ASX RELEASE

4 April, 2008

POMPANO PROJECT – NOTIFICATION OF HIGH BID FOR ADJACENT ACREAGE

Elixir Petroleum Limited ("Elixir") is pleased to advise that the operator of the Pompano Project, AnaTexas Offshore Inc ("ATO"), has informed the Joint Venture that it is the successful highest bidder for SL108868 in Brazos Block 479L N/2 NE/4 (the "New Acreage")". The New Acreage is a 720 acre tract which lies adjacent and to the south of the leasehold containing the Pompano Field. The Texas General Land Office should deliver the award of the New Acreage to the Joint Venture within the next 10 weeks.

ATO believes that there are possible extensions of the Pompano field into the New Acreage and that there may be additional up-dip opportunities to intersected pay in previously drilled wells. To this end, the Joint Venture has also purchased additional 3D seismic over the New Acreage and will be interpreting this data in the light of information gained during the recent drilling campaign.

The Participants in the New Acreage and their respective working interests are:

Elixir Petroleum Ltd *	25.0%
Buccaneer Energy Ltd *	65.0%
Baron Petroleum Inc.	7.5%
Streamline Exploration Inc.	2.5%
	100%

* Interests held indirectly via their respective shareholdings in wholly-owned subsidiaries.

A 5% reversionary interest has been granted by Elixir to the operator, ATO, in respect of any new wells drilled on the New Acreage. The reversionary interest will only arise following Elixir recovering its costs associated with this lease.

Yours sincerely,

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