



ASX RELEASE – 17 JULY 2013

WEST EAGLE UNIT – PLAN OF OPERATIONS APPROVED

Buccaneer Energy Limited (“Buccaneer” or “the Company”) is pleased to advise that the Plan of Operations for the 100% owned West Eagle Unit # 1 well has been approved by the Alaskan Department of Natural Resources (“DNR”).

The Company requires the following additional approvals before drilling operations commence:

- A drilling permit must be approved by the Alaskan Oil and Gas Conservation Commission (“AOGCC”). This takes approximately 30 days and the Company anticipates lodging the application shortly; and
- The oil spill plan (“C-Plan”) amendment needs approval by the Alaska Department of Environmental Conservation (“ADEC”). The Company applied for this amendment in March 2013 and it is currently under final review by ADEC.

The Company plans to spud the West Eagle # 1 well on completion of the Kenai Loop # 1-4 well using the Glacier drilling rig currently on location at Kenai Loop. On completion of the West Eagle # 1 well, the Glacier drilling rig will move back to Kenai Loop to continue the Kenai Loop development program.

The Glacier drilling rig was secured by Buccaneer Energy in 2012 for use on its land drilling projects and will be utilised for the West Eagle prospect due to its lower risk profile and improved economics when compared with alternative drilling options

The primary objective of the West Eagle # 1 well targets a 150’ Upper Tyonek interval of sandstones that had gas shows in a down-dip offset well, the Standard Oil of California, Anchor River # 1. Up-structure on a northeast to southwest trending ridge, the West Eagle well will test a large amplitude anomaly mapped on 233 miles of 2D seismic data. The anomaly size is estimated at more than 4,000 acres.

The West Eagle # 1 well will also test a deeper, large stratigraphic pinch-out which is part of what is often called the East Side Oil Play, made up of basal Tertiary or older potential reservoirs up-dip from a postulated middle Jurassic oil source conduit system. This deeper objective is also amplitude supported.

The West Eagle # 1 well is also included in the Letter of Intent announced by the Company on 5 July 2013. Subject to the execution of binding agreements, the Farm-In party has an option to pay 100% of the costs associated with two wells at West Eagle for which it will earn a 49% working interest.

Yours faithfully
BUCCANEER ENERGY LIMITED

Mr Dean Gallegos
Executive Chairman

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For further information please contact Dean Gallegos, Executive Director, on 0416 220 007 or 02 9233 2520. Alternatively visit the Company's website at www.buccaneerenergy.com.



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About Buccaneer

Buccaneer Energy Limited is an Australian listed company focused on developing its 100% owned oil & gas assets in Alaska. The Company's flagship projects are a series of onshore and offshore developmental and exploration prospects in Alaska's Cook Inlet.

Buccaneer Energy has a 3 pronged cash flow strategy:

- *Developing the 100% owned Kenai Loop onshore gas project with independently assessed 6.4 MMBOE in 2P Reserves;*
- *Operating an offshore jack-up rig for use by third-parties in the Cook Inlet; and*
- *Developing its 100% owned offshore Cook Inlet projects that have independently assessed 150.8 MMBOE in 2P Reserves / P50 Resources using the acquired jack-up rig.*

Buccaneer Energy has a 50/50 joint venture with Singaporean-based Ezion, a leader in the development, ownership and chartering of strategic offshore assets, and the Alaskan Industrial Development and Export Authority ("AIDEA"). This joint venture has acquired the jack-up rig "Endeavour" which is capable of drilling in all areas of the Cook Inlet, the Beaufort Sea and the Chukchi Sea. Mobilisation of the Endeavour into the Cook Inlet was completed in late August 2012.

The Alaskan Government is supportive of oil and gas in the Cook Inlet. There are a number of fiscal incentive programs for exploration and development in the Cook Inlet.

Buccaneer Energy has two onshore wells at Kenai Loop producing at a combined rate of 10.0 MMCFD (1,666 BOEPD). The Company expects this to increase to 11 - 12 MMCFD (1,833 – 2,000 BOEPD) if a third gas sales contract can be finalised in the coming months.

Buccaneer Energy also has major working interests in Texas and the Gulf of Mexico, USA.

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