

29 September 2010

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

Tindalo Interim Test Results

Nido Petroleum Limited (ASX:NDO), as Operator of Service Contract 54A (SC 54A), is pleased to provide interim results from Tindalo-1ST1.

As advised, oil flow from Tindalo-1ST1 commenced Sunday, 26 September and whilst the well start-up plan is not yet complete, the following interim results can be confirmed:

- the plan for well start up calls for 4 acid “soaks” using the coiled tubing unit with well testing following each soak to evaluate the resulting productivity increase;
- the first acid soak was completed on Sunday, 26 September, following which, flow rates approximately 3,000 barrels of oil per day (bopd) were observed at less than 1% watercut and a flowing tubing head pressure (FTHP) of 27psi;
- the second acid soak was undertaken on Monday, 27 September, and demonstrated a productivity increase to approximately 5,000 bopd at less than 1% watercut and a FTHP of 57psi;
- as per the plan, additional acid stimulation and well testing will be undertaken in the coming days to further increase and evaluate well productivity; and
- dry oil has been produced after the initial well clean-up in each of the two flow periods, and this is being exported and stored aboard the Tove Knutsen.

Commenting on the initial results, Nido’s Deputy Managing Director, Ms Joanne Williams said “We are undertaking a prudent, staged approach to the acid treatment of the sidetrack which is designed to ensure we achieve optimal well productivity. We have 4 acid soaks planned in total with a further 4 available to us as a contingency option. We will follow each acid soak with well testing and analysis to determine whether any additional acid treatment is required to optimise production. First and foremost though, I am very pleased to see dry oil being produced from the Tindalo field once again.”

Nido will provide a further update on the progress the in-field operations this week once the detailed analysis of the initial flow testing of the sidetrack has been completed.

Yours sincerely



Joanne Williams
Deputy Managing Director

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SC 54A Working Interests

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