



PRESS RELEASE

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FOR IMMEDIATE RELEASE: April 1, 2011

AIDEA Board Approves Cook Inlet Drilling Rig Project Authority Moves Forward on Jack-Up Rig for Oil and Gas Drilling

(Anchorage) – Today the Alaska Industrial Development and Export Authority (AIDEA) Board of Directors unanimously approved a resolution authorizing AIDEA to enter into a Joint Ownership Agreement with Buccaneer Energy Limited and Ezion Holdings Limited, and to expend up to \$30 million to fund the acquisition, upgrade/modification, mobilization and commissioning of a jack-up drilling rig to be used in Cook Inlet and other Alaska waters for oil and gas exploration and development.

“Today’s Board action is the culmination of many months of hard work by a dedicated team of people devoted to the successful completion of thorough due diligence and complex negotiations for the benefit of Alaskans,” said AIDEA Board Chairman Mike Felix. “We are very pleased to take this important step with Buccaneer, and to move forward with much-needed drilling in Cook Inlet.”

AIDEA will now commence final negotiations for acquisition of the rig, and begin modifications and upgrades required before transporting the rig to Cook Inlet this summer. As part of this agreement, Buccaneer has committed to drill at least four wells in Cook Inlet. Drilling of the first well is tentatively scheduled to begin in late summer.

“This project will boost the Southcentral economy, create hundreds of new jobs, and help secure new supplies of oil and gas,” Felix said.

The Alaska Industrial Development and Export Authority is a public corporation of the state. AIDEA’s purpose is to promote, develop and advance the general prosperity and economic welfare of the people of Alaska.

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