

31 May 2010

Australian Securities Exchange Limited  
Company Announcements Office  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

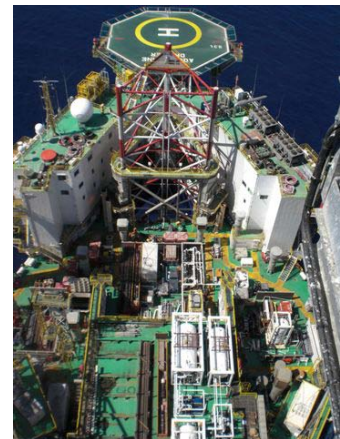
## Oil Flows at Tindalo

Nido Petroleum Limited (ASX: NDO), as Operator of Service Contract 54A (SC 54A), is pleased to advise that first oil flowed to surface at 11:00am (Manila time) on 30 May 2010 from the Tindalo-1 well.

This follows the conclusion of well completion operations on the Tindalo-1 oil well earlier this week and final hookup and function testing of the surface production equipment.



Surface Production, processing and oil storage facilities  
The "Aquamarine Driller" and "Tove Knutsen"



Installed processing facility (bottom centre/right)  
on the Aquamarine Driller

In line with Tindalo's Plan of Development, an extensive drill-stem testing programme (DST) will be conducted to enable reservoir fluid and crude assay sampling and to assess the production performance of the well over a range of production conditions to determine the well's initial production capability. Nido will provide a further update on the testing results when available.

Yours sincerely



**Joanne Williams**  
Deputy Managing Director

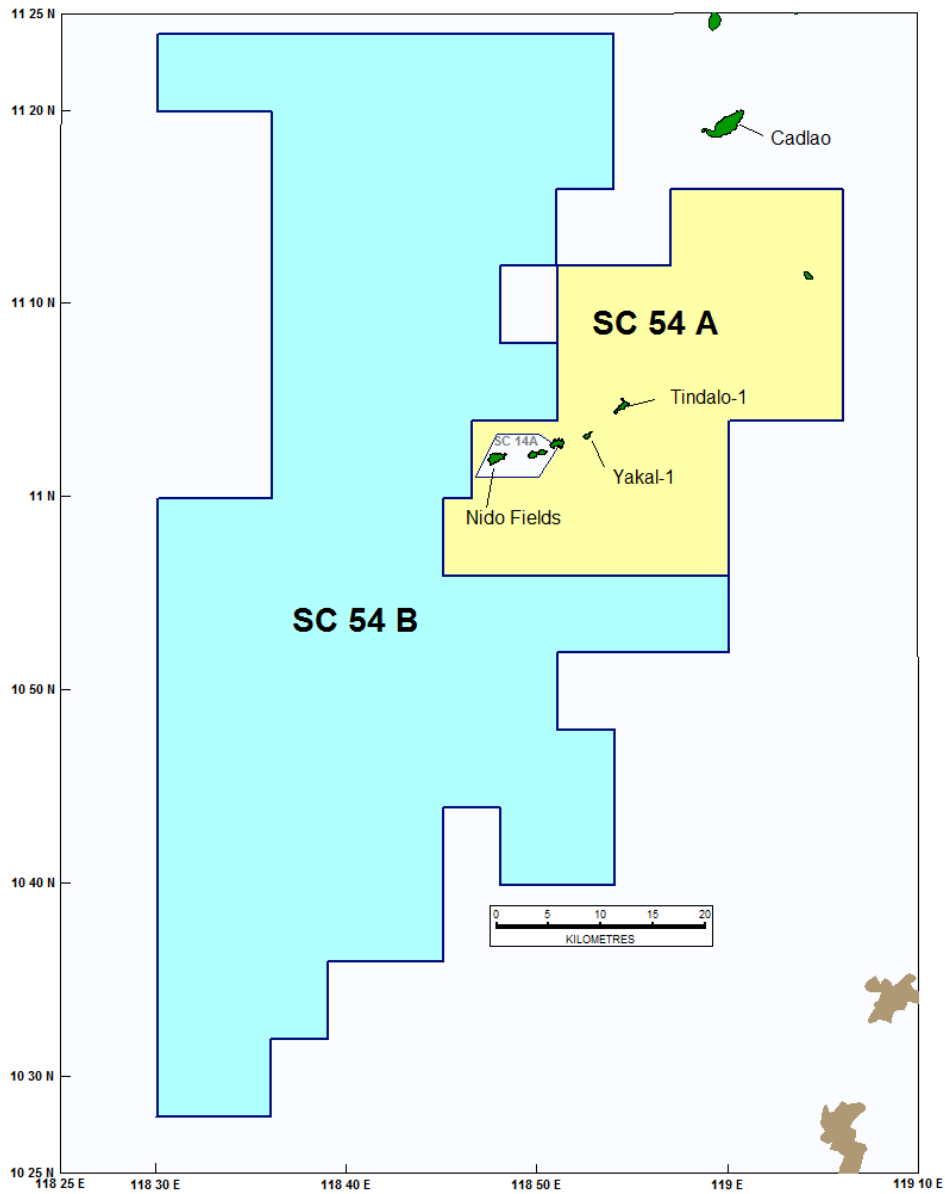
**For more information please contact:**

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**SC 54A Working Interests**

Company	Working Interest
<b>Nido Petroleum Philippines Pty Ltd (Nido, ASX: NDO) - Operator</b>	42.4%
<b>Yilgarn Petroleum Philippines Pty Ltd, (Kairiki, ASX: KIK)</b>	30.1%
<b>Trafigura Ventures III BV (Trafigura)</b>	15.0%
<b>TG World (BVI) Corporation (TG World)</b>	12.5%

**SC 54A Location Map**



## **About Nido Petroleum Limited**

Nido Petroleum Limited is an oil and gas exploration and production company with over 2,945,000 hectares (29,450 sq km) of contiguous exploration and development assets in the North West Palawan Basin in the Philippines. Nido is a leading explorer in the North West Palawan basin and the company's exploration portfolio extends across both of the shallow (<100m) and deepwater (>1,200m) sectors of the North West Palawan continental margin which provides it with a diverse range of potential exploration and development projects in the Philippines premier producing basin. Nido operates SC 54A (42.4% interest), SC 54B (60% interest) and SC 58 (\*50% interest). Nido also has a 50% non-operated interest in SC 63.

Nido's core producing asset is the Galoc oil field of which Nido has a 22.879% non-operated interest. Galoc lies within SC 14 in 300 metres of water, some 60 km offshore Palawan Island. First production commenced 9 October 2008 through a simple two-well sub-sea development concept tied back to a moored FPSO.

In 2008, Nido completed a successful two well exploration program in SC 54A which resulted a 100% strike rate yielding the Yakal-1 and Tindalo-1 oil discoveries. Nido is currently working to augment Galoc production by fast-tracking the development of the Tindalo field with first production planned for 2Q 2010.

\* *Subject to: completion of the obligations under the Farm-out Agreement with PNOC; and DOE approval.*