

3 August 2010

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

Australian Energy Pacesetters Conference

Nido Petroleum Limited (ASX: NDO) is pleased to provide a copy of the Presentation to be given by Mr Jon Pattillo, Head of Exploration, at the Australian Energy Pacesetters Conference this afternoon.

Yours sincerely



John Newman
Company Secretary



DEVELOPMENTS IN THE PHILIPPINES

“A Year of Achievement”



***Australian Energy Pacesetters Conference
3rd August 2010, Perth***

Disclaimer

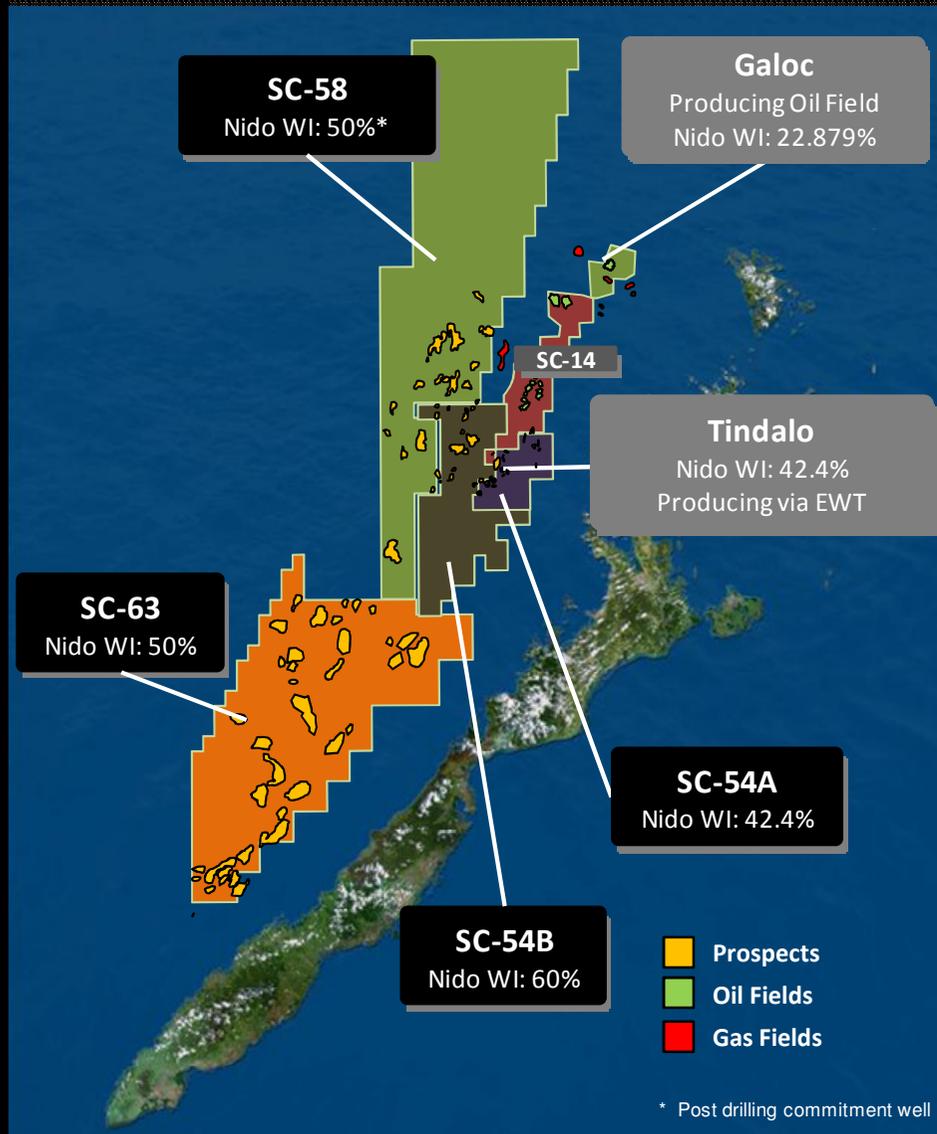
This presentation contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a variety of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, commercialisation, development progress, operating results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries, approvals and cost estimates.

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

NIDO'S STRATEGY

ELEGANTLY SIMPLE

"Nido continues to focus on the NW Palawan Basin, where it has built extensive expertise and a dominant asset position."



➤ Focus

- North West Palawan Basin, Philippines
- Basin-scale position

➤ Asset Depth

- Cash flow from Galoc and Tindalo fields
- Portfolio of near-term development opportunities
- Extensive offshore exploration portfolio with ready-to-drill prospects

➤ Core Competencies

- In-depth understanding of our assets
- In-depth understanding of Philippine regulatory and business environment

2009 - 10 ACHIEVEMENTS

"Nido achieved a number of key strategic, operational and financial milestones during the past 12 months"

- 
 Prudently managed our exploration commitments in response to the GFC
 Sub-phase extensions obtained for SC-58 and SC-63

- 
 General and Administration costs reduced by 30% in 2009;
 Substantial improvement in the company's financial position

- 
 Gindara Prospect (SC-54B) significantly upgraded: unrisks mean oil-in-place increased to 1,000 MMBOE in 3 targets

- 
 Tindalo development FID achieved in December 2009

- 
 Completed 3-D seismic acquisition in SC 54A (754 km² of data)
 Acquired SC 58 deepwater sea-bed coring program

- 
 Farm-out of 10% WI in SC-54A for US\$7.6m to Trafigura
 Farm-out of 7.6% WI in SC-54A for US\$6.8m to TG World

- 
 Re-commenced search for a deepwater strategic partner

- 
 Announced a 5 well drilling program at May 2010 AGM
 First Oil delivered from Tindalo EWT program





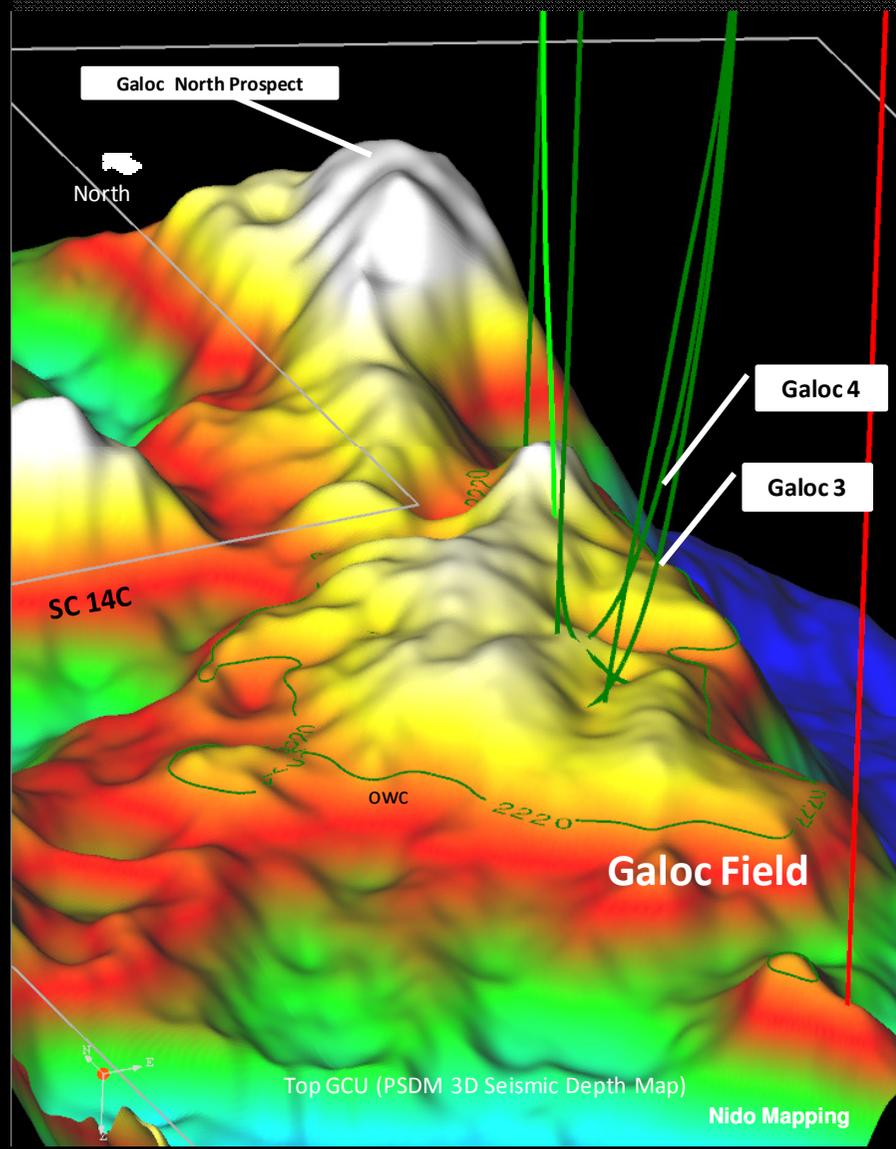
OPERATIONS



OPERATIONS

SC 14 C1 - GALOC OIL FIELD

"The Galoc Field remains a core asset for Nido having produced five million barrels of oil since October 2008"



KEY FACTS	
Service Contract	SC 14C
Nido W.I.	22.88%
Operator	Galoc Production Company (GPC)
Water Depth	320 meters
Start-up	October 2008
Reservoir	Miocene sandstones – Galoc Clastic Unit
Production	YTD net Nido (end 2Q'10): 357,865bbls
Development	2 horizontal wells ; sub-sea tie back to FPSO

- Cumulative production over 5 MMbbls
- SC 14C JV considering a Phase 2 development
- Current economic field life ~2H'12
- Galoc North Prospect – near field exploration opportunity

OPERATIONS

TINDALO OIL FIELD

“Nido’s second oil field commenced EWT operations in May 2010 representing another milestone achievement for the company”



Aquamarine Driller at the Tindalo Field SC 54A

KEY FACTS

Service Contract	SC 54 A
Nido W.I.	42.4% (following farm down from 60%)
Operator	Nido Petroleum
Water Depth	80-115 meters
Start-up	EWT start-up May 2010
Reservoir	Nido Limestone pinnacle reef
Contingent Resources	OIIP: 11.0 MMbbls (P50) Recoverable: 5.1 MMbbls (most likely)

Development concept:

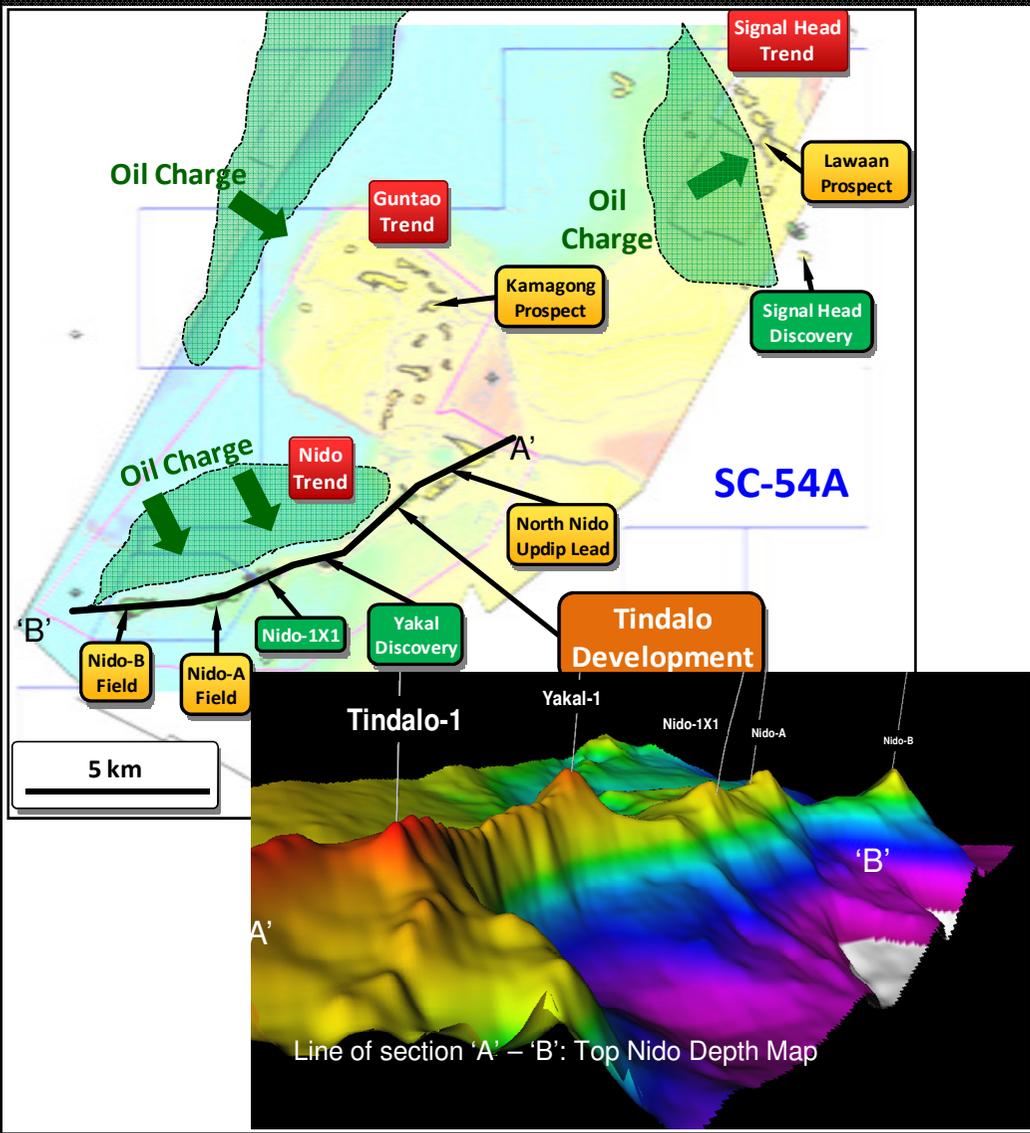
- Single well completion
- Jack-up rig with production processing equipment
- Floating off-take hose to FSO
- ~US\$27MM development capex
- Re-deployable development solution

100 day EWT commenced May 2010:

- Perforated interval: 1,606 – 1,650mTVDSS (44m)
- 18,689 bopd initial flow rate; 136/64” choke
- Planning work-over to increase oil rate and reduce water production

SC-54A **'STRING OF PEARLS'**

"SC-54A contains a number of additional low-risk shallow water development opportunities and low risk exploration targets"



- Tindalo is the first oil development to be delivered from the SC 54A shallow water Area Development strategy ('String of Pearls')
- 3 further undeveloped discoveries with ~40 MMbbl OOIP¹
 - Yakal-1
 - Nido-1X1
 - Signal Head-2
- Numerous low risk exploration targets identified with up to 200 MMbbl OOIP¹
 - 7 drillable pinnacle reefs
 - 1 high volume, higher risk exploration target
 - 19 other pinnacle reefs
 - 1 stratigraphic target

1 - Gross ,un-risked most likely volumes

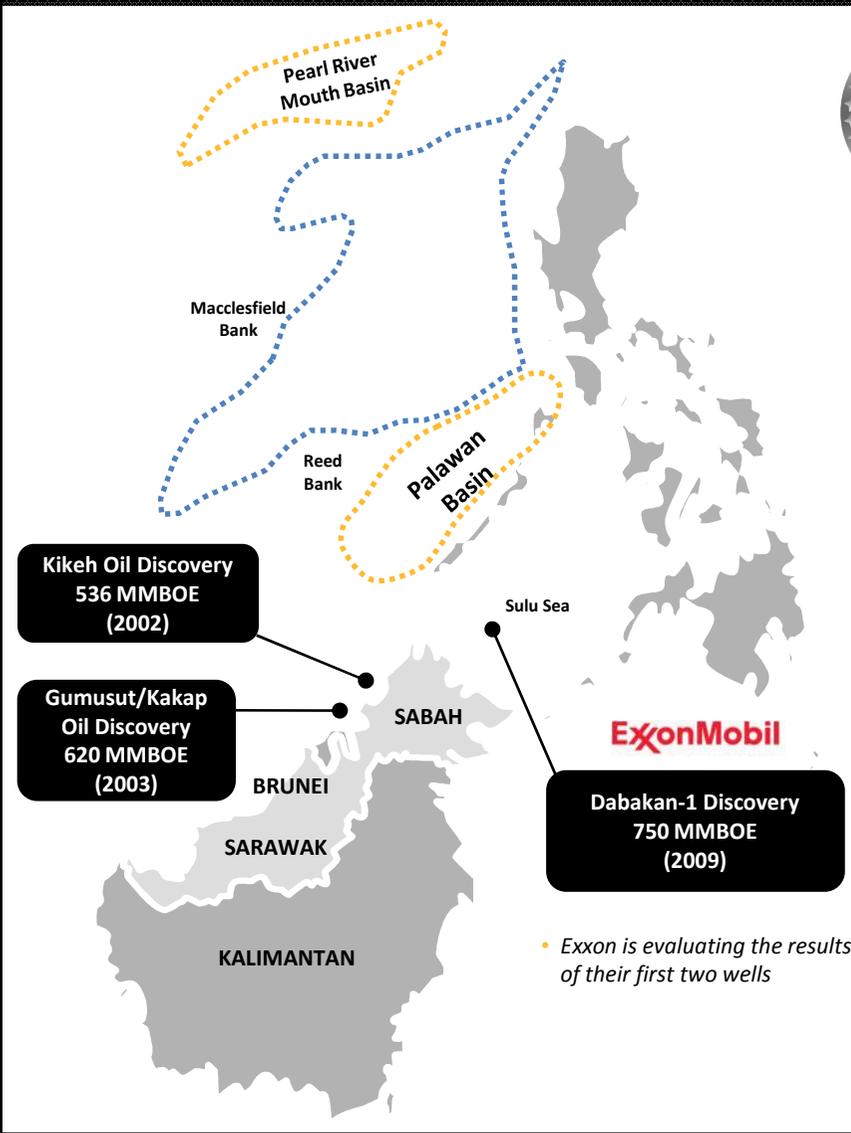


EXPLORATION

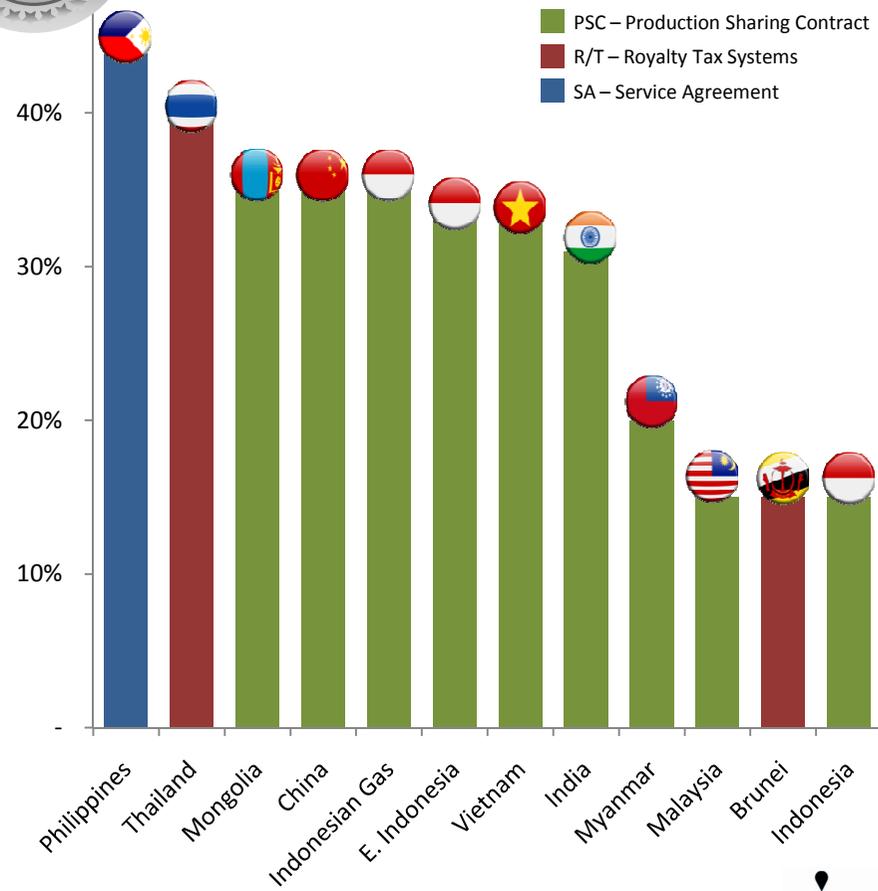


EXPLORATION EXCELLENT FISCAL TERMS

“The Philippines represents a unique exploration opportunity. It offers the most appealing fiscal regime in Asia – explorers will be well rewarded for unlocking its tremendous hydrocarbon potential.”

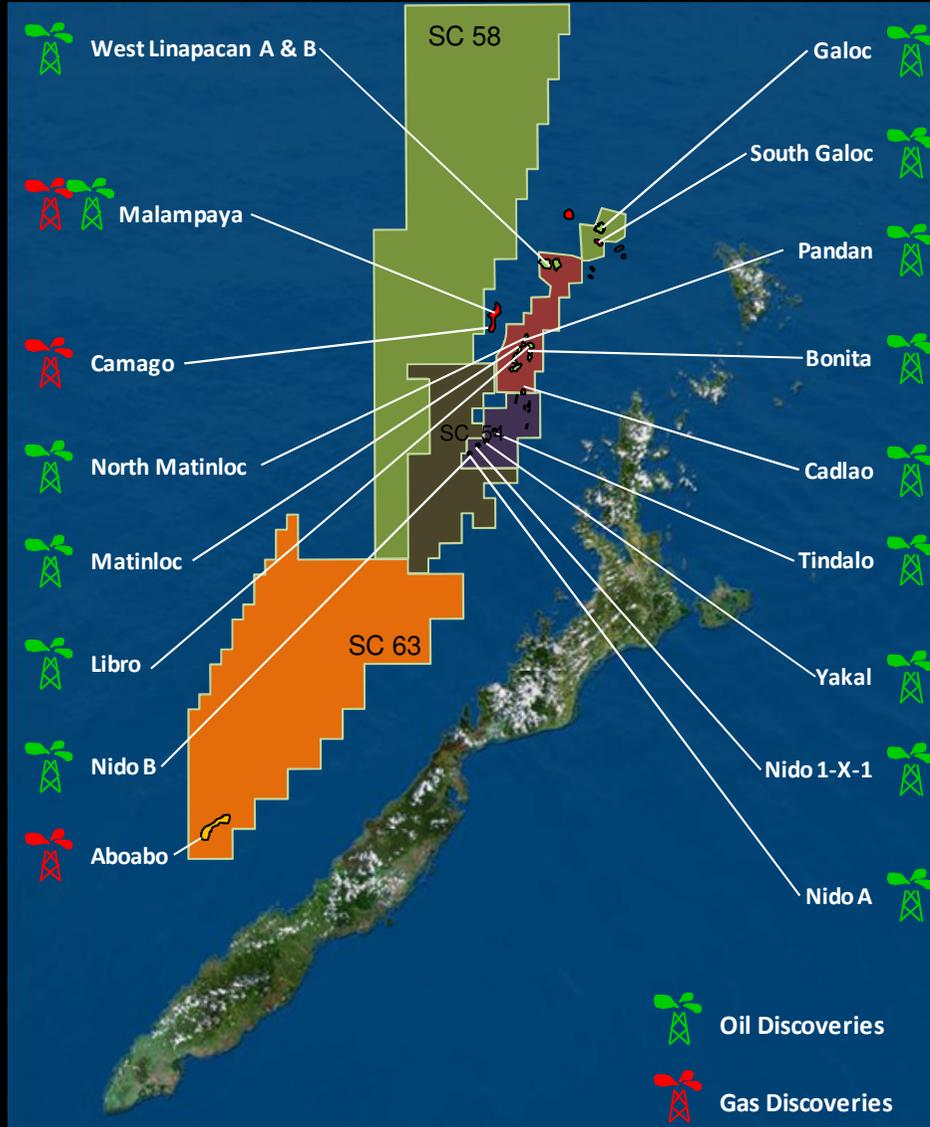


Maximum Contractor Take

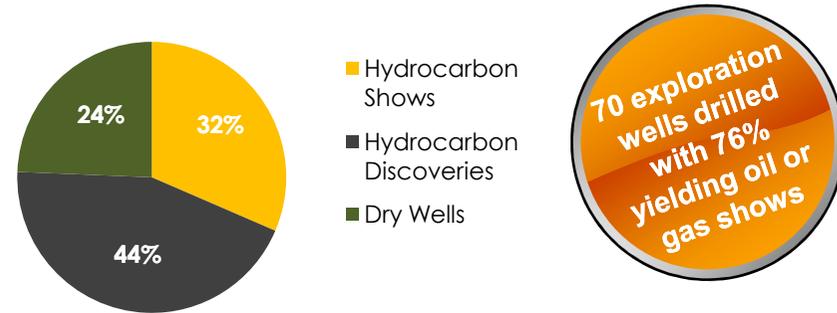


EXPLORATION HIGH HISTORIC STRIKE RATES

"The NW Palawan Basin is the Philippines most prolific basin. Since 2005 Nido has built a dominant position in the basin"

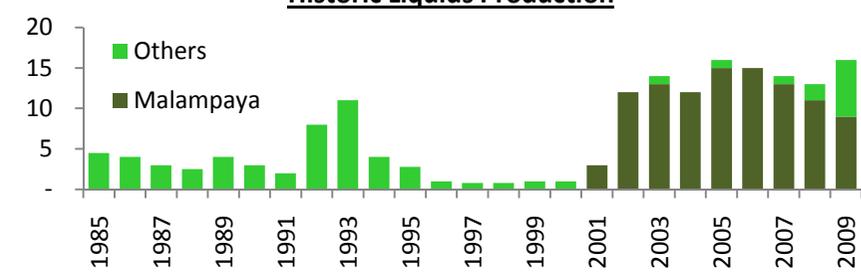


NW Palawan Historic Strike Rate



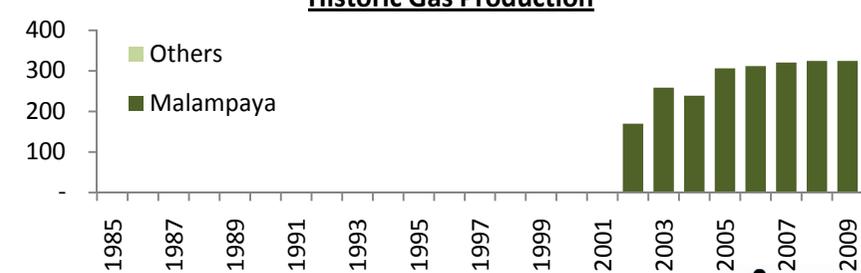
70 exploration wells drilled with 76% yielding oil or gas shows

Kbopd



Historic Liquids Production

MMcfd



Historic Gas Production

EXPLORATION INVESTMENT IN NEW SEISMIC

“Nido has invested A\$64 million on exploration activities since August 2005: extensive 2D and 3D seismic acquisition and the drilling of two oil discoveries in SC 54A”

Nido's Investment in Exploration

Sea-bed Coring (2010)

150 cores plus 1500 km² multibeam bathymetry
Mitigates Hydrocarbon Charge Risk

Phase 1 (2006-2007)

Talusi 2-D: 3,722 line km
Abukay 3-D: 930 km²

Phase 2 (2007-2008)

East Sabina 2-D: 3,640 km
Kiaw 3D: 735 km²
Kiaw 2D: 2,742 km
Signal Head 3D: 45 km²

Phase 3 (2009)

Kawayan 3-D
Area: 754 km²



➤ Systematic 2D and 3D seismic campaigns have added significant value to Nido's acreage portfolio:

- Significantly de-risked the subsurface geology
- Delineated an extensive Prospect and Lead portfolio
- Resulted in two exploration successes at Yakal-1 and Tindalo-1
- Resulted in Nido's first operated development at Tindalo Field

EXPLORATION PROSPECT PORTFOLIO

“Nido has matured a portfolio containing >90 prospects and leads, comprising 112 targets”

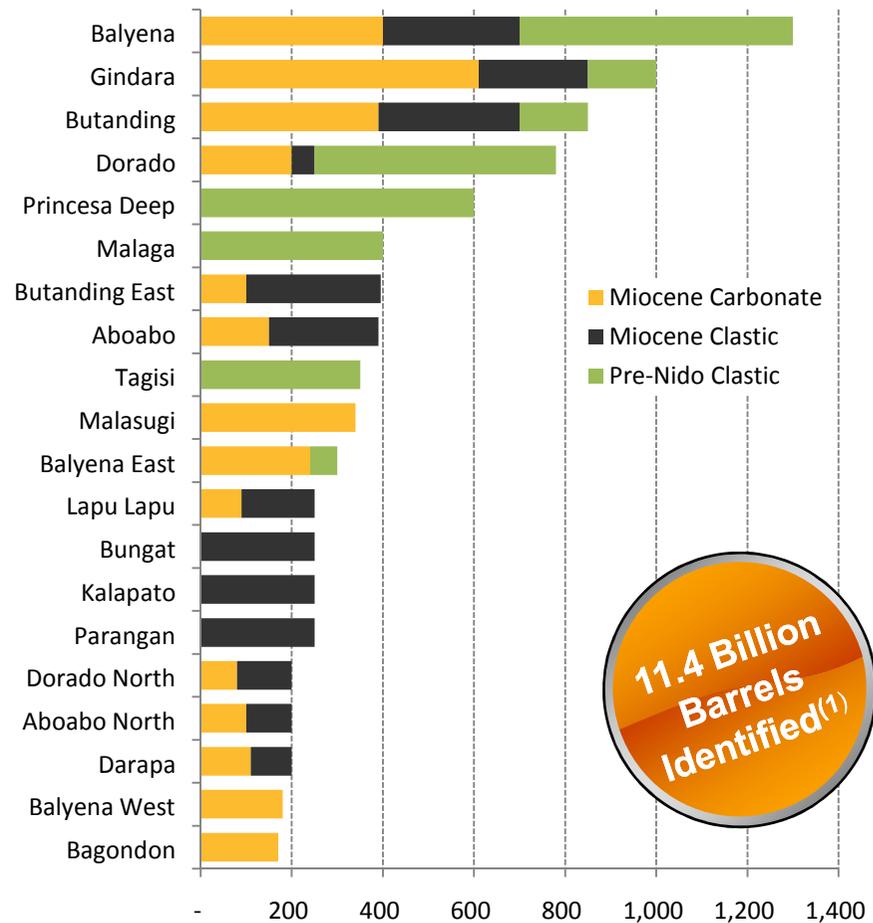
Most Likely OIIP Scenario⁽¹⁾

Total Volumes	Miocene Carbonate	Miocene Clastic	Pre-Nido Clastic	Total
Volumes (MMBOE)	5,367	3,305	2,792	11,463
% Total	47%	29%	24%	100%
No. of Targets	79	23	10	112

By Block/Asset	Miocene Carbonate	Miocene Clastic	Pre-Nido Clastic	Total
SC-58	2,553	1,106	2,043	5,701
SC-54A	182	23	-	205
SC-54B	951	703	749	2,403
SC-63	1,646	1,425	-	3,071
SC-14C	34	48	-	82
Total	5,367	3,305	2,792	11,463

No. Of Targets	Miocene Carbonate	Miocene Clastic	Pre-Nido Clastic	Total
50 MMBOE or Less	46	5	3	54
50-500 MMBOE	32	18	4	54
>500 MMBOE	1	-	3	4
Total	79	23	10	112

Most Likely OIIP (MMBOE)

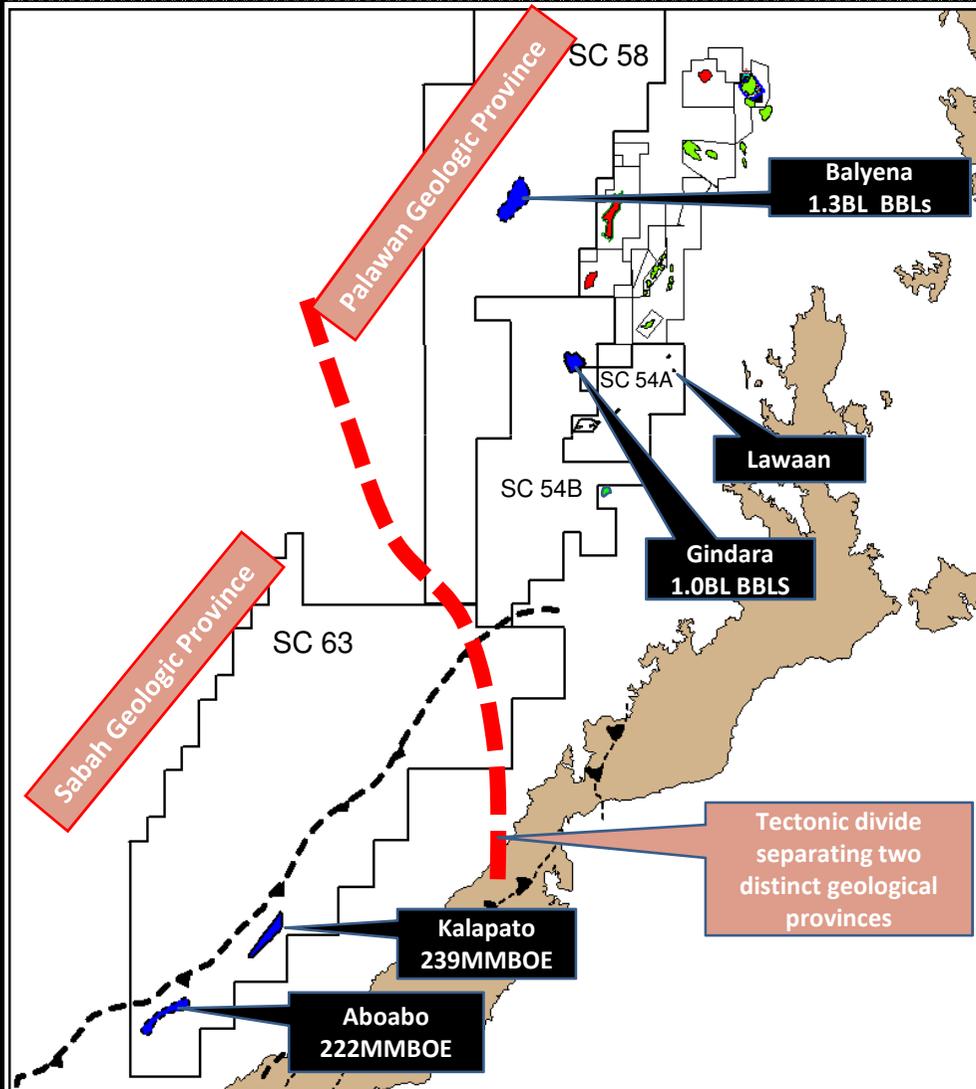


11.4 Billion Barrels Identified⁽¹⁾

1. Gross, most likely, unrisksed

EXPLORATION 5 WELL STRATEGIC PROGRAM

“Success from the 5 well exploration program will be transformational to Nido”



Exploration Program Objectives

- I. Maximise the chances of making a significant commercial discovery
- II. Test key play types across the basin; provide additional technical data to further de-risk the portfolio
- III. Meet future drilling obligations
- IV. Secure land tenure over acreage

The 5 Well Exploration Program

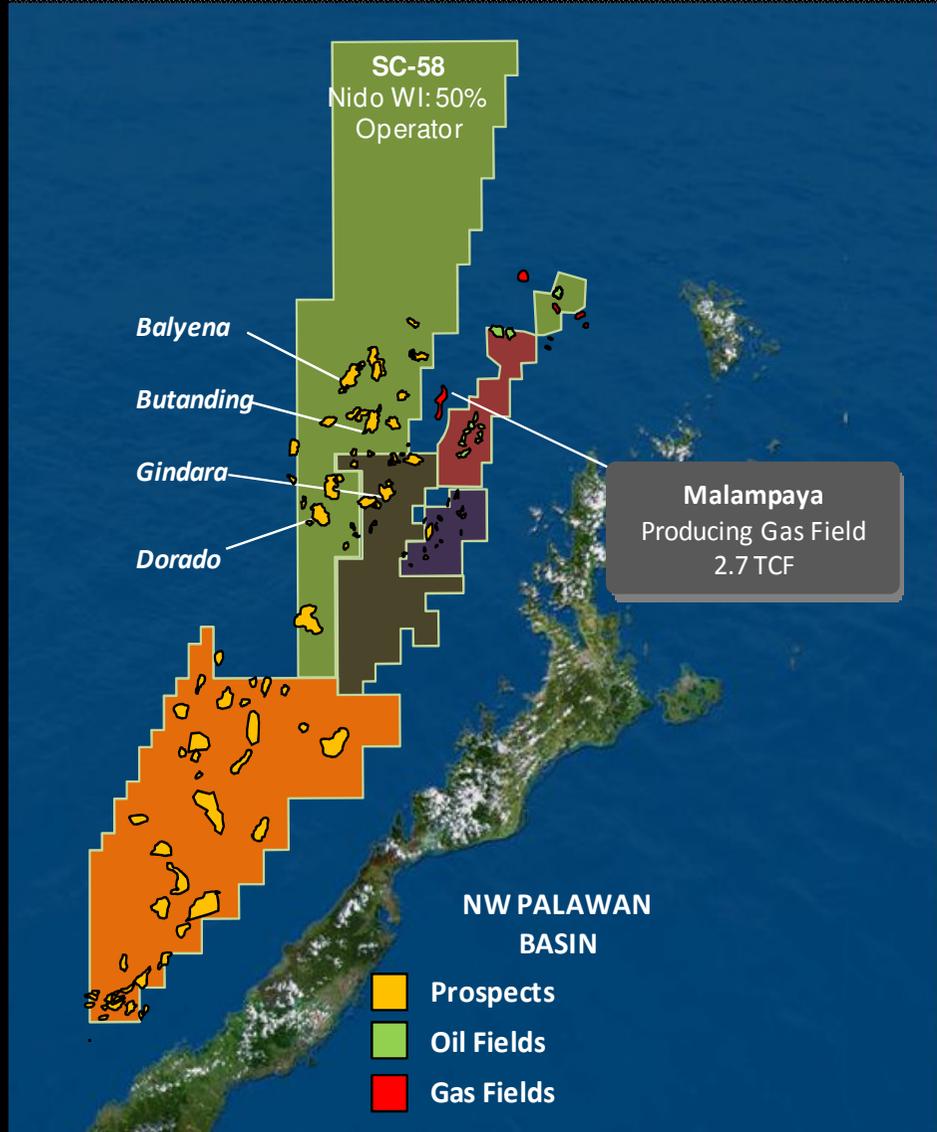
Objective/Water Depth	Most Likely/Mean OOIP ¹ MMBOE				
	Gindara SC-54B	Aboabo SC-63	Balyena SC-58	Kalapato SC-63	Lawaan SC-54A
	POS 43%	POS 17%	POS 23%	POS 11%	POS 69%
Palawan Province					
Shallow Water <120m	-	-	-	-	21
Deep Water >120m	1,000	-	1,318	-	-
Sabah Province					
Shallow Target	-	80	-	239	-
Deep Target	-	142	-	-	-

1. Gross oil-in-place estimates, most likely case, unrisked

EXPLORATION

SC 58 DEEP WATER BLOCK

“The block contains an extensive deepwater fairway with a number of large multi hundred million barrel structures comparable in size to the giant Shell operated Malampaya gas field”



KEY FACTS	
Service Contract	SC 58
Nido W.I.	50.0%
Operator	Nido Petroleum (1)
Water Depth	900 - 1,500 meters
Reservoir	Nido Lst; Miocene clastics; pre-rift
Exploration Status	Sub-Phase 3: well obligation by 11 th Jan 2012
Activity	Sea Bed Coring & Multi-Beam Project completed April '10

➤ Top Drilling Candidates (Mean OOIP)²⁾

• Balyena	1,318 MMBOE
• Dorado	762 “
• Butanding	843 “
• Malaga	400 “
• Tagisi	357 “
TOTAL	3,680 MMBOE

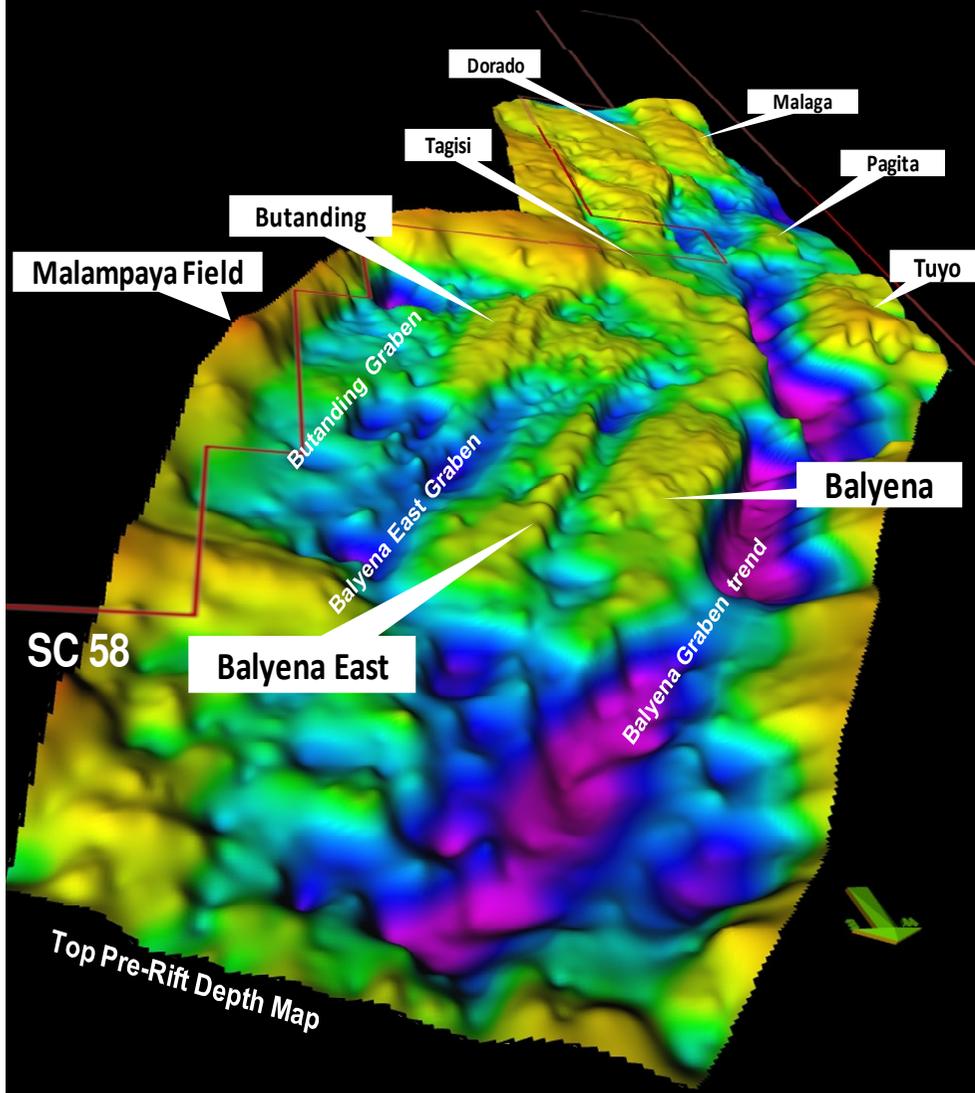
1. Technical Operator

2. Gross un-risked; combined total of all reservoir objectives

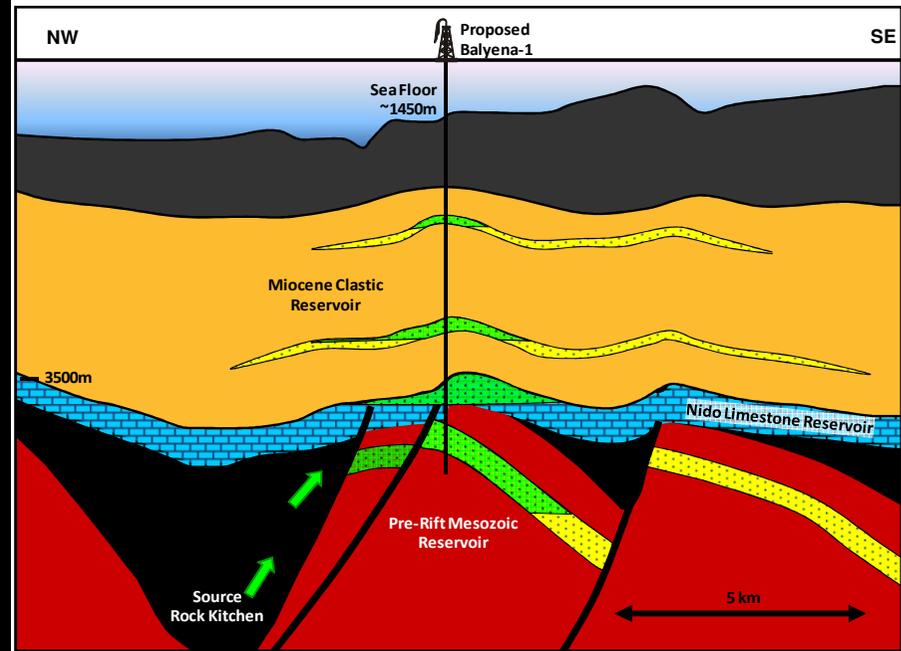
EXPLORATION

SC 58 DEEP WATER BLOCK

Balyena Prospect

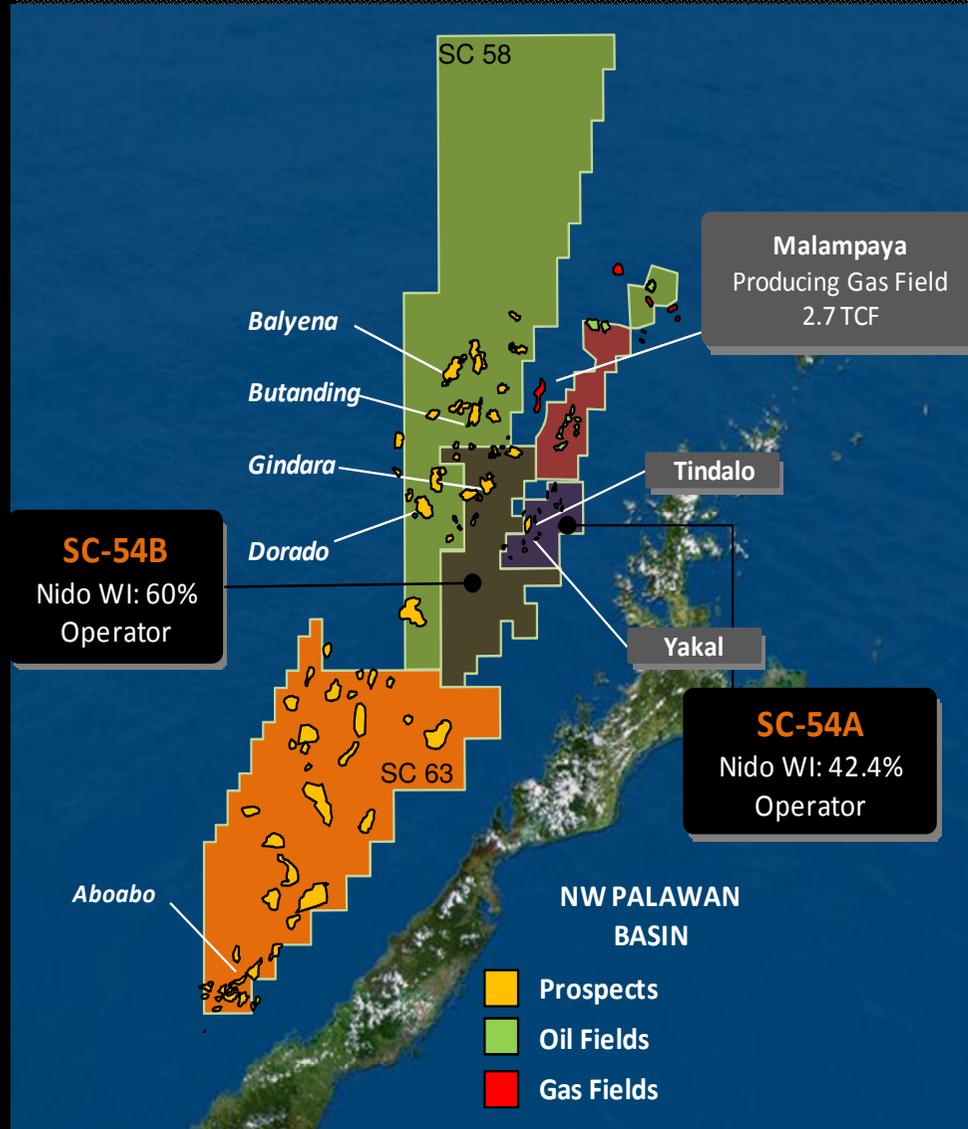


Target	OIIP MMbbls (gross , unrisked)		
	Min	Mean	Max
Nido	148	399	729
Miocene	33	315	801
Mesozoic	80	604	1,396
TOTAL	261	1,318	2,926



EXPLORATION SC 54B BLOCK

“SC 54B contains the large Gindara Prospect located adjacent to the mature source rocks of the Malampaya graben”



KEY FACTS	
Service Contract	SC 54B (Exploration) and SC 54A (Tindalo EWT)
Nido W.I.	SC 54B 60%; SC 54A 42.4%
Operator	Nido Petroleum
Water Depth	<100 - ~900 meters
Reservoirs	Nido Lst; Miocene clastics; pre-rift
Exploration Status	Sub-Phase 5: G & G Program Sub-Phase 6: 1 well obligation from 5 th Aug'10
Activity	Planning Gindara-1 well Evaluating remainder of block

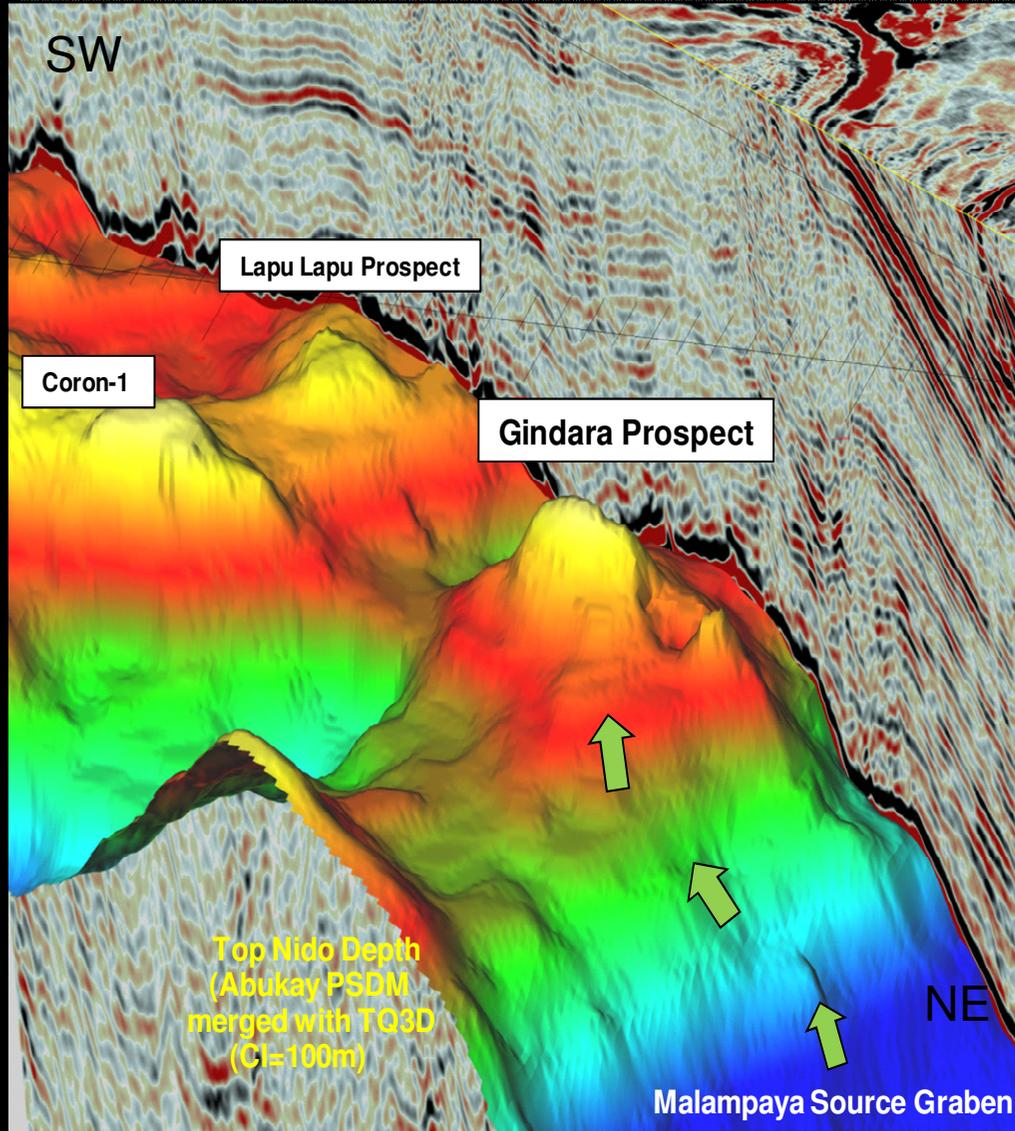
➤ Top Drilling Candidates (Mean OOIP)¹

- Gindara 1,000 MMBOE
 - Lapu Lapu 255 “
 - Princesa Deep 597 “
- TOTAL 1,852 MMBOE**

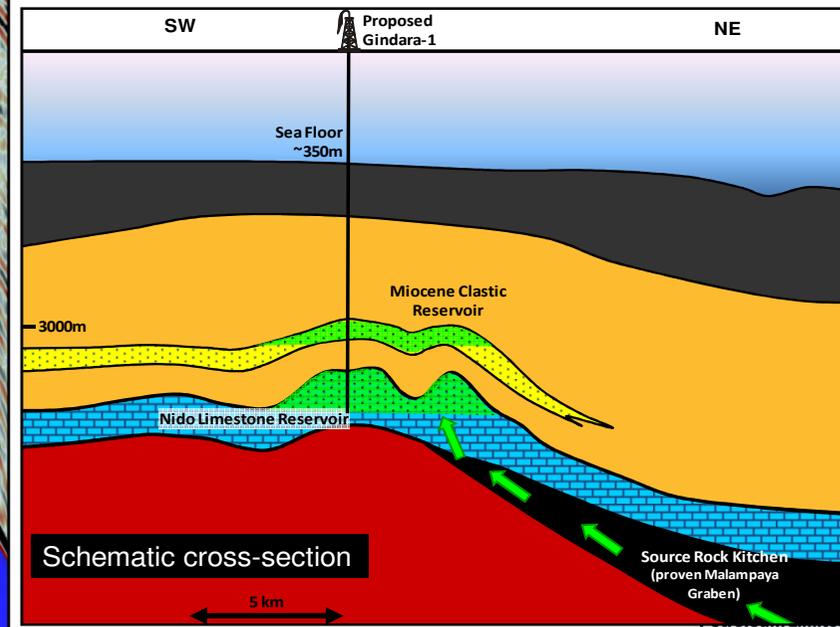
1. Gross un-risked; ccombined total of all reservoir objectives

EXPLORATION SC 54B BLOCK

Gindara Prospect



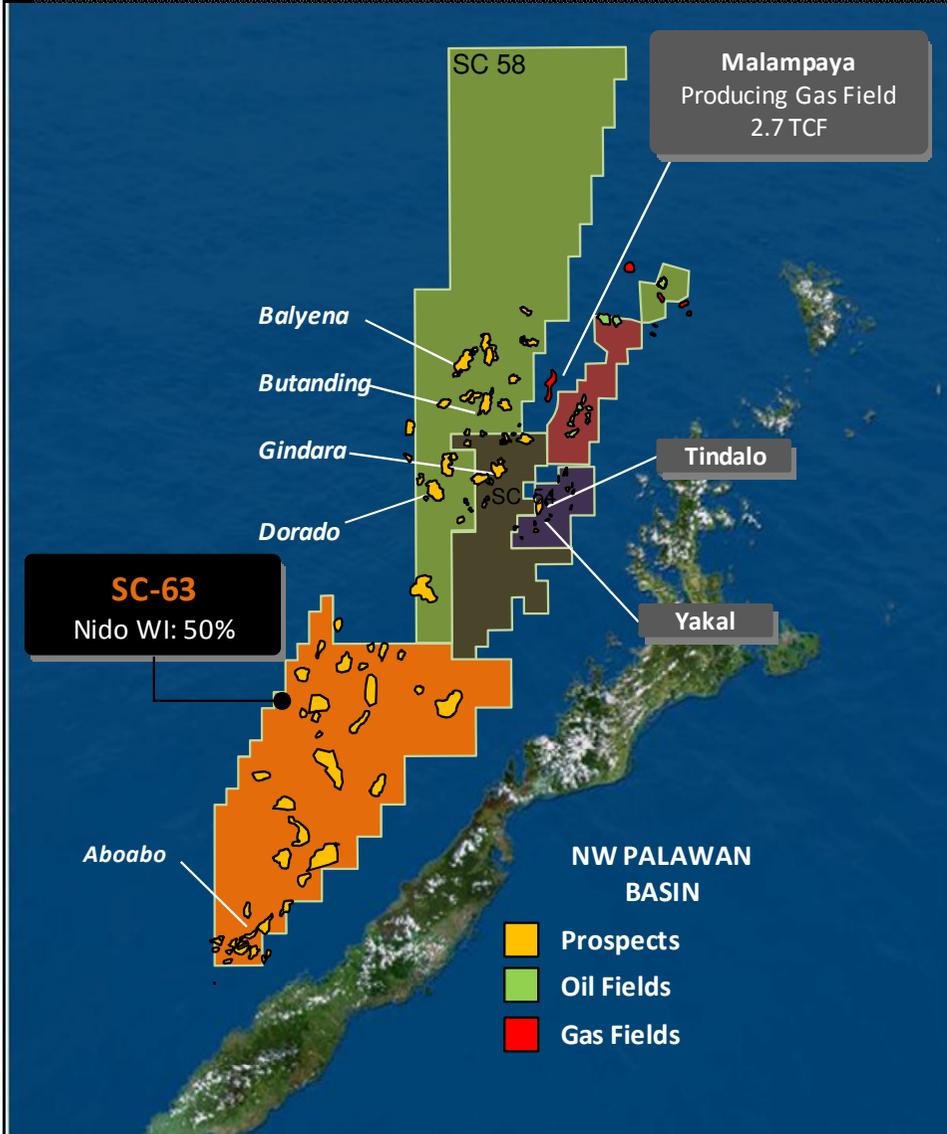
Target	OIIIP MMbbls (gross , unrisks)		
	Min	Mean	Max
Nido	292	634	1,021
Miocene	116	230	367
Mesozoic	40	136	267
TOTAL	448	1,000	1,655



EXPLORATION

SC 63 EXPLORATION BLOCK

"SC 63 overlies the extension into the Philippines of the oil and gas prolific offshore basins of Brunei and Sabah"



KEY FACTS

Service Contract	SC 63
Nido W.I.	50%
Operator	PNOC-EC 50%
Water Depth	<100 - 2,000 meters
Reservoirs	Nido Lst; Miocene clastics; pre-rift
Exploration Status	Sub-Phase 2a: ends May '12 3D seismic obligation
Activity	Interpreting 3D seismic

➤ 3-D Seismic Acquired end '09

- Acquired 754km² of 3D seismic in 4Q'09 around the 1981 Aboabo A-1X gas discovery (Phillips)
- Significant improvement in subsurface imaging achieved

➤ Top Drilling Candidates (Mean OOIP)¹

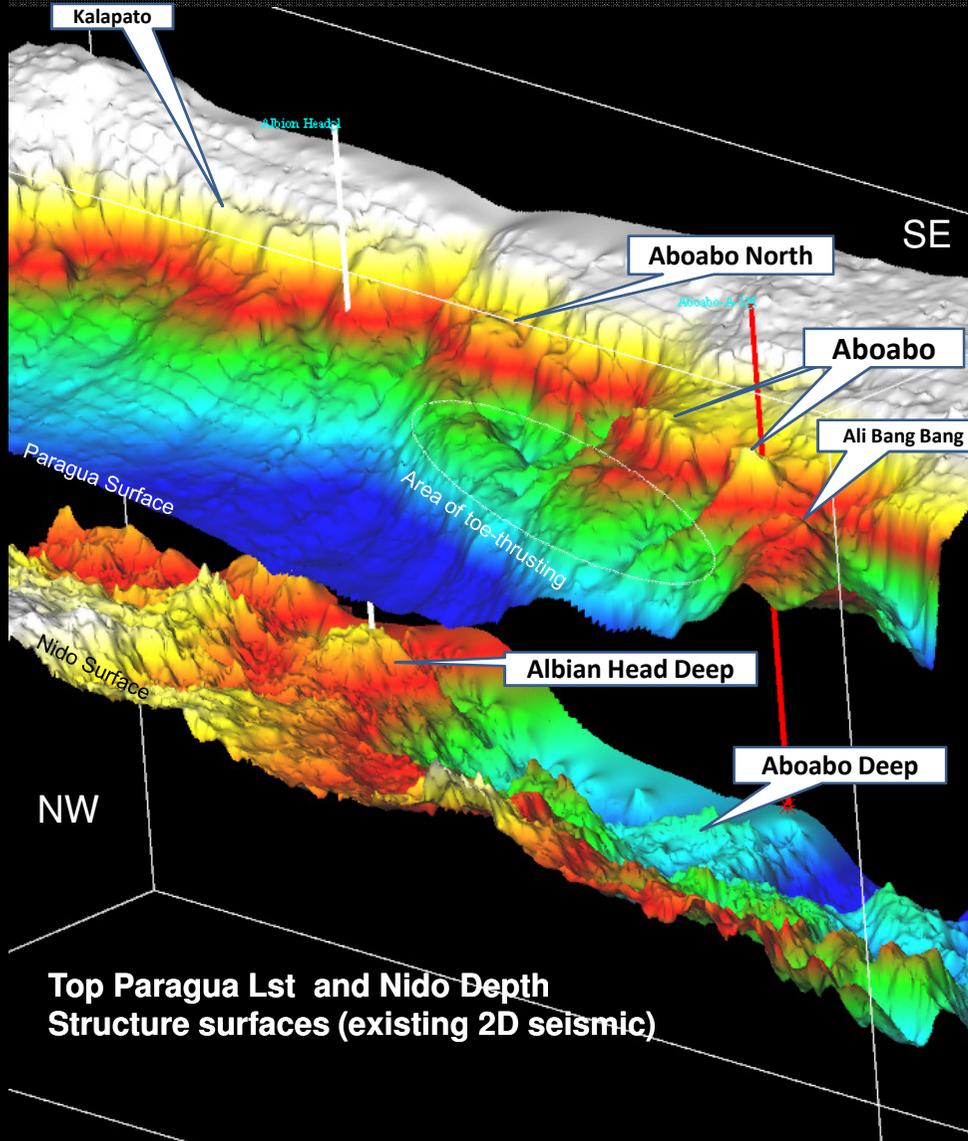
• Aboabo	221 MMBOE
• Kalapato	239 "
TOTAL	460 MMBOE

1. Gross, un-risked, most likely volumes

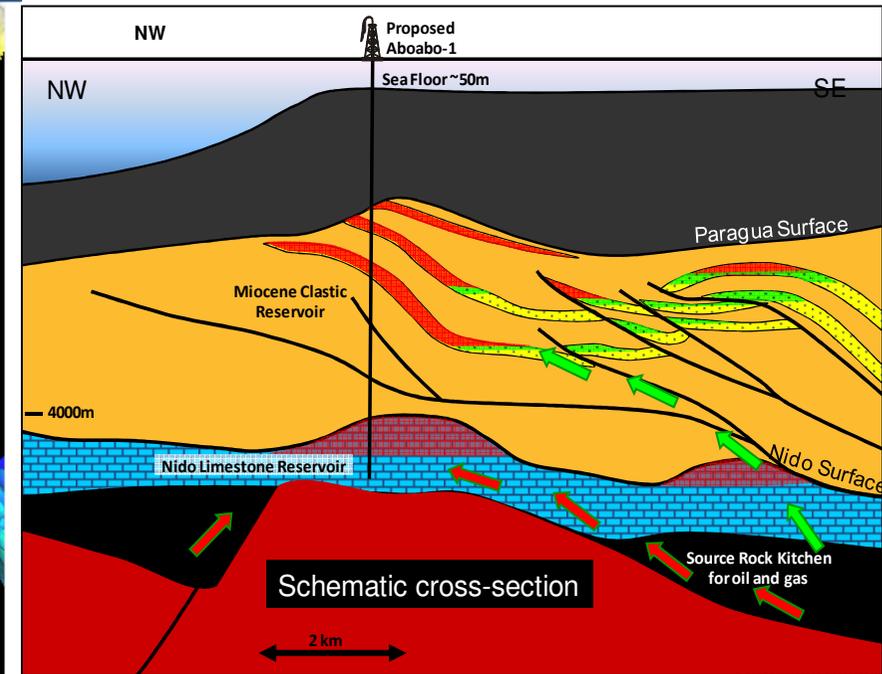
EXPLORATION

SC 63 DEEP WATER BLOCK

AboAbo Prospect



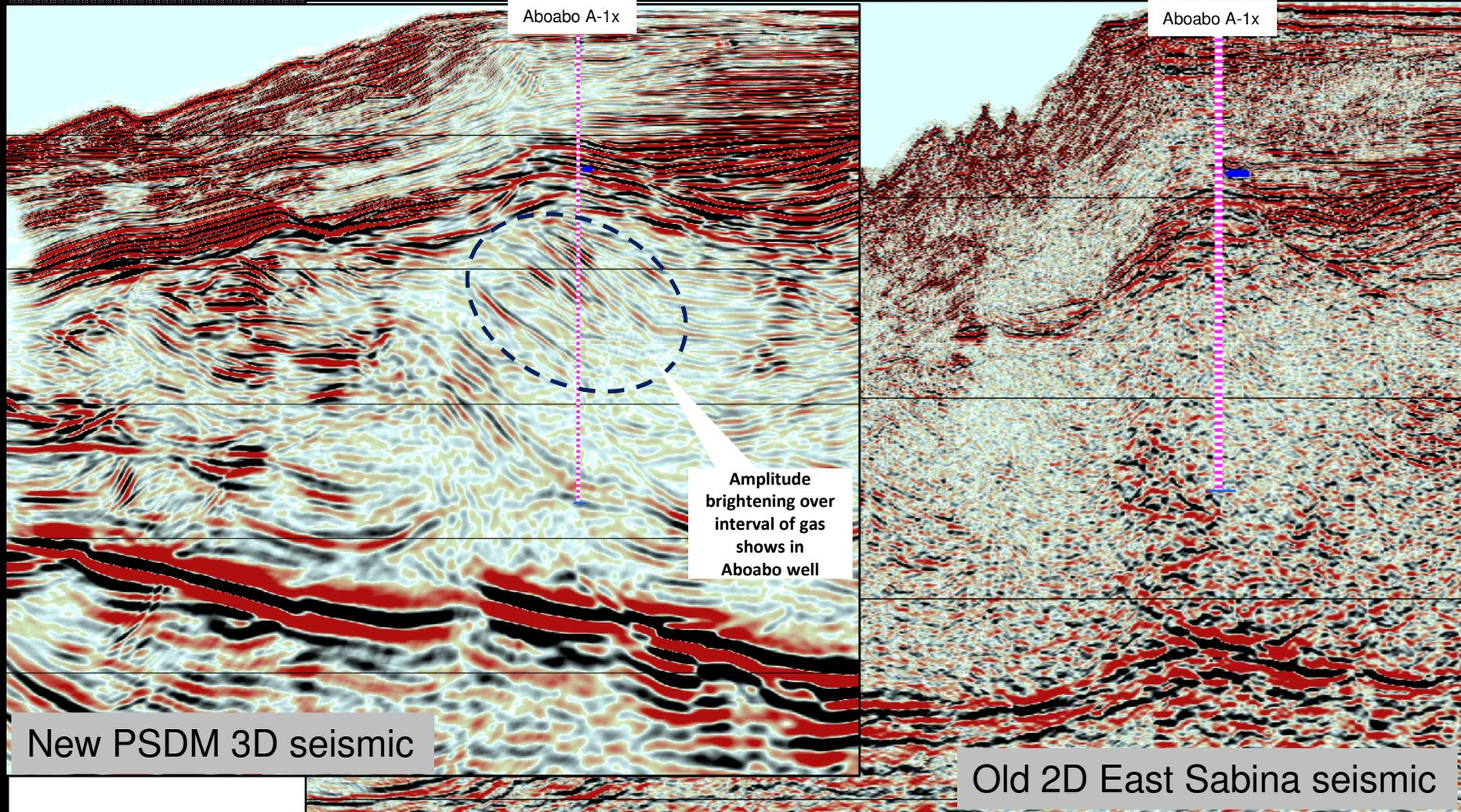
Target	GIIP bcf (gross, unrisks)		
	Min	Mean	Max
Nido	117	812	3,209
Miocene	151	477	2,100
Mesozoic	-	-	-
TOTAL	268	1,289	5,309



EXPLORATION

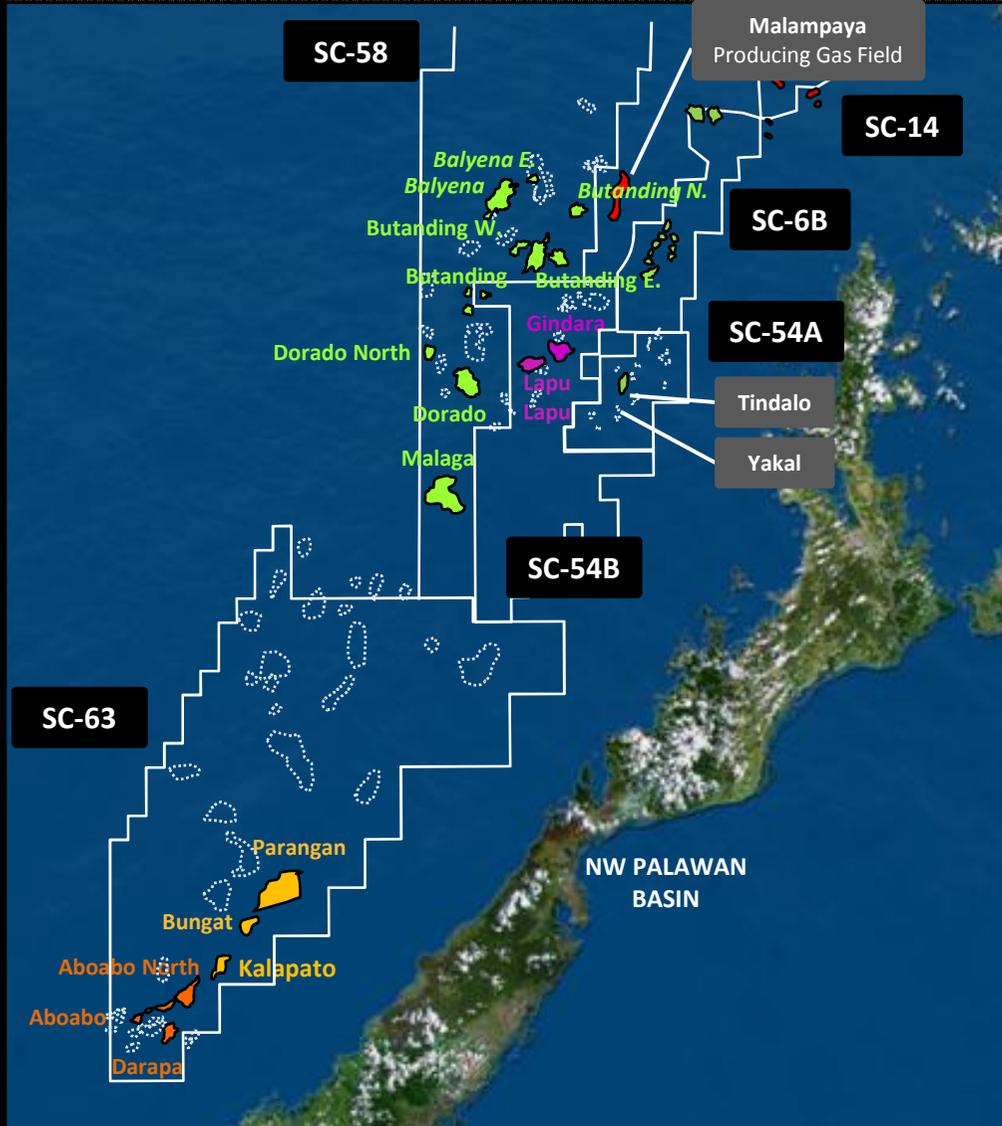
SC 63 DEEP WATER BLOCK

“Significant improvement in the subsurface image provided by the Kawayan PSDM 3D seismic has dramatically increased the potential of SC 63”



EXPLORATION UNLOCKING THE VALUE

“Importantly, success in any one prospect in the initial 5 well program will significantly de-risk a large number of follow-on exploration targets.”



Prospect	OIIP ¹ (MMbbl)	Share of Total OIIP	Indirect	OIIP ¹ (MMbbl)	Share of Total OIIP
1. Gindara	1,000	8.7%	Lapu Lapu	256	2.0%
2. Aboabo	221	1.9%	Aboabo North	205	1.8%
			Darapa	204	1.8%
3. Balyena	1,318	11.5%	Butanding	843	7.0%
			Balyena E.	284	2.5%
			Butanding W.	153	1.3%
			Butanding E.	136	1.2%
			Butanding N.	79	0.7%
			Tagisi	357	3.1%
			Dorado	762	6.6%
			Dorado N.	239	2.1%
			Princesa Deep	597	5.2%
			Malaga	400	3.5%
4. Kalapato	239	2.1%	Bungat	311	2.7%
			Parangan	239	2.1%
TOTAL	2,778	24.2%		5065	43.6%

5. Lawaan Largest of numerous pinnacle reefs located in SC-54A

¹ Gross, unrisksed, most likely volumes

EXPLORATION

POSSIBLE VALUE CREATION FROM THE PROGRAM

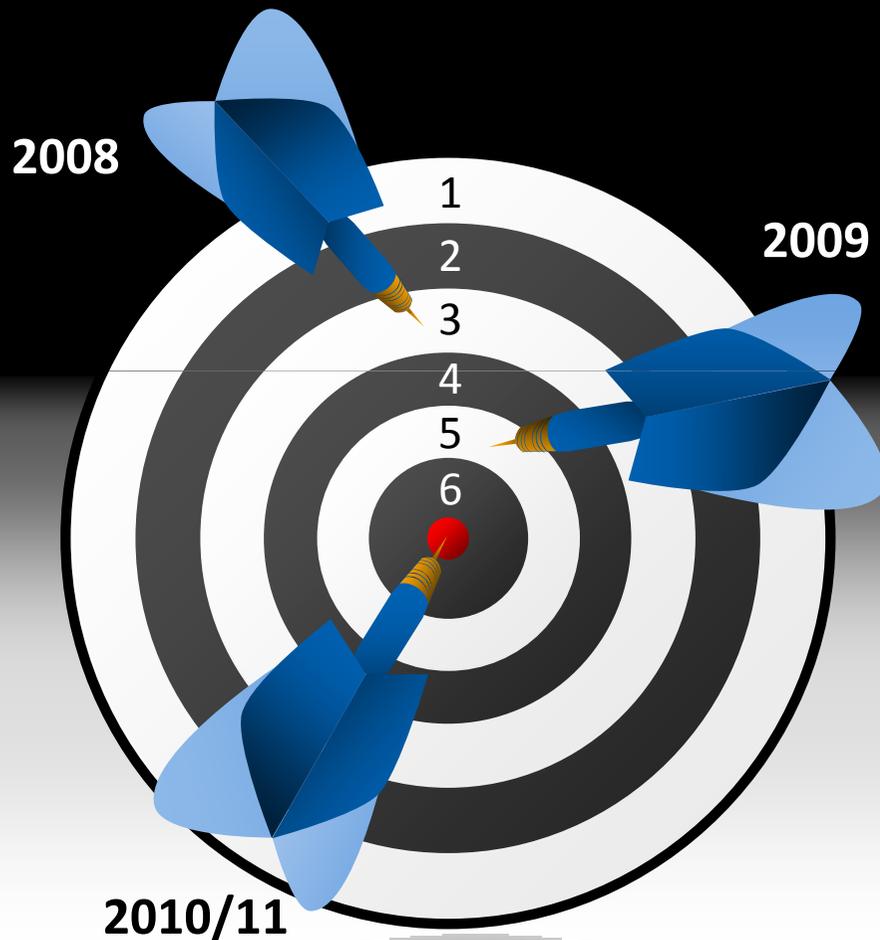
	OIIP (MMBOE gross unrisks)			Recovery Factor (%)	WI ⁽¹⁾ (%)	NPV/Barrel ⁽²⁾	
	P90	P50	P10				
Gindara (SC-54B)	448	1,000	1,655	✗ 40%	✗ 35%	✗ US\$15/BBL	=
Aboabo (SC-63)	45	221	887	✗ 40%	✗ 50%	✗ US\$15/BBL	=
Balyena (SC-58)	261	1,318	2,926	✗ 40%	✗ 10%	✗ US\$10/BBL	=
Kalapato (SC-63)	79	239	607	✗ 40%	✗ 50%	✗ US\$15/BBL	=
Lawaan (SC-54A)	13	21	37	✗ 40%	✗ 42.4%	✗ US\$20/BBL	=
TOTAL	846	2,799	6,112				

VALUE CREATION

1. Assumes post farm-out working interests as follows: SC54A: 42.4%, SC54B: 35%, SC58: 10%, SC63: 50%
 2. NPV per barrel based on industry standard assumptions

Outlook

CLOSING IN ON THE PRIZE



- I. Maximise revenues from Galoc and Tindalo oil fields and pursue further development opportunities
- II. Initiate Phase 1 of the 5 year drilling program to unlock asset value
- III. Pursue strategic farm-out of deeper water acreage
- IV. Manage cash reserves responsibly and control G&A levels

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