



**ASX RELEASE – 6 DECEMBER 2010**

**JACK-UP RIG ACQUISITION – FUNDING**

Buccaneer Energy Limited (“Buccaneer” or “the Company”) advises that due diligence investigations by the Alaskan Industrial and Development Export Authority (“AIDEA”) in respect to AIDEA making a direct equity investment into the Company’s wholly owned subsidiary Kenai Offshore Ventures, LLC (“Kenai Offshore”) is proceeding satisfactorily.

AIDEA are awaiting a report from an independent consultant which is expected to be completed in the week commencing 13 December 2010. The AIDEA board are now expected to meet in the same week to consider and vote on the proposed investment.

The due diligence currently being completed by the independent consultant will also be used to finalise due diligence by the Bond Placement Agent, Key Banc Capital Markets, Inc in respect to the issue of the Recovery Zone Facility Bonds.

For further information please contact Dean Gallegos on 0416 220 007 or 02 9233 2520, alternatively visit the Company’s website at [www.buccenergy.com](http://www.buccenergy.com).

Yours faithfully  
**BUCCANEER ENERGY LIMITED**

**Mr Dean Gallegos**  
**Director**