



ASX RELEASE – 24 JANUARY 2014

WEST EAGLE # 1 WELL – DRILLING COMMENCED

Buccaneer Energy Limited (ASX:BCC) is pleased to advise that Wednesday, 22 January 2014 (Sydney), the Glacier rig completed rigging up operations and drilling commenced on the West Eagle Unit #1 well. The well was spudded at approximately 02:00 hours (Alaska) and has been permitted to a drill depth of 8,500'.

"Continuing with our onshore development program, we are pleased to announce that West Eagle Unit #1 has spud," said Managing Director Curtis Burton. "As the drilling program progresses, we will continue to update shareholders on our advancement."

The West Eagle Project ("West Eagle") is located off East End road, approximately 21 miles to the northeast of Homer, AK. West Eagle is comprised of 15,824 acres, 8,843 acres in the West Eagle Unit and 6,981 acres in adjacent State leases, and is 100% owned by Buccaneer.

Background

The primary objective of the West Eagle Unit #1 well targets 150' Upper Tyonek interval of sandstones that had gas shows in a down-dip offset well, drilled by Standard Oil of California called the Anchor River #1 well. 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.

West Eagle is located approximately 13-15 miles from a natural gas pipeline tie-in.

Yours faithfully

BUCCANEER ENERGY LIMITED

Mr Curtis Burton
Managing Director

The trading halt that currently applies to the Company's securities will remain in place until the earlier of an announcement being made to the market in respect of the financing arrangements and providing an update on asset sales or the opening of trade on Tuesday 28 January 2014.

For further information, please visit the Company's website at www.buccaneerenergy.com or email investorrelations@buccaneerenergy.com.

