITED

A handwritten signature in dark ink, appearing to read "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 over 30 years' experience in the sector. He consents to that information in the form and context in which it appears.*