



ASX RELEASE – 18 MAY 2010

LEE COUNTY PROJECT – VICK # 2 PRODUCING AT 500 BOPD

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

VICK # 2

The Vick # 2 well reached Total Depth of 6030 feet at approximately 7.00pm Friday 14 May 2010 EST. Electric-line logs were then run and on completion of the logging run, wellbore fluids began flowing from the well unexpectedly.

The well was shut-in for approximately 12 hours and a wellbore pressure build-up was observed and analysed. Based on these observations and the significant shows during the previous drilling operations, special equipment was obtained to flow test the well.

At the time of this report the flow testing has resulted in a producing rate of approximately 500 BOPD. No water has been produced and minimal amount of gas has been produced. Flow testing is continuing at this time and as of noon CST the well had produced approximately 430 BO. A buyer is currently being arranged to purchase this oil.

Initial production levels from this well exceed the Company’s expectations, especially since this is production from the vertical penetration of the Austin Chalk only - the horizontal component of the well has not yet commenced.

The well will be production tested for the next 12 to 36 hours to establish expected long term productivity and additional production logging may be warranted to pinpoint the main contributing interval in the Austin Chalk for future development plans.

Given the current production from the Vick # 2 well, the horizontal segment has been postponed until further production testing, logging and analysis have been completed. At that time, a decision will be made regarding whether and when to proceed with drilling the horizontal segment.

VICK # 2 - LOGGING RESULTS

A “quad-combo” suite of logs consisting of tools to record resistivity responses, gamma ray data and porosity measurements were run from 5910’ up to the casing at 5234’.

The resulting log data and the responses from the Austin Chalk and Eagleford Formations were consistent with pre-drill expectations. The Austin Chalk generally exhibited porosities around 6% with some zones reading in the range of 8-12% which are good for the Austin Chalk. The log responses from the quad combo suite are, in fact, very similar to the logged responses observed in the Vick #1.

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As mentioned previously, the logging tools were unable to go below 5910' and were thus unable to provide data over the lower 40-50' of the Eagleford.

The mud logs indicated heavy gases (C3-C5), and oil from the Austin Chalk section, both indicative of liquid oil entering the well bore while drilling. Lighter gases (methane, etc.) are also present but the data, as of now, are indicative of mostly oil production rather than mostly gas production. The mud logs also indicate that the Eagleford will remain a zone of interest for Buccaneer as the oil shows continued in that Formation as well.

A 'fracture identification' log was also run in the hole. It too was unable to go below the 5910' level. The log has been interpreted and numerous fractures are indicated in the Upper and Lower Austin Chalk. The location of the fractures and the shows of oil and heavy gases are interpreted by Buccaneer to be related.

VICK # 1

The completion rig has installed 2 3/8" tubing and the well is being readied for swab testing in order to determine the appropriate artificial lift equipment design.

The participants in the Lee County project are as follows:

Participant	Working Interest
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.

Yours faithfully

BUCCANEER ENERGY LIMITED



Mr Dean Gallegos
Director

About Buccaneer:

Buccaneer Energy's wholly owned subsidiary Buccaneer Resources is based in Houston, Texas and is an upstream oil and gas company. It specialises in the development and expansion of behind-pipe proved and probable reserves and low-risk exploration plays with growth potential.

Buccaneer's growth strategy is focused on the progressive expansion of oil and gas production and reserves by acquiring significant working interests in low-cost, low-risk development properties that possess significant undeveloped upside.

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