

31 January 2012

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

## Corporate Investor Presentation

I am pleased to release Nido Petroleum Limited's (ASX: NDO, 'Nido') new corporate investor presentation in my first major communication as Chief Executive Officer. This document lays out the strategy under which we are aiming for success and value creation in our Philippines Palawan Basin portfolio, based on our robust cash position and the state of readiness of our portfolio.

Nido entered 2012 with a cash balance of AUD\$21 million, nil debt, and developed oil reserves in the Galoc field. We are currently upgrading the turret mooring system on the Galoc FPSO which will allow for greater production uptime. I look forward to the facility resuming oil production in the near future.

On 1 September 2011, we released a major independent review of the prospective resource potential of our Palawan Basin exploration portfolio undertaken by DeGolyer and MacNaughton of Dallas, Texas.

Based on this report, DeGolyer and MacNaughton estimate that the top 15 exploration prospects in our portfolio have a combined net prospective resource potential of 2.9 billion barrels. I am excited about the potential of this portfolio as many of our exploration prospects have been matured to "drill ready" status following seismic programs and rigorous technical evaluation. My plan is to unlock this potential through a sustainable exploration drilling program. The five well drilling program outlined in detail in the attached presentation is aimed at delivering this objective and will commence with at least one well in SC 63 during 2012.

On the development front, we are focused on progressing the Galoc Phase 2 development (SC 14C1) and West Linapacan re-development (SC 14C2) which are at various stages of planning. One of my biggest priorities during 2012 will be to achieve Board approval for the Phase 2 development of the Galoc oil field, with a view toward augmenting our oil reserves and production position in the near-term.

My aim is to ensure that Nido Petroleum is a success and this presentation clearly demonstrates the high quality assets of the company and management's promise to deliver value to shareholders.

Finally, I am fully aware of the need for an expanded investor relations program. I plan to kick this off with domestic and international briefings in the first quarter of 2012 where I will have the opportunity to meet existing shareholders and potential new investors.

Yours sincerely

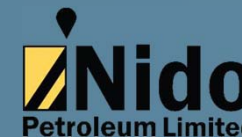
A handwritten signature in black ink, appearing to read "Phil Byrne", with a stylized flourish at the end.

**Phil Byrne**  
Chief Executive Officer

# Corporate Investor Presentation January 2012



# Disclaimer



This presentation contains forward looking statements concerning the financial condition, results of operations and business of Nido Petroleum Limited. All statements other than statements of historical fact are, or may be deemed to be, forward looking statements. Forward looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause the actual results, performance or events to differ materially from those expressed or implied in these statements. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)", and similar statements are intended to identify forward looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward looking information and statements. These risks and uncertainties include, but are not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, commercialization, development progress, operating results, reserve estimates, loss of market share, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries, approvals and cost estimates, political risks including the risk of expropriation and renegotiation of the terms of contracts with government entities, delays or advancements in the approval of projects and delays in the reimbursement of shared costs.

This presentation does not constitute an offer, invitation, solicitation or recommendation in relation to the subscription, purchase or sale of securities in any jurisdiction and neither this presentation nor anything in it shall form the basis of any contract or commitment. In particular, this presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "US Securities Act") and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

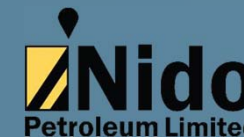
All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated.

## Competent Persons Declaration

In accordance with ASX Listing Rule 5.11, the Company confirms that the hydrocarbon reserves information contained in this document was reviewed and signed off by Mr David S. Ahye, B. Eng., Regional Director, Asia-Pacific, Gaffney Cline & Associates, who is a member of the Society of Petroleum Engineers and has at least five years' experience in the sector. Mr Ahye is not an employee of the Company and consented in writing to the inclusion of the hydrocarbon reserves information in the form and context in which it appears in this presentation. The hydrocarbon reserves information contained in this document does not comply with Canadian or US standards of disclosure for oil and gas.



# Nido Petroleum Overview



2.9 bn**bb**l Net  
Prospective  
Resources\*

2.4 m**mb**bl Net  
2P Reserves\*\*

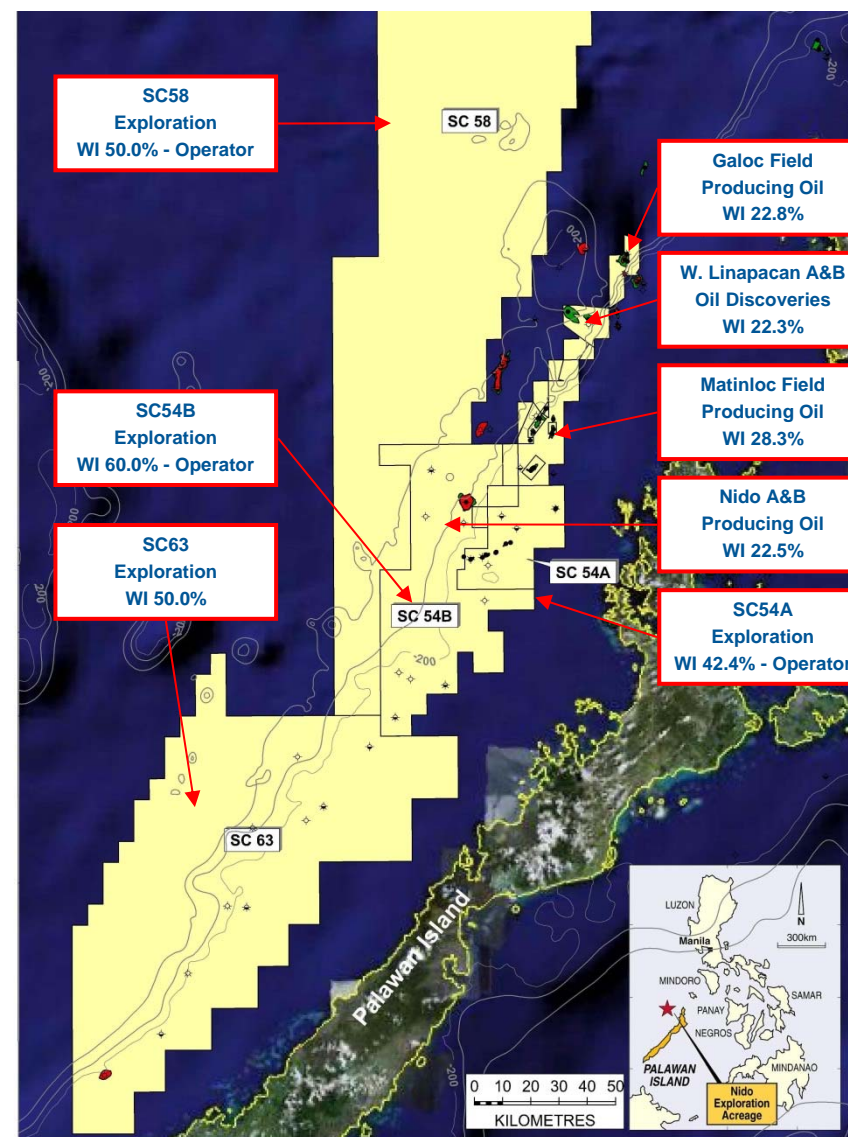
Q3 2011 Net  
Production of  
1,480 bbl/d

## Positioned for Success

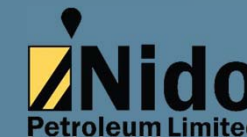
- Experienced offshore Philippines exploration and production company founded in 1999
- Assets are located in the NW Palawan Basin, the dominant offshore producing basin in the Philippines
- Large contiguous acreage position with material working interests provides basin-wide exposure to multiple plays and world-class prospects
  - Over 5.9 million gross acres under control (over 3.46 million net acres) in five Service Contract areas
- Galoc produces 35° API light oil, and generated more than US\$30 mm in net free cash flow in 2011
- Made several discoveries through exploration
- Net spending on exploration activity US\$76m (2005-Q3 2011)
- Excellent HSSE record from all operations
- US\$21.8 mm in cash and no debt as at December 31, 2011

\*Net mean unrisked estimate of prospective oil resources as at March 31, 2011 per DeGolyer & MacNaughton Prospective Resource Report released to the ASX September 1, 2011

\*\*This 2P reserves estimate should be read in the context of the full reserves report table on Page 9 and the competent persons declaration on Page 2 of this presentation



# Company Snapshot



## Current Snapshot

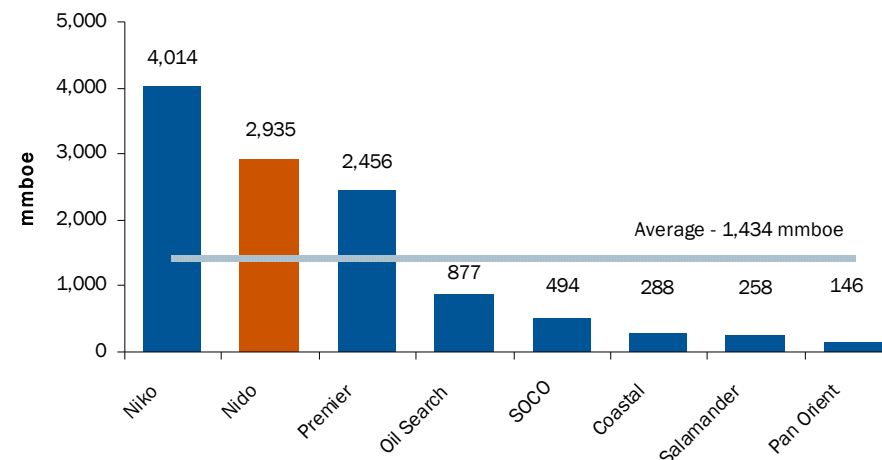
Shown in USD <sup>(1)</sup>

ASX Stock Ticker Symbol	NDO
Share Price (December 30, 2011)	\$0.04
Fully Diluted Shares Outstanding (mm)	1,389.2
Market Capitalization (\$mm)	\$56.4
Net Debt (Net Cash) (\$mm) <sup>(2)</sup>	(\$26.8)
Enterprise Value (\$mm)	\$29.6
Cash on Hand (\$mm) <sup>(3)</sup>	\$21.8
Debt Outstanding (\$mm)	\$0.0
Net 1P Reserves (mmbbl) <sup>(4)</sup>	1.1
Net 2P Reserves (mmbbl) <sup>(4)</sup>	2.4
Net Mean Resources (mmbbl) <sup>(5)</sup>	2,935
Net Q3 Average Production (bbl/d)	1,480
2011E Cash Flow from Continuing Ops. (\$mm) <sup>(6)</sup>	\$20.6

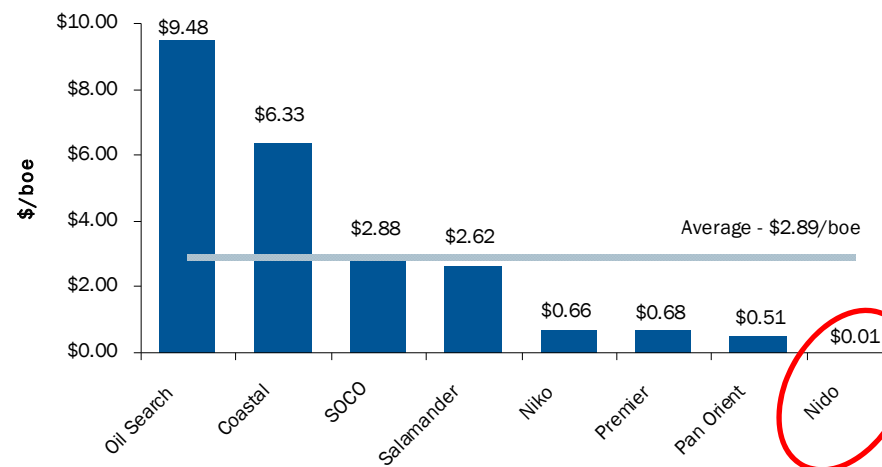
EV / 1P Reserves (\$/boe)	\$26.40
EV / 2P Reserves (\$/boe)	\$12.33
EV / P50 Resources (\$/boe)	\$0.01
EV / bbl/d (\$/bbl/d)	\$19,995
P / 2011E CFCO	2.7x

- Exchange rate as of December 30, 2011 of 1.0155USD/AUD
- Net debt calculated as long term debt net of working capital estimate (unaudited)
- At December 31, 2011
- These 1P and 2P reserves estimates should be read in the context of the competent persons declaration on page 2 and the full report on page 9
- Net mean resources = 2P reserves + net mean prospective resources
- Excludes non-recurring abandonment costs relating to the SC 54A Tindalo well test of net US\$9.6 mm

## Relative Positioning – P50 Resources



## Relative Trading – EV / P50

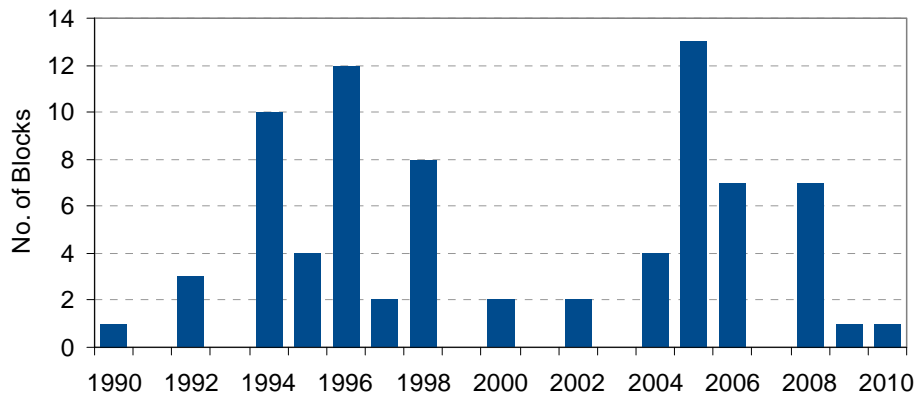


# Philippines Oil & Gas Overview

## Country Overview

- In 2004 the Supreme Court ruling affirmed 100% foreign company ownership of assets
  - Catalyst for renewed interest in the Philippines
  - 29 Service Contracts awarded since 2004
- Philippines production has been dominated by the Malampaya gas/condensate field for the last decade
  - Condensate production approximately 14 mbbbl/d (Jan/11 to Oct/11)
  - Gas production approximately 0.38 bcf/d (Jan/11 to Oct/11)
- BHP Billiton, Chevron, CNOOC and Shell all have Philippines' operations
- In June 2011, the 4<sup>th</sup> PECR bidding round was launched on 15 blocks covering over 24,710,538 acres of open acreage

Service Contracts Awarded Since 1990



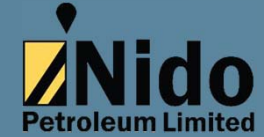
## Basins of the Philippines



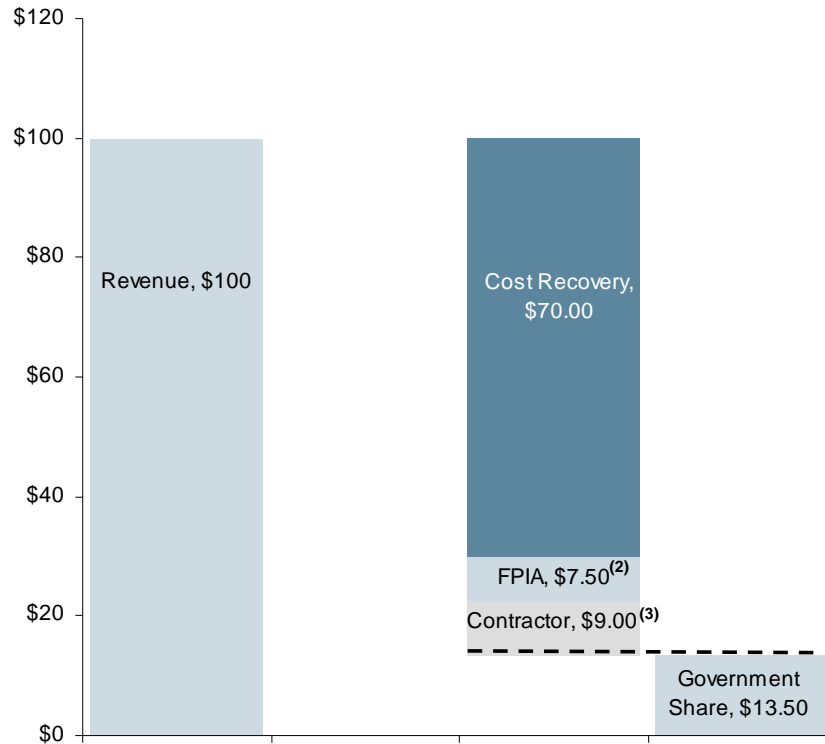
Liquids Reserves (Remaining)	0.04 billion barrels (1/1/2011)
Liquids Production	21 mbbbl/d (Jan/11 to Oct/11)
Liquids Reserves/Production	5.2 years
Gas Reserves (Remaining)	1.99 tcf (1/1/2011)
Gas Production	0.38 bcf/d (Jan/11 to Oct/11)
Gas Reserves/Production	14 years

Source: Wood Mackenzie and Philippines Department of Energy

# Favourable Fiscal Regime

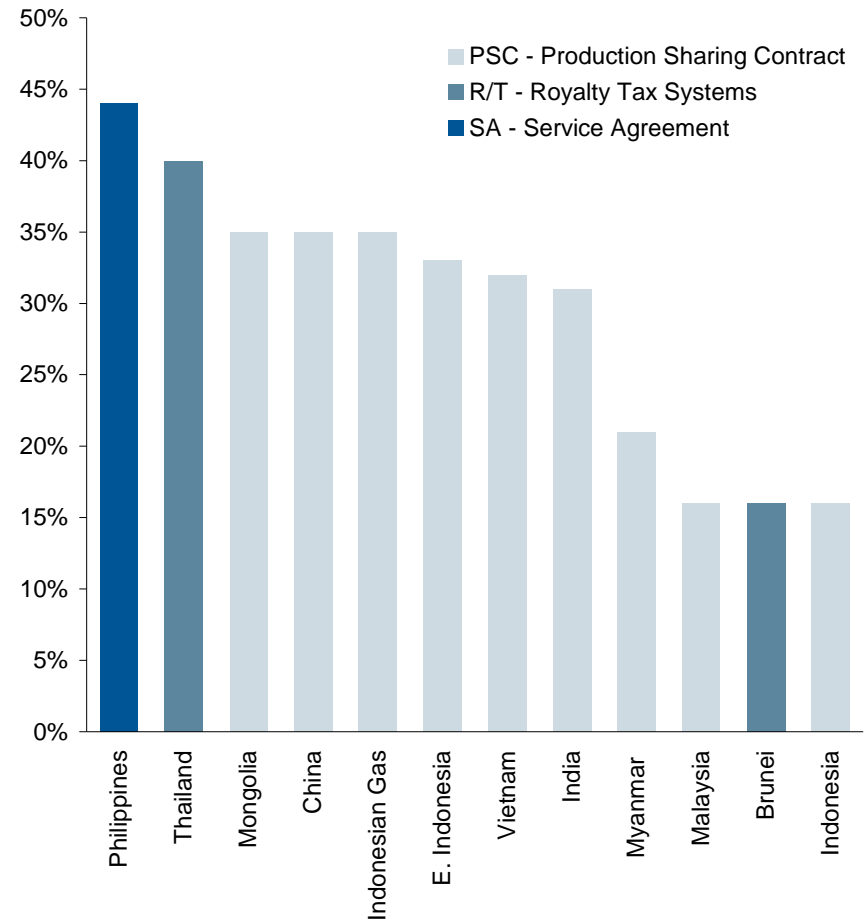


## Sample Break Down <sup>(1)</sup>



1. Represents the fiscal terms of Service Contract 14
  2. FPIA = Filipino Participation Incentive Allowance. Maximum level of 7.5% assumed
  3. Maximum level of 70% Cost Recovery assumed. Assumes favourable Cost Pool
- Source: Department of Energy, Merritt Partners

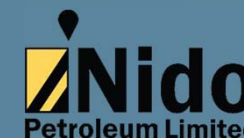
## Comparative Fiscal Regimes – Contractor Take



Source: Equatorial Partners

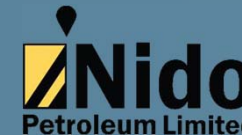


# Management & Directors



Board of Directors		
Name	Position	Experience
Bill Bloking	Chairman of the Board	<ul style="list-style-type: none"> <li>• Former President of Australia/Asia Gas at BHP Billiton Petroleum</li> <li>• Corporate career with ExxonMobil Corporation</li> <li>• 37 years of oil and gas industry experience; Served as the Chairman of several public companies</li> </ul>
David Whitby	Non-Executive Director	<ul style="list-style-type: none"> <li>• 33 years of oil and gas experience with 12 years of experience in the Indonesian gas industry</li> <li>• Helped build Indonesia's gas network with 1,800 km of high pressure gas lines</li> <li>• Prior role as Vice President, Heavy Oil for Husky Oil</li> </ul>
Eduardo Mañalac	Non-Executive Director	<ul style="list-style-type: none"> <li>• Integral to Phillips Petroleum's (now ConocoPhillips) entry into the Palawan Basin</li> <li>• Served as CEO of the Philippine National Oil Company and PNOG Exploration Corporation</li> <li>• Founder and President of TransEnergy International Ltd</li> </ul>
Andrew Edwards	Non-Executive Director	<ul style="list-style-type: none"> <li>• Former Managing Partner of PriceWaterhouseCoopers (Perth Office)</li> <li>• Former National Vice President of the Securities Institute of Australia</li> <li>• Currently serves as a Director for several Australian based companies</li> </ul>
Michael Ollis	Non-Executive Director	<ul style="list-style-type: none"> <li>• Over 30 years of oil and gas experience - 16 years with BHP Billiton Petroleum</li> <li>• Former Senior Operations Engineer for Shell Brunei</li> <li>• Current member of the National Offshore Petroleum Safety and Environment Management Authority Advisory Board</li> </ul>
Management Team		
Phil Byrne	Chief Executive Officer	<ul style="list-style-type: none"> <li>• 32 years of oil and gas experience</li> <li>• Former President of North West Shelf Australia LNG Marketing Organization</li> <li>• Former Country Head of Australia at BHP Billiton Petroleum</li> </ul>
Ashley Gilbert	Chief Financial Officer	<ul style="list-style-type: none"> <li>• Chartered accountant with over 18 years of experience</li> <li>• Has worked in various financial positions with Woodside Petroleum</li> <li>• Prior roles with GlaxoSmithKline plc in London</li> </ul>
Jon Pattillo	Head of Exploration	<ul style="list-style-type: none"> <li>• 30 years of oil and gas experience, 15 years in senior executive positions with major companies</li> <li>• Prior role as Vice President with Oil Search</li> <li>• Global experience includes North Sea, Middle East, West Africa &amp; Southeast Asia</li> </ul>
John Newman	General Counsel and Company Secretary	<ul style="list-style-type: none"> <li>• More than 19 years as a lawyer with over 10 years in energy and resources</li> <li>• Prior senior legal position with the Timor Sea Designated Authority</li> <li>• Executive legal contract role with the Northern Territory Government</li> </ul>

# Vision for Success and Value Creation



## Vision for Success and Value Creation

### **World Class Billion Barrel Prospects**

- Top 15 prospects have a net mean prospective oil resource potential of 2.9 bnbbbls\*; total prospect and lead inventory contains over 70 potential targets
- Prospects are covered by 2D and 3D seismic and the majority are drill ready
- Galoc Field has material 2P gross reserves of 11.1 mmbbl\*\*

### **Asset Portfolio with Production and Cash Flow**

- Galoc production 6,472 bbl/d gross (Q3 2011), with the last cargo load receiving a price of US\$113/bbl (netback of more than US\$80/bbl)
- 2011 post-tax cash flow from producing assets of more than US\$30 mm
- Galoc has produced 8.46 mmbbls from field start-up in 2007 to date
- Seismic activities were undertaken in several Service Contract areas during 2011

### **High Impact 2012 Exploration & Development Program**

- Firm plans for 2012 include drilling at least one exploration well
- Continue Galoc Phase 2 FEED ahead of FID decision mid-2012, with a view toward increasing gross production to 18,000 bbl/d by Q4 2013
- North Galoc prospect offers further development potential

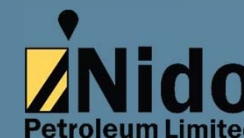
### **Experienced and Dedicated Management & Board**

- Highly experienced Board of Directors with a commitment to Nido's success
- Board with strong background in operations and capital markets
- Management has an extensive proven operating track record in Southeast Asia oil and gas development

\*Net mean unrisks estimate of prospective oil resources from March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report, released to the ASX September 1, 2011

\*\*This 2P reserves estimate should be read in the context of the full reserves report table on Page 9 and the competent persons declaration on Page 2 of this presentation

# Proven Success with Substantial Potential



## Building Reserves & Production

**Substantial  
Prospective  
Resource\***

### Potential Prospective Oil Resources - Top 15 Prospects

	Low Estimate (P90)	Best Estimate (P50)	High Estimate (P10)	Mean Estimate
<i>D&amp;M Estimates as of March 31, 2011</i>				
Gross Prospective Resources (mmbbl)**	2,274	4,894	10,523	5,743
<b>Net Prospective Resources (mmbbl)**</b>	<b>1,153</b>	<b>2,496</b>	<b>5,267</b>	<b>2,933</b>

**Proven Reserves  
Base with  
Development  
Upside\*\*\***

### Galoc Estimate Ultimate Recovery (mmbbl)

	Proved (1P)	Proved + Probable (2P)	Proved + Probable + Possible (3P)
<i>GCA Reserves as at June 30, 2011</i>			
EUR at December 31, 2010	10.4	18.3	26.9
EUR at June 30, 2011	12.4	18.6	26.3
% Change	19.2%	1.6%	(2.2%)
Cum. Prod'n Oct. 2008 to June 30, 2011	7.5	7.5	7.5
Reserves at June 30, 2011	4.9	11.1	18.7
<b>Nido Net Share</b>	<b>1.1</b>	<b>2.4</b>	<b>3.8</b>

**Achieved Material  
Production at  
Galoc Field**

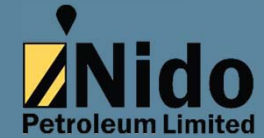
Quarter	Gross Production (bbls)	Average Production (bbl/d)	Nido Share (bbl/d)	Uptime	
				(%)	Rolling 12 Month Average (%)
Q4 2010	442,819	4,813	1,101	61.0%	84.0%
Q1 2011	651,551	7,239	1,656	98.0%	87.0%
Q2 2011	618,224	6,794	1,554	100.0%	88.0%
<b>Q3 2011</b>	<b>595,423</b>	<b>6,472</b>	<b>1,480</b>	<b>98.0%</b>	<b>89.0%</b>

\* Full DeGolyer & MacNaughton Prospective Resource Report released to ASX on September 1, 2011

\*\* Arithmetic summation

\*\*\* These 1P, 2P and 3P reserves estimates should be read in the context of the competent persons declaration on Page 2 of this presentation

# Key Events Timeline



## Share Price History – July 21, 2004 to Present



**November 18, 2004**  
Announces \$3.4mm equity raise with proceeds to be used for corporate purposes

**August 10, 2006**  
Announces \$22mm convertible bond issue to Merrill Lynch

**February 21/26, 2008**  
Galoc 3 initially flows at an unassisted rate of 5,397 bopd and Galoc 4 at 6,465 bopd

**October 23, 2008**  
Tindalo-1 discovery with 119m oil column, follows up 78m Yakal-1 discovery

**December 29, 2010**  
Abandons Tindalo -1 due to increasing water cuts after initially testing over 18,500 bopd

2005

2006

2007

2008

2009

2010

2011

**July 21, 2004**  
Announces \$0.5mm equity raise and addition of David Whitby as Managing Director

**December 7, 2005**  
Announces \$19mm equity raise with proceeds to be used for Galoc planning

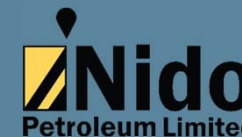
**May 25, 2007**  
Announces \$21.9mm equity raise for seismic and exploration

**May 28, 2008**  
Raises \$41.2mm equity placement to initiate expanded SC 54 drilling program

**October 28, 2010**  
Successfully raises gross \$29.9 mm for exploration and appraisal activities through placement and share purchase plan

**June 20, 2011**  
Share price falls over 40% to \$0.045 on Gindara P&A announcement

# Shareholder Base



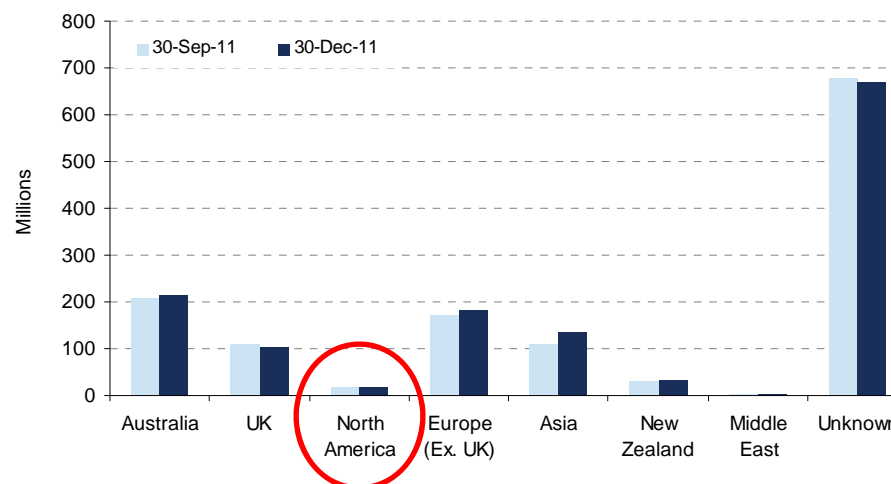
## Situation Overview

- Nido has been off the radar since the 2008 global financial crisis
  - Majority of institutional investors left the share register as investors sold down portfolios in a flight for safety
  - Capital structure has made it challenging to successfully position the story and attract sophisticated investors
  - The Australian financial community has not realized the potential of the asset base which has contributed to a lack of research and market understanding
- 1.4 billion shares issued and outstanding
  - Number of shareholders 7,197 (November 25, 2011)
- 14.03 million Unlisted Employee Performance Rights
- Nido only has a small number of institutional investors, none with a position greater than 5%
  - Share price has suffered without strong support

## Shareholder Base (December 31, 2011)

Shareholder	Shares (000s)	Domicile	Interest
Australia & New Zealand Banking Group	52,200		3.8%
Valiance Asset Mgt	50,108		3.6%
Escot Finance	48,400		3.5%
New City Investment Mgrs	29,261		2.1%
Credit Suisse Private Banking	24,482		1.8%
Pictet & Cie	24,345		1.8%
Dimensional Fund Advisors	20,561		1.5%
Packwood Capital	17,000		1.2%
Daly Finance Corp	14,600		1.1%
Allianz Global Investors	12,164		0.9%
<b>Top 10 Identified Institutional</b>	<b>293,121</b>		<b>21.1%</b>
<b>Total Identified Institutional</b>	<b>360,468</b>		<b>25.9%</b>
Insiders	16,214		1.2%
Implied Retail and Unidentified Institutional	1,012,481		72.9%
<b>Basic Shares Outstanding</b>	<b>1,389,163</b>		<b>100.0%</b>

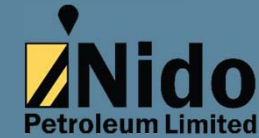
Shareholders by Geography



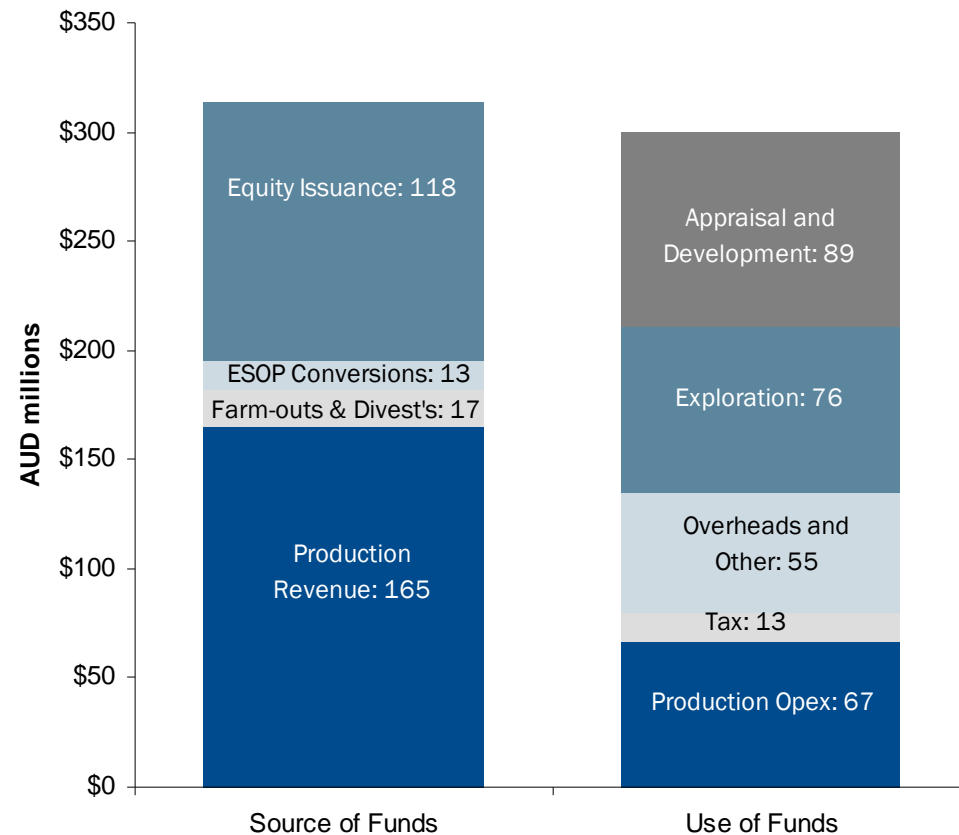
Source: Sharetrak Analysis as at December 31, 2011



# Historical Sources & Uses of Funds



## Sources & Uses of Funds<sup>(1)</sup>



1. Sources and uses of funds from 2005 – Q3 2011  
 Note: Appraisal expenditure includes Extended Well Test at Tindalo

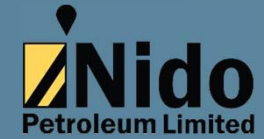
## Benchmarking the Numbers

Shown in US\$	Op. Ex. (\$/boe) <sup>(1)</sup>	Op. Netback (\$/boe) <sup>(2)</sup>
Nido	\$27.18	\$81.80
Coastal	\$34.25	\$60.83
Niko	\$2.46	\$21.06
Pan Orient	\$12.11	\$75.48
Premier	\$14.00	\$35.80
Salamander	\$13.78	\$35.99
Oil Search	\$11.42	\$63.48

1. Operating expenses based on publically available company disclosure (Nido figures based on Q3 2011)  
 2. Operating netback calculated as revenues less royalties and operating expenses (on a per barrel basis) per company disclosure

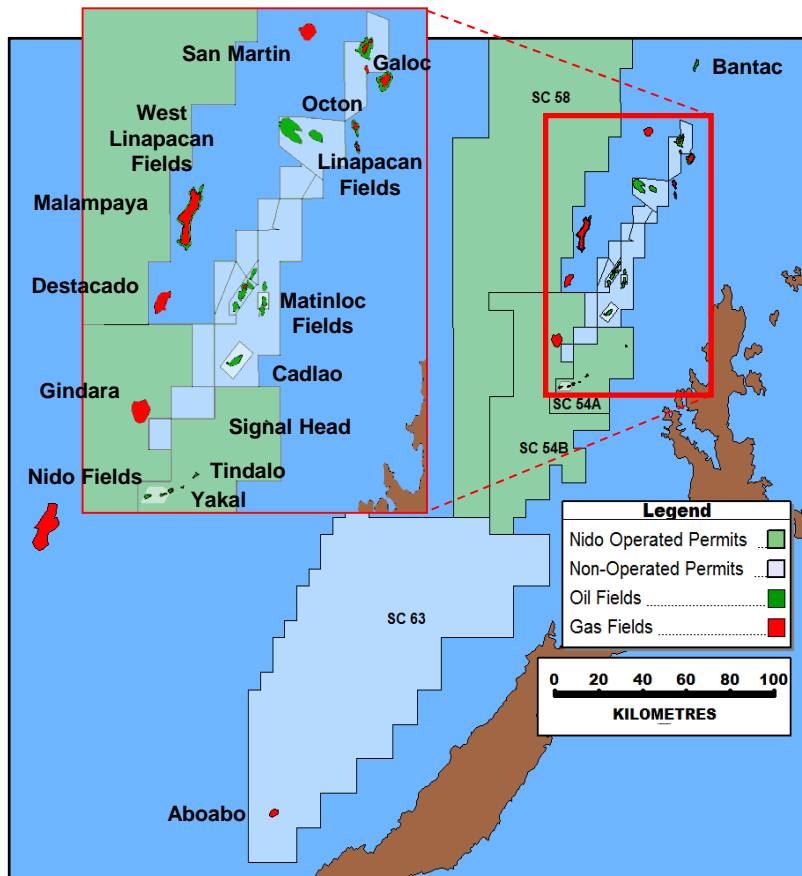
- Of the peers compared, Nido receives the highest operating netback
- Operating expenses per barrel are in line with industry norms

# Northwest Palawan Basin Overview

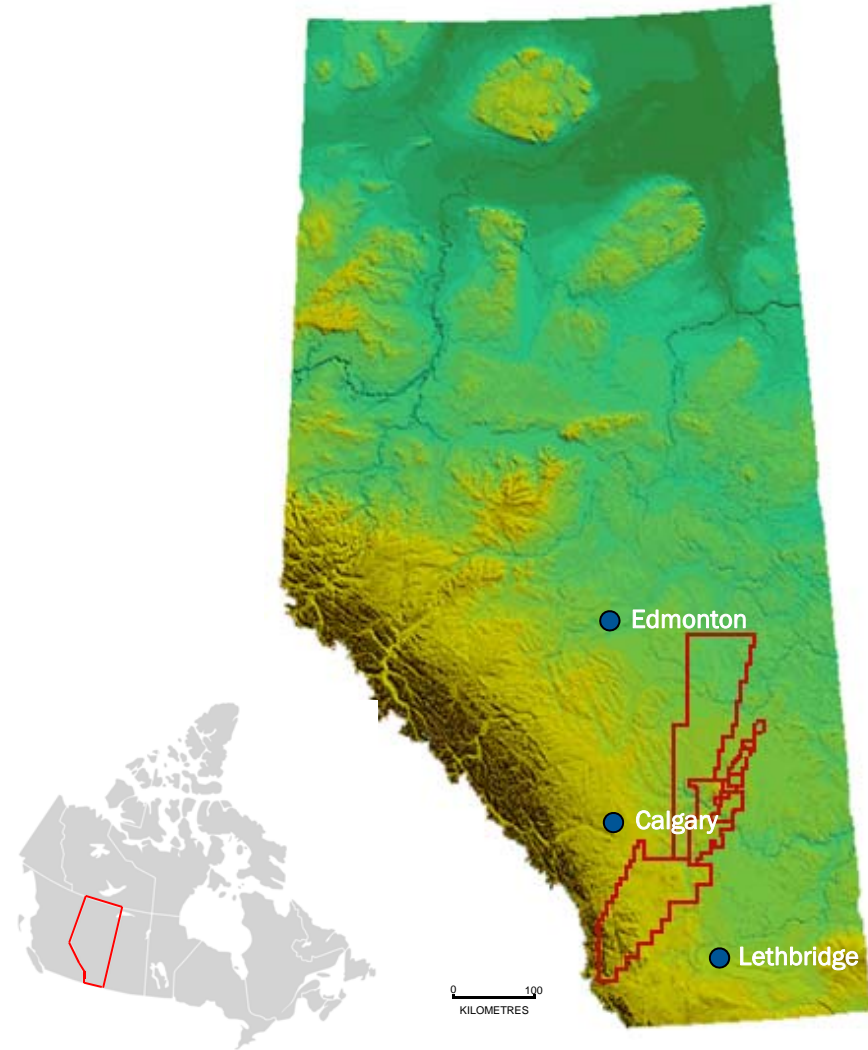


## Drilling & Discovery History

- Over 70 exploration wells have been drilled with ~76% yielding oil or gas shows
  - 44% have been hydrocarbon discoveries



## Nido Asset Overlay



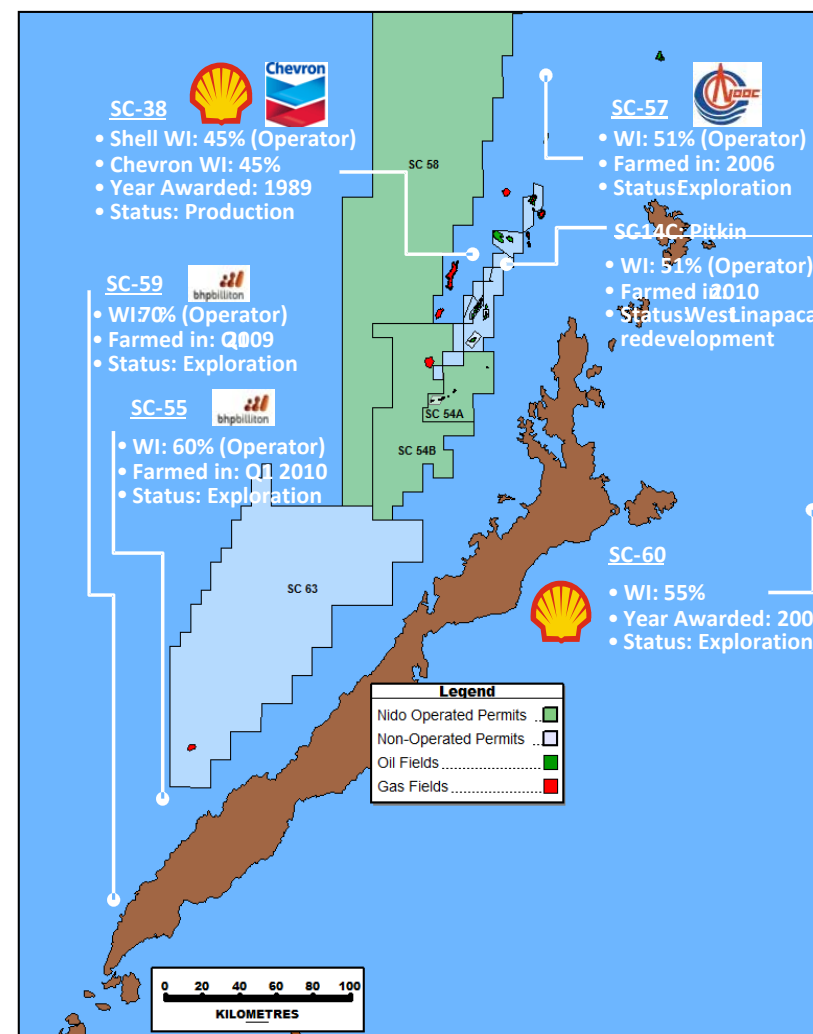
# Asset Overview

## Block Summary

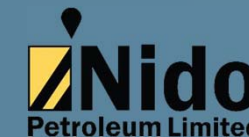
Permit	Nido WI (%)	Net Area (sq. km.)	Operator	# of Prospects <sup>(1)</sup>	Net Mean (mmbbl) <sup>(2)</sup>
SC 14 Block A	22.5%	5	Philodrill	n/a	n/a
SC 14 Block B	28.3%	46	Philodrill	n/a	n/a
SC 14 Block C- <sup>(f)</sup>	22.9%	37	GPC <sup>(4)</sup>	1	1
SC 14 Block C-2 <sup>(5)</sup>	22.3%	40	Philodrill	n/a	n/a
SC 14 Block D	31.4%	54	Philodrill	n/a	n/a
SC 6B	7.8%	43	Philodrill	n/a	n/a
SC 54A	42.4%	374	Nido	1	5
SC 54B	60.0%	1,898	Nido	3	393
SC 58	50.0% <sup>(6)</sup>	6,744	Nido <sup>(7)</sup>	11	2,366
SC 63	50.0%	5,337	PNOC	3	205
<b>Total</b>		<b>14,577</b>		<b>19</b>	<b>2,970</b>

1. Data source: March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report released to the ASX on September 1, 2011
2. Mean prospective oil resource (net)
3. Galoc Block
4. Galoc Production Company WLL
5. West Linapacan Block
6. Subject to Nido completing its obligations under its Farm-in Agreement with PNOC
7. SC 58 operatorship reverts to PNOC upon completion of Nido's farm-in obligations

## International Oil Companies in the Palawan Basin



# Exploration Portfolio Overview

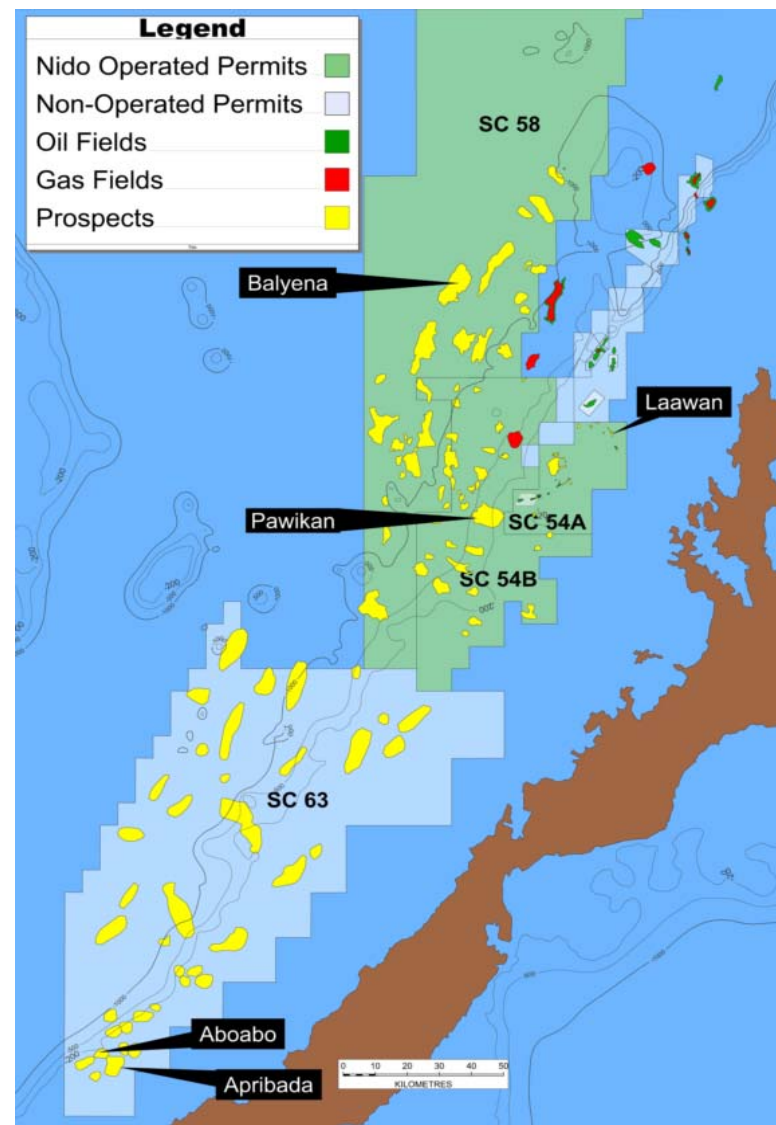
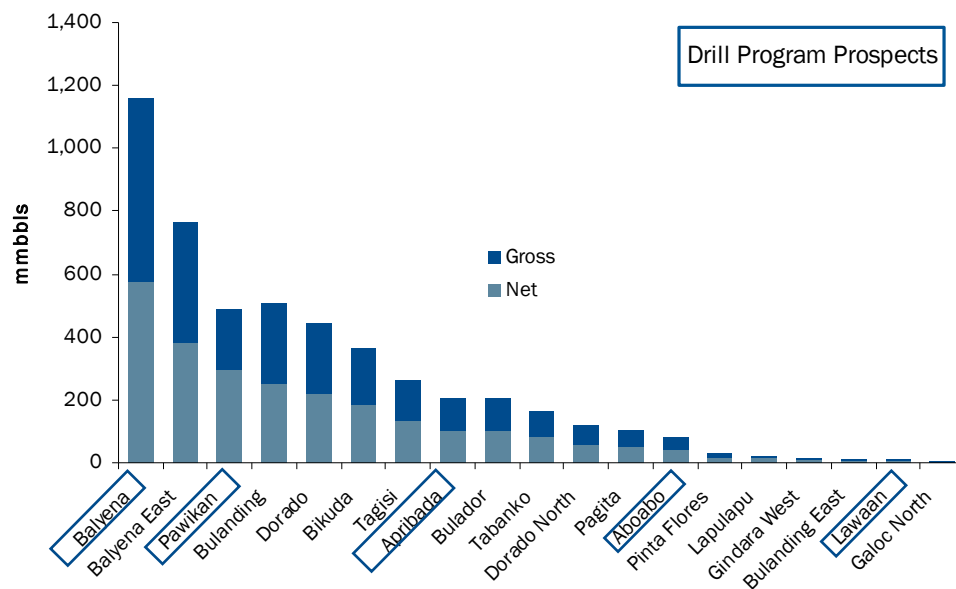


## Forward Drilling Program

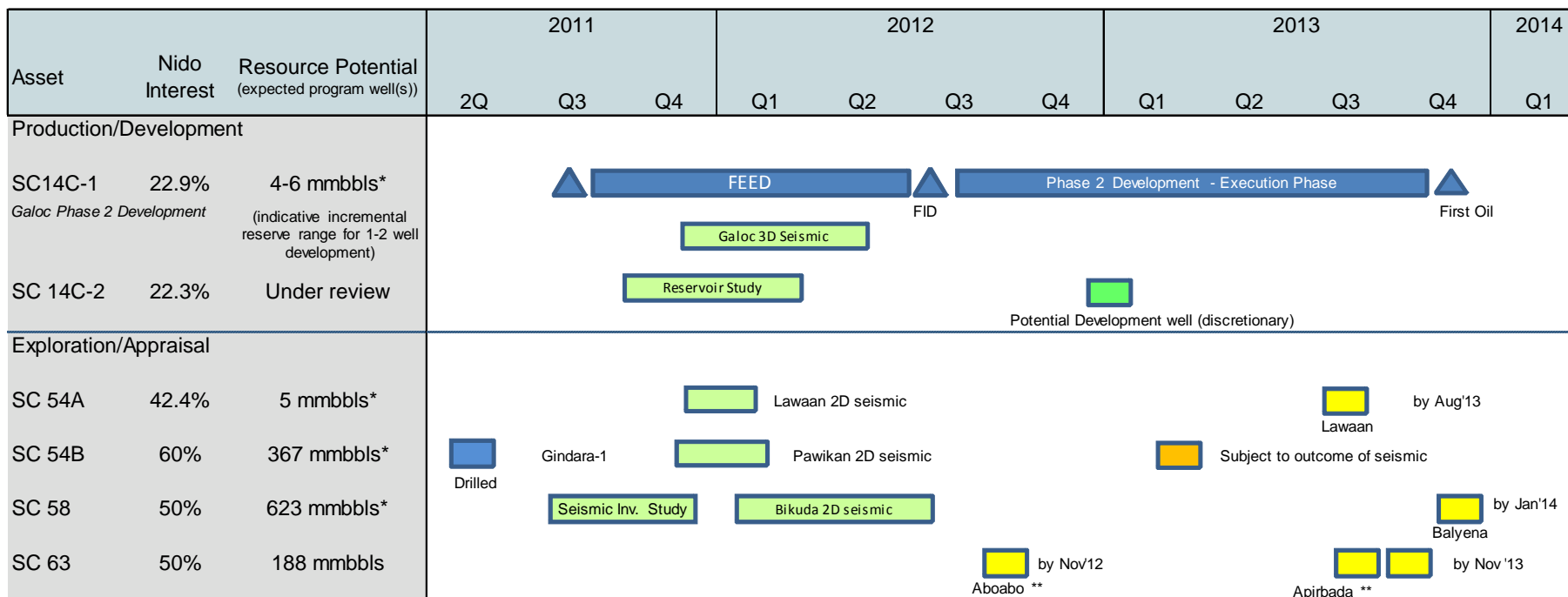
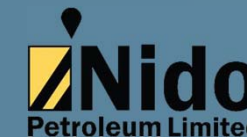
Service Contract	WI (%)	Prospect/Lead	Total Depth (m)	Water Depth (m)	Net Prospective <sup>(1)</sup> (mmbbls)	Net Cost (\$US mm)	Well Due Date
SC 54A	42.4	Laawan	2,000	<150	5	\$7.2	Aug-13
SC 54B	60.0	Pawikan	3,600	350	367	\$19.3	Aug-13 <sup>(2)</sup>
SC 58 <sup>(3)</sup>	50.0	Balyena	3,800	1,300	623	\$40.0	Jan-14
SC 63 <sup>(4)</sup>	50.0	Aboabo	2,800	<150	50	\$9.0-\$15.0	Nov-12
SC 63 <sup>(4)</sup>	50.0	Apribada	2,800	<150	138	\$9.0	Nov-13
<b>Total</b>					<b>1,183</b>	<b>\$84.5-\$90.5</b>	

1. Net mean prospective oil resources per March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report, released to the ASX September 1, 2011
2. Discretionary drilling date
3. Nido's interest is conditional upon drilling the commitment well under farm-in agreement PNO-EC
4. Leading drilling contenders to meet well commitments subject to final technical work and JV approval.

## P50 Prospective Resources



# Forward Program



\* Net mean estimate of prospective oil resources from March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report, released to ASX on September 1, 2011

\*\* Leading drilling contenders to meet well commitments subject to final technical work and JV approval.

- Commitment well - 'required by' date
- Discretionary well

- Timing of activity subject to final Joint Venture and Government approvals, availability of seismic vessels/rigs, and funding



# Asset Overview

# Galoc Phase 1 Overview

- Operator: Galoc Production Company WLL (GPC)
  - Nido 22.9% participating interest
- Discovered in 1981 at 290m water depth
  - 35 degree API low sulphur oil
- Phase 1: Two horizontal subsea wells tied back to FPSO
- Galoc Phase 1 financial performance to Q3 2011
  - CAPEX cost (Nido Share) – US\$31 mm
  - Galoc revenues (Nido Share) – US\$131 mm
  - Pre-tax net cash flows (after operating costs) – US\$45 mm
- A turret mooring system is currently being installed in order to minimize production disruptions and HSSE risks
  - Turret fabrication completed, FPSO currently in dry-dock for turret installation phase of project
  - Field scheduled to be back on-stream Q1 2012

## Production

Gross Average Q3 2011 Production Rate <sup>(1)</sup>	6,472
Cum. Production to Date (mmbbl)	8.46

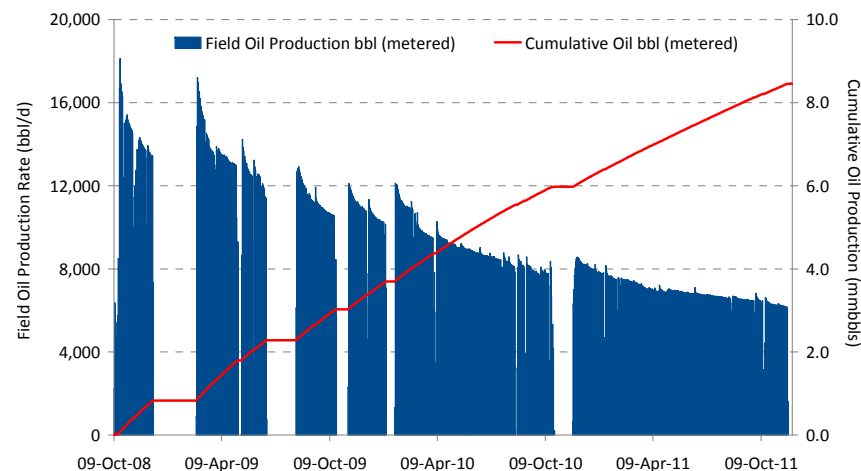
## Revenue and Costs

Last Cargo (September 2011 lifting) (US\$/bbl)	\$113
Operating Cost (US\$/bbl)	\$27.18
Net Phase 1 Capital Expenditure (US\$mm)	\$31.0

1. Production rate prior to FPSO leaving field for turret system upgrade

Source: GPC WLL November 2011

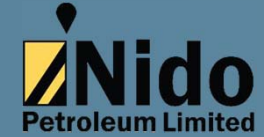
## Galoc Historical Production



Source: GPC WLL November 2011

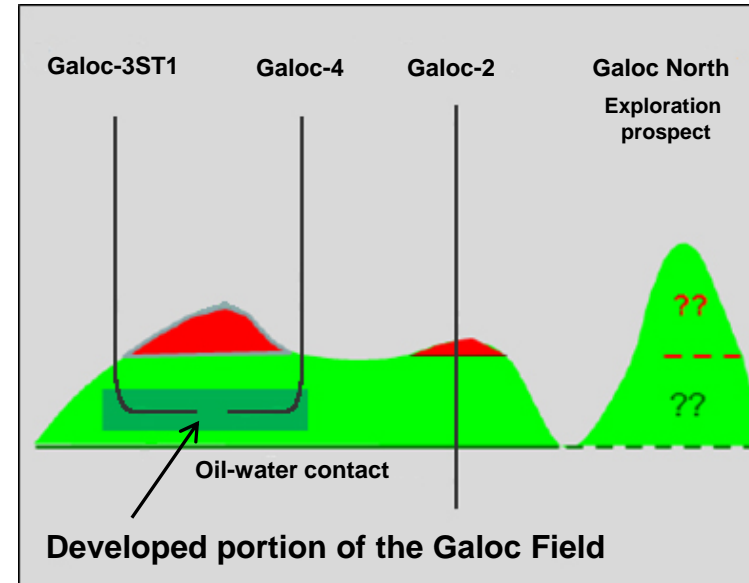


# Galoc Phase 2



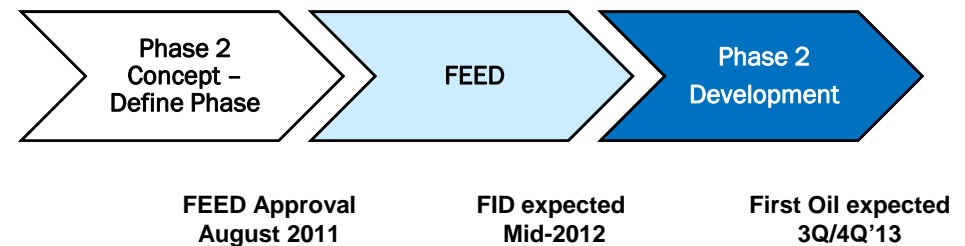
## Phase 2 Development

- Uses improved Turret Mooring System
- New 3D seismic being acquired over field
- FEED commenced in Q3 2011
- 1 to 3 wells being considered
  - Additional 4 – 6 mmbbls (gross)
  - Field life to +2018
- Capex ~US\$130 mm gross (2 wells)
- FID expected mid-2012



## Near-field Exploration

- Galoc North Prospect
- Net mean unrisked prospective oil resource: 1.6 mmbbls\*



\* Net Mean unrisked estimate of Prospective Oil Resources from March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report, released to the ASX September 1, 2011

# SC 58 Overview

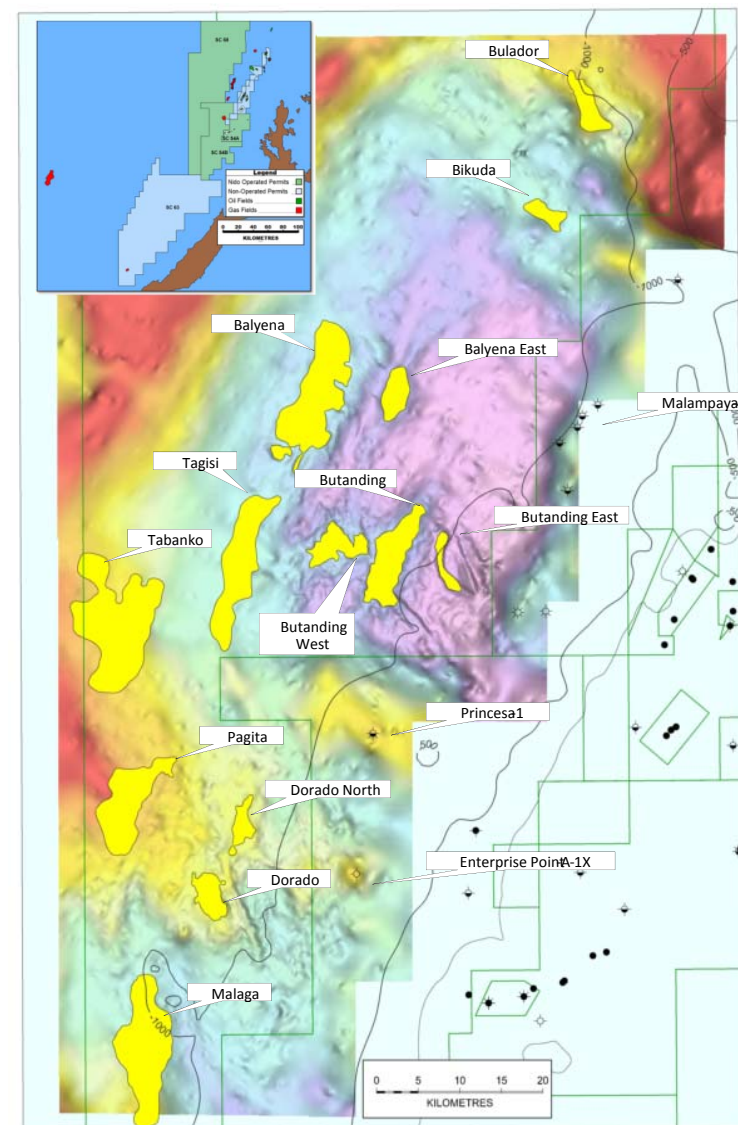
- Nido 50%\* (Operator)
- Gross mean unrisks prospective oil resource potential of the block is estimated at 4.7 bnbbbls
- Balyena Prospect leading drilling candidate
  - Gross mean prospective oil resource potential estimated at 1.2 bnbbbls
  - Reservoir targets at Miocene and deeper Mesozoic levels
- Well cost: US\$40 mm gross dry-hole
- Substantial upside on drilling success at Butanding and Balyena East Prospects
- Geochemical analysis of cores indicated widespread seepage of thermogenic hydrocarbons
  - Seepage around defined grabens and mapped prospects

## DeGolyer & MacNaughton Prospective Resource Report - SC 63 Prospects

	Mean Prospective Oil Resources*			Chance of Success	Net Risked (mmbbl)
	Gross (mmbbl)	Working Interest**	Net (mmbbl)		
Balyena	1,246	50.0%	623	24.3%	151
Balyena East	981	50.0%	491	22.3%	109
Bulanding	546	50.0%	273	19.2%	52
Bulanding East	15	50.0%	7	29.4%	2
Dorado	535	50.0%	268	16.8%	45
Dorado North	129	50.0%	64	18.0%	12
Bikuda	392	50.0%	196	19.5%	38
Tagisi	329	50.0%	164	10.9%	18
Pagita	129	50.0%	65	9.5%	6
Tabanko	204	50.0%	102	9.9%	10
Bulador	228	50.0%	114	22.5%	26
<b>Total</b>	<b>4,734</b>	<b>-</b>	<b>2,367</b>	<b>-</b>	<b>470</b>

\* Mean estimate of prospective oil resources from March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report, released to the ASX September 1, 2011

\*\* Nido's interest is conditional upon drilling the commitment well under farm in agreement with PNOC-EC

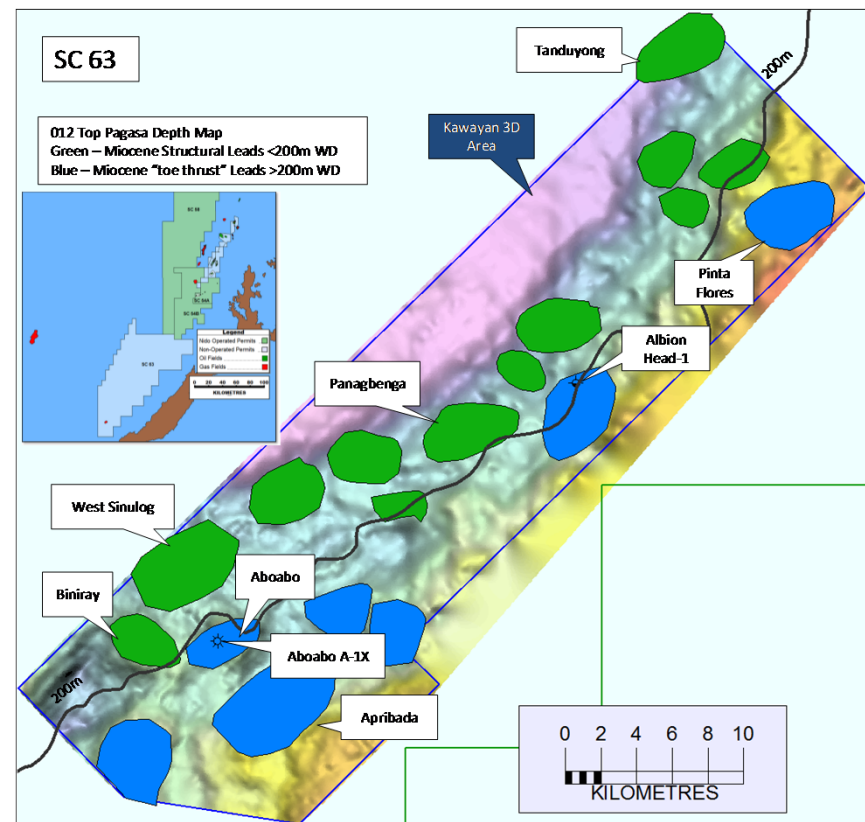


# SC 63 Overview

- Nido 50% (non-Operator)
- Aboabo-A1X flowed estimated 50 mmscfd from Miocene sandstones
- Extensive portfolio of Leads based on 3D seismic
  - Miocene multi-target traps
  - Deep Nido Limestone fault traps
- Top three drilling candidates with gross unrisksed mean prospective oil resources of 411 mmbbls\*
- Drilling well Q3 2012
- Well cost: US\$18 mm to US\$25-30 mm gross dry-hole depending on water depth
- Substantial upside on drilling success

DeGolyer & MacNaughton Prospective Resource Report - SC 63 Prospects

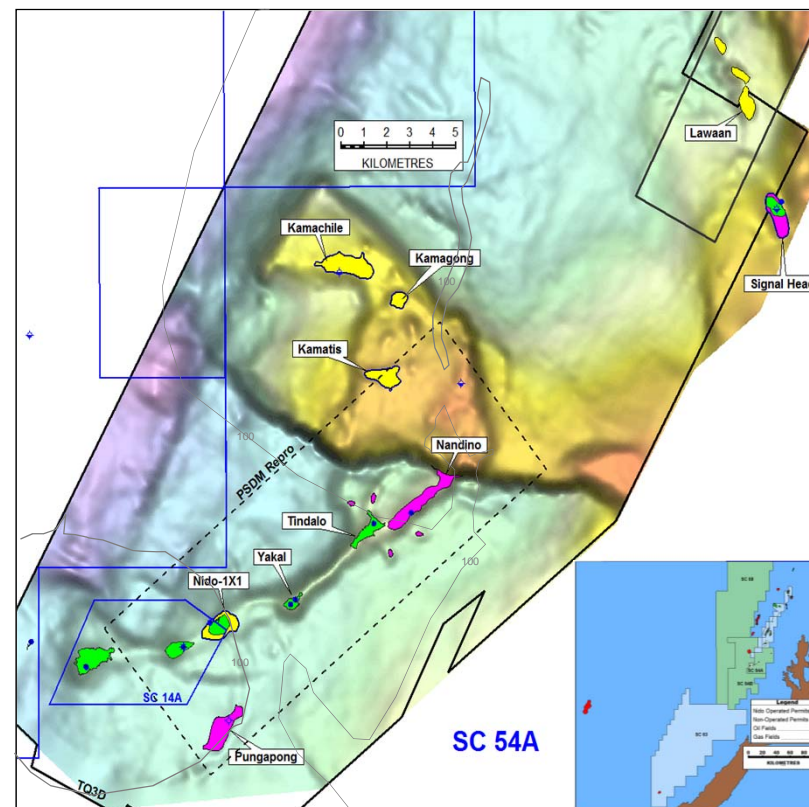
	Mean Prospective Oil Resources*			Chance of Success	Net Risked (mmbbl)
	Gross (mmbbl)	Working Interest	Net (mmbbl)		
Aboabo	100	50.0%	50	50.6%	25
Pinta Flores	34	50.0%	17	22.2%	4
Apribada	277	50.0%	139	20.2%	28
<b>Total</b>	<b>411</b>	<b>-</b>	<b>206</b>	<b>-</b>	<b>57</b>



\* Mean estimate of prospective oil resources from March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report, released to the ASX September 1, 2011



- Shallow-water block with focus on exploiting the productive Nido Limestone reef play
- Nido drilled two wells in 2008
  - Tindalo-1
    - 119 metre oil column
    - 5.4 mmbbls\* recoverable (P50)
    - EWT produced high water cut and was abandoned
  - Yakal-1
    - 84 metre oil column
    - Undeveloped discovery
    - 4-6 mmbbls\* OIIP (mean unrisked gross)
- Opportunity for near-term revenue via development of existing discoveries or exploration drilling
- Lawaan Prospect
  - Highest ranked Nido Limestone reef play in block
  - Nearby Libas prospect and Signal Head-1 and -2 oil discoveries provide opportunity for a potential hub-development
  - Well cost: US\$17.0 mm gross dry-hole



DeGolyer & MacNaughton Prospective Resource Report - Lawaan Prospect

	Mean Prospective Oil Resources**			Chance of Success	Net Risked (mmbbl)
	Gross (mmbbl)	Working Interest	Net (mmbbl)		
Lawaan	13	42.4%	6	52.5%	3
<b>Total</b>	<b>13</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>3</b>

\* Nido Internal P&L Inventory at December 2011

\*\* Mean estimate of prospective oil resources from March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report, released to the ASX September 1, 2011

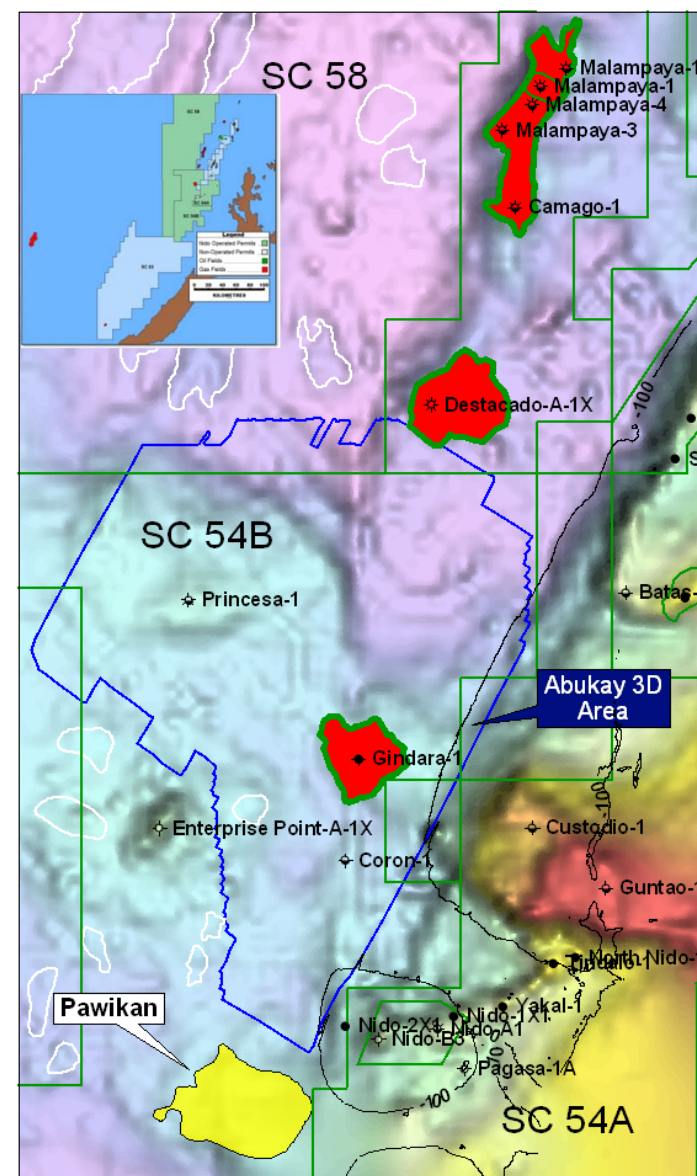
# SC 54B

- Nido 60% (Operator)
- Gindara-1 encountered 144m gas and 43m oil column in low porosity Nido limestone
- Pawikan Lead 30km to south of Gindara
  - 58 sq km closure at Nido Limestone level
  - Additional reservoir target in Miocene sandstones
- Pawikan Lead net unrisked prospective oil resources estimated at 368 mmbbls\*
- Acquired 323 km of 2D seismic data to mature to prospect status
- Well cost: US\$32.0 mm gross dry-hole
- Indicative drilling timing ~2013

**DeGolyer & MacNaughton Prospective Resource Report - SC 54B Prospects**

	Mean Prospective Oil Resources*			Chance of Success	Net Risked (mmbbl)
	Gross (mmbbl)	Working Interest	Net (mmbbl)		
Pawikan	613	60.0%	368	37.8%	139
Lapulapu	25	60.0%	15	19.4%	3
Gindara West	17	60.0%	10	25.2%	3
<b>Total</b>	<b>655</b>	<b>-</b>	<b>393</b>	<b>-</b>	<b>145</b>

\* Mean estimate of prospective oil resources from March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report, released to the ASX September 1, 2011



# Concluding Remarks

*2.9 bn**bbl** Net  
Prospective  
Resource\**

*2.4 m**mbbl** Net  
2P Reserves\*\**

*Q3 2011 Net  
Production of  
1,480 bbl/d*

## Positioned for Success

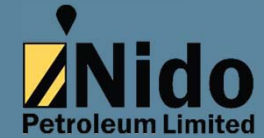
- Extensive asset base with high working interests
- World-class billion barrel prospects
- Portfolio of projects with near term catalysts
  1. Galoc Phase 2 Development
  2. Deliver the high-impact exploration program
    - Drilling 5 exploration wells through 2013
  3. Optimize shallow water portfolio to realize value
    - Balance interests with risk and costs
    - Monetize non-core assets
- Generating material production and cash flow from Galoc
- Highly experienced management and directors
- A vision for success and value generation



\*Net mean unrisks estimate of prospective resources from March 31, 2011 DeGolyer & MacNaughton Prospective Resource Report, released to the ASX September 1, 2011

\*\*This 2P reserves estimate should be read in the context of the full reserves report table on Page 9 and the competent persons declaration on Page 2 of this presentation

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# Appendix



1. A globally dominant, politically stable and economically robust region
  - Total population of ASEAN nations 605 million comprising 8.8% of the world's total population (2011E)<sup>(1)</sup>
  - GDP growth forecast at 5.3%; CPI 6.1% (2011E)<sup>(1)</sup>
2. All ASEAN nations, except Brunei, are net crude oil importers
3. China's South China Sea territorial claim
  - A regional issue which dates back to 1947 at least
  - Includes land and sea areas considered sovereign by Brunei, Malaysia, the Philippines, Taiwan and Vietnam
  - China's territorial claim covers all of SC 58 and part of SC 54B and SC 63
4. Philippines
  - Presidential Constitutional Republic governmental system
  - Population 96 million and GDP US\$2,255 per capita (2011E)<sup>(1)</sup>
  - Domestic crude oil & gas liquids self-sufficiency less than 10%, based on petroleum demand of 282 kbd (2010)<sup>(2)</sup>
  - Domestic natural gas production dominated by the Malampaya gas field supplying natural gas into Luzon based IPPs



Note: ASEAN (Association of Southeast Asian Nations) is comprised of Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand and Vietnam

1. International Monetary Fund website

2. BP Statistical Review of World Energy, June 2011