

14 March 2016

ASX ANNOUNCEMENT

Facility Agreement Restructure

Nido Petroleum Limited (ASX: NDO) ("Nido" or the "Company") is pleased to announce that the Company has negotiated a restructure of its Facility Agreement with the Bangchak Petroleum Public Company Limited.

The proposed restructure provides the Company with flexibility to manage its cashflow requirements over the next two year period and secures the Company significant savings in interest payments over the life of the loan.

The key terms of the restructure of the Facility Agreement are as follows:

- Nido will make an advanced principal payment of \$US10M leaving a residual balance of \$US78.2M of principal outstanding under the Facility Agreement;
- repayment of all other principal payments will be deferred effective from February 2016 and re-commence in March 2018;
- the interest rate on the Facility will be capped at 6% + LIBOR for the remainder of the term and will not increase by 2 per cent per annum as was previously the case;
- repayment of interest on the outstanding loan balance will accrue until the re-commencement of principal payments in March 2018;
- Bangchak will provide additional financial support to ensure there are sufficient funds to meet contractual obligations up to a cumulative cap of \$US4M subject to certain conditions being met;
- if the oil price recovers such that the realised price for a single cargo exceeds US\$45/barrel, Nido and Bangchak will discuss whether Nido has any ability to accelerate the repayment of deferred interest on the existing loan; and
- the Nido group will provide a negative pledge with respect to the creation of any new security over its assets (save for securities created in the ordinary course of business).

Commenting on the restructure Dr. Fischer said: *"the Facility Agreement restructure is a welcome development for the Company. In these difficult economic times it is critical that we prudently manage our balance sheet and cashflow requirements. The restructure of the Facility Agreement provides Nido with significant savings in interest payments as well a deferral of payments until March 2018."*

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