



ASX RELEASE – 17 JANUARY 2013

### PROJECT FINANCE FACILITY

In May 2012 Buccaneer Energy Limited (“Buccaneer” or “the Company”) executed the following facilities with Richmond Hill Investment Co., LP (“Richmond Hill”):

- US\$20.0 million project finance facility (“the Facility”). The Facility is being used for capital expenditure amounts relating to the Company’s Kenai Loop development including the current Kenai Loop # 4 well. The Facility was due to expire on the 16 January 2013 (US time).
- US\$30.0 million revolving credit commitment (“the ACES Revolver”) that gives the Company the ability to pre fund the rebates it receives under the State of Alaska ACES program.

Both the Facility and ACES Revolver are secured by the Company’s Alaskan assets.

The Company has received a number of proposals from different financial institutions in relation to refinancing the above facilities. Both the Company and the financial institutions involved have been closely monitoring the results from the Kenai Loop # 4 well.

In order to fully access the Kenai Loop # 4 results, the Company and Richmond Hill have agreed to an extension to the expiry date of the Facility until 25 January 2013 (US time).

Yours faithfully

**BUCCANEER ENERGY LIMITED**

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

*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.buccenergy.com](http://www.buccenergy.com).*



#### **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 a 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 88.4 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 drilled the onshore Kenai Loop #1 well. The well was tested to have a flow rate of 6 – 8 mmcfd (750 - 1,000 BOEPD<sup>1</sup>) and the Company constructed both the pipeline and facilities at Kenai Loop, the well started production and selling gas in early January 2012.*

*Buccaneer Energy also has major working interests in two producing projects in Texas, USA. Pompano is an offshore gas project located in the Gulf of Mexico, drilled by the Company in 2008 and has an additional pipeline of 'drill-ready' gas prospects.*

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