



**ASX RELEASE – 25 MAY 2010**

**LEE COUNTY PROJECT – OPERATIONAL UPDATE**

Buccaneer Energy Limited (“Buccaneer” or “the Company”) is pleased to provide the following operational update.

**Vick # 2**

The Vick # 2 well was shut-in following its initial production tests on Tuesday, 17 May to install production tubing. The well was completed with 2 3/8 inch tubing. To ensure safety for production equipment installation load water was injected into the well. The well is currently being swabbed to remove load water and recommence production testing.

**Vick # 1**

The Vick #1 well is currently shut-in waiting to be swabbed after equipment finishes on the Vick #2. This swabbing will yield performance information to aid in designing the pumping equipment for production operations, which have not yet commenced.

**Vick #3**

Site selection is ongoing for the Vick #3 well.

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 the Company on + 61 416 220 007 or + 61 2 9233 2520 or visit the Company’s website at [www.buccenergy.com](http://www.buccenergy.com).

Yours faithfully

**BUCCANEER ENERGY LIMITED**

A handwritten signature in black ink, appearing to read "D Gallegos".

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