



20 March 2012

ASX Compliance Pty Ltd
Level 8, Exchange Plaza
PERTH WA 6000

Attention: Dave Filov

By Facsimile: (08) 9221 2020
By Email: Dave.Filov@asx.com.au

Dear Sir

Response to Share Price Query

We refer to your letter received on 19 March 2012 in relation to the share price and volume of shares traded for Nido Petroleum Limited (Company) between 12 March and 19 March 2012.

We respond to each of your queries as follows:

1. No. Please note that the Annual Financial Report for 2011 will be released today.
2. Not applicable.
3. Yes:
 - (a) The Company appointed Philip Byrne (ex-President of ALNG) as CEO on 20 January 2012.
 - (b) The Company released a new Corporate Investor Presentation on 31 January 2012 and the CEO and other Board members have been actively marketing the Company in Australia, Asia and North America.
 - (c) The CEO issued a letter to shareholders on 28 February 2012 expressing his view that the Company's share price at that time did not fully value the Company's existing production from the Galoc oil field and its extensive exploration and development assets.
 - (d) The turret mooring and riser system upgrade has been completed at the Galoc oil field in SC 14C1 and the FPSO is due to for reconnection prior to the end of this month. The Company also announced a significant reserves upgrade of the Galoc oil field on 1 March 2012.
 - (e) As previously announced, the Company continues to explore ways to maximise value for shareholders, and as a result, continues to be in discussions with parties regarding potential transactions including farm-outs in relation to its oil and gas assets located in the North West Palawan Basin, Philippines.
 - (f) Possibly, the market has assessed and digested the information previously released by the Company and is re-rating the Company in this context.

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

Yours sincerely

A handwritten signature in black ink, appearing to be 'JN', followed by a long horizontal flourish.

John Newman
Company Secretary



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19 March 2012

John Newman
Company Secretary
Nido Petroleum Limited

Dear John

Nido Petroleum Limited (the "Company")

PRICE AND VOLUME QUERY

We have noted a change in the price of the Company's securities from a closing price of \$0.051 on 12 March 2012 to an intra-day high of \$0.064 today, 19 March 2012. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email to Dave.Filov@asx.com.au or on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 6.30am (WST) tomorrow Tuesday 20 March 2012.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an 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. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following:

- 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.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please do not hesitate to contact me.

Yours sincerely

[sent electronically without signature]

Dave Filov

Adviser, Listings (Perth)