

8 August 2014

ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

Attention: Jill Hewitt, Senior Adviser, Listings Compliance (Perth)

By Facsimile: (08) 9381 1322
By Email: tradinghaltspert@asx.com.au

Dear Jill

Response to ASX Aware Query

We refer to your letter dated 7 August 2014.

We respond to each of your queries as follows:

1. Yes.
2. Not applicable.
3. Yes:
 - (a) On 29 July 2014 at approximately 8.30 PM Perth time, Nido Petroleum Limited ("the Company" or "Nido") received a confidential, non-binding and indicative proposal from The Bangchak Petroleum Public Company Limited of Thailand ("Bangchak") that BCP Energy International Pte Ltd planned to acquire 100% of the shares of the Company. The proposal was explicitly stated to be not capable of acceptance. Consequently, the Company requested a trading halt pre-market open on 30 July 2014.
 - (b) The receipt of the proposal was preceded by confidential, informal and non-exclusive discussions between a representative of the Management of Bangchak and a representative of the Management of the Company which arose out of an unsolicited contact from Bangchak concerning the possibility of exploring a potential corporate transaction. This contact and subsequent high level informal discussions (which lacked certainty), were ongoing prior to receipt of the ASX Price Query received on 25 July 2014.
 - (c) From time to time the Company is approached by parties on an unsolicited and informal basis in relation to potentially exploring corporate transactions.
 - (d) The Company had prior to the receipt of the ASX Price Query previously informed the market on a number of occasions that it continued to be in discussions with parties in order to maximise value for the Company's shareholders.

(e) Given that at the point of receipt of the ASX Price Query, the Company had not received any informal or formal proposal from Bangchak, nor was there any certainty in relation to any potential proposal, and that the Company had previously disclosed to the market that the Company was in discussions with parties from time to time to maximise shareholder value, the Company considered that it was not aware nor in possession of any materially price sensitive information that was not already in the market.

4. No, the Company received the indicative, non-binding proposal from Bangchak after receipt of the ASX Price Query. Please also refer to 3(a) above.

We confirm that the Company is in compliance with its obligations under the Listing Rules and in particular ASX Listing Rule 3.1.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'JN', followed by a long, horizontal, slightly wavy line.

John Newman
Company Secretary



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7 August 2014

Mr J Newman
Company Secretary
Nido Petroleum Limited
Level 3, Aquila Centre
1 Preston Street
COMO WA 6152

Email: jnewman@nido.com.au

Dear John

Nido Petroleum Limited (the “Entity”): ASX aware query

ASX Limited (“ASX”) refers to the following:

1. The recent change in the price of the Entity’s securities from a closing price of 3.3 cents on Wednesday, 23 July 2014, to an intra-day high of 4.2 cents on Friday 25 July 2014. There was also an increase in the volume traded over this period.
2. The price query letter from ASX dated Friday, 25 July 2014, in which ASX queried the recent increased price and volume movement in the Entity’s securities (“Price Query”).
3. The Entity’s response to an ASX price query letter (“ASX Price Query”) released at 2:26 pm EST on Friday, 25 July 2014 confirming that the Entity was not aware of any information concerning it, that had not been announced and which, if known, could be an explanation for recent trading in the securities of the Entity.
4. The Entity’s request for a trading halt in relation to a proposed corporate transaction released at 9:39 am EST on Wednesday, 30 July 2014 (“Trading Halt”).
5. The Entity’s release entitled BCP Energy International PTE Ltd to acquire 19.66% interest in Nido” (“Substantial Shareholder Notice”) released at 11.00 am on Thursday, 31 July 2014.
6. The Entity’s announcement entitled “Nido Directors unanimously recommend 5.5 Aus cent cash offer from BCPE” lodged with ASX Market Announcements Platform and released at 11:49 am EST on Monday, 4 August 2014 (the “Takeover Announcement”).
7. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities.
8. The definition of “aware” in Chapter 19 of the Listing Rules. This definition states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.”

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* (“Guidance Note 8”) “*When does an entity become aware of information*”.

9. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following requirements is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

5. ASX’s policy position on the concept of “confidentiality” which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* “*Listing Rule 3.1A.2 – the requirement for information to be confidential*”. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity consider the information in the Takeover Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. If the answer to question 1 is “yes”, when did the Entity first become aware of the information in the Takeover Announcement? In answering this question, please also confirm whether the Entity became aware of any of the information in the Takeover Announcement prior to the Entity receiving and/or responding to the ASX Price Query and please comment specifically on whether any negotiations or discussions regarding the Takeover the subject of the Takeover Announcement had already commenced.
4. If the answer to question 1 is “yes” and the Entity first became aware of the information prior to receiving and/or responding to the ASX Price Query, did the Entity make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you consider the Entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.

5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (i.e. before 7:30 am (WST)) on Monday, 11 August 2014. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent by e-mail to tradinghaltsperths@asx.com.au and also to Jill Hewitt at jill.hewitt@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Jill Hewitt

Senior Adviser, Listings Compliance (Perth)