



**ASX RELEASE – 26 AUGUST 2010**

**LEE COUNTY PROJECT – ALEXANDER # 1 WELL**

Buccaneer Energy Limited (“Buccaneer” or “the Company”) is pleased to announce that the Alexander # 1 well site location has been built over the last week and the Nicklos # 1 Rig is moving in and rigging up to drill.

The Alexander # 1 well is the third well in the Lee County drilling program and is expected to spud within the next 24 hours.

The vertical component of the well is anticipated to have a total depth of 5,800’ and will penetrate the Austin Chalk and Eagle Ford shale. Logs will then be run before a 1,500’ – 2,500’ horizontal component is drilled in the Austin Chalk formation.

The vertical component is expected to take 7-10 days to drill and the horizontal component an additional 15-18 days.

Drilling updates will be made each Wednesday. Attached is a surface location map of the Lee County project area showing the locations of all three Lee County wells.

The participants in the Lee County project are as follows:

<b>Participant</b>	<b>Working Interest</b>
Buccaneer Resources*	52.50%
Sandstone Energy	38.75%
Megashine International Ltd	8.75%

\* A wholly owned subsidiary of Buccaneer Energy Limited

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**

