ASX Announcement

26 November 2013

Update on Fairway Project

US-focussed oil and gas producer Target Energy Limited ("Target") is pleased to provide an update on its Fairway Project in West Texas.

Darwin #3

Darwin #3 continues to flow back oil and load-water following the frac over the lower Wolfberry section. The well was put on pump on 15 November; average production over the first seven days on pump was 85 BOPD with app 80 mcfgd and 206 BWPD. Approximately 56% of the 12,900 barrels used during the stimulation process has now been recovered.

Sydney #2

The drilling rig has been mobilised to the Sydney #2 site and is presently rigging up. Drilling is expected to commence within the next 24 hours. The well is located approximately 800 metres east of Sydney #1 and will target both the Wolfberry and Fusselman sections. It will be drilled to approximately 3,070m (10,070 ft) and is expected to take approximately two weeks to drill.

Wagga Wagga #1

The partners are meeting this week to design the completion program for Wagga Wagga #1. The well encountered good oil and gas shows while drilling in the lower Wolfberry section, with preliminary log analysis confirming potential pay there along with potentially productive zones in the Devonian/Fusselman and Ellenburger formations.

Target Managing Director Laurence Roe commented: "Despite ice-storms and some strong weather recently passing through West Texas, work continues to advance at the three new wells in our Fairway project.

"The oil production associated with the Darwin #3 flow back is looking encouraging, the Sydney #2 well is expected to commence drilling overnight and we should soon be able to start our completion and testing program at Wagga Wagga #1. We expect December will be a busy and exciting month for the Company and its shareholders."

Corporate information

ASX Code: TEX
OTCQX Code: TEXQY

Board of Directors
Chris Rowe, Chairman
Laurence Roe, Managing Director
Stephen Mann, Director
Ralph Kehle, Chairman TELA (USA)

Rowan Caren, Company Secretary

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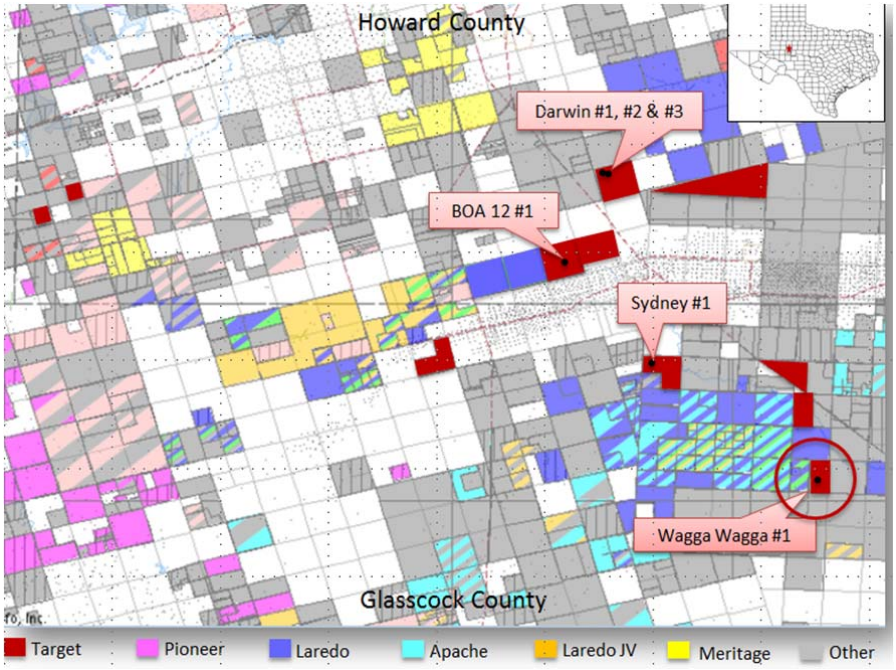

Figure 1: Target Energy Fairway Project lease-holdings.

ENDS

For and on behalf of TARGET ENERGY LIMITED

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 over 30 years' experience in the sector. He consents to that information in the form and context in which it appears.

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