

Managing Director Presentation  
AGM – 18 MAY 2017



# External Environment

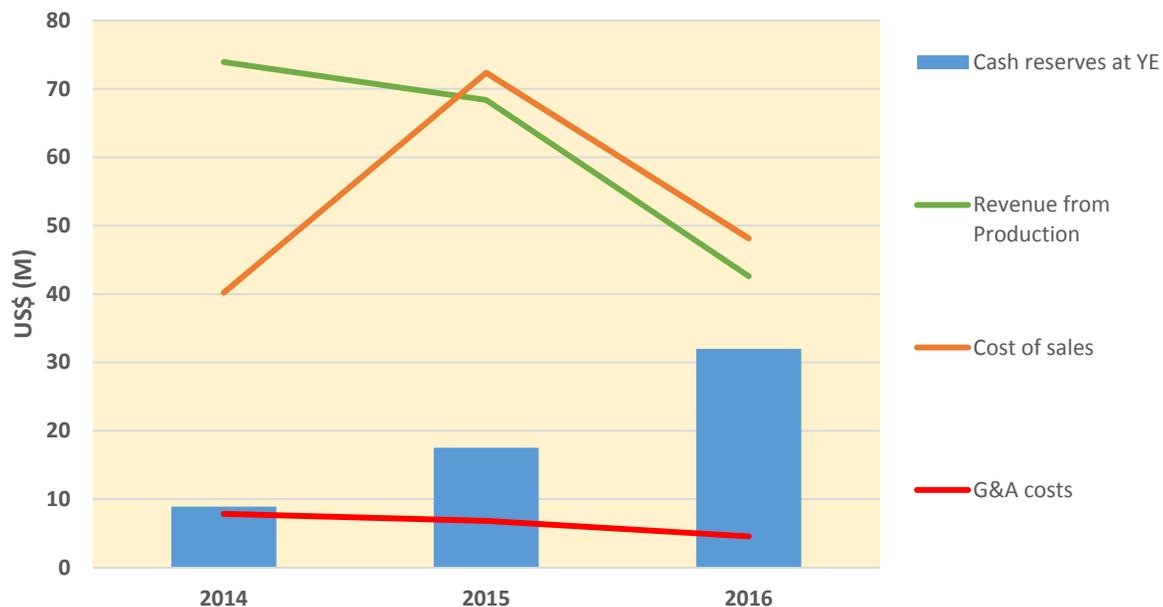
Significant challenges during 2016/17



- **Difficult external environment with significant and sustained drop in oil price during 2015/1H16**
- **We have now entered a “new norm” which we expect to be characterised by oil prices in the range \$50-\$60, but with potential for significant volatility**
- **This is the result of oversupply from both OPEC and non-OPEC producers and the increase in onshore US production, with associated short lead times to new production, becoming the new “swing producer”**
- **Nido’s share price, along with our peer group mirrored the oil price fall up to the start of the recovery at the end of 2015**
- **The absence of SP movement since 2015 reflects the lack of liquidity in the stock**

# Nido financial performance

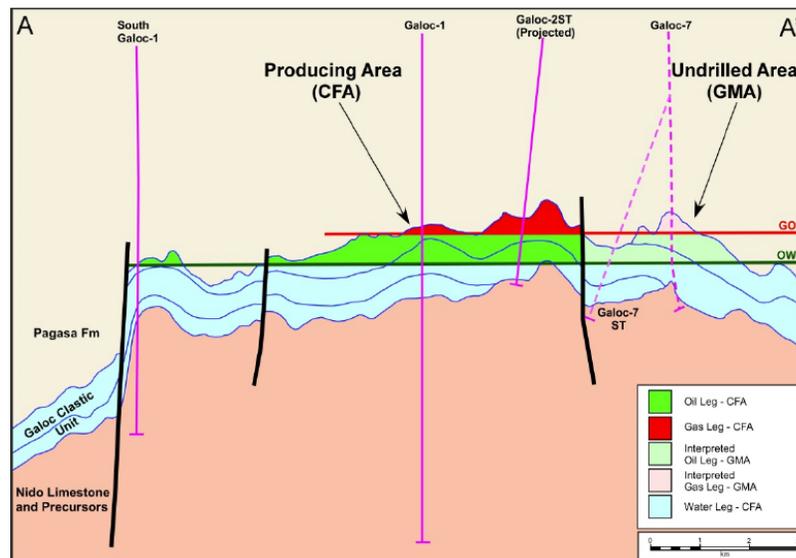
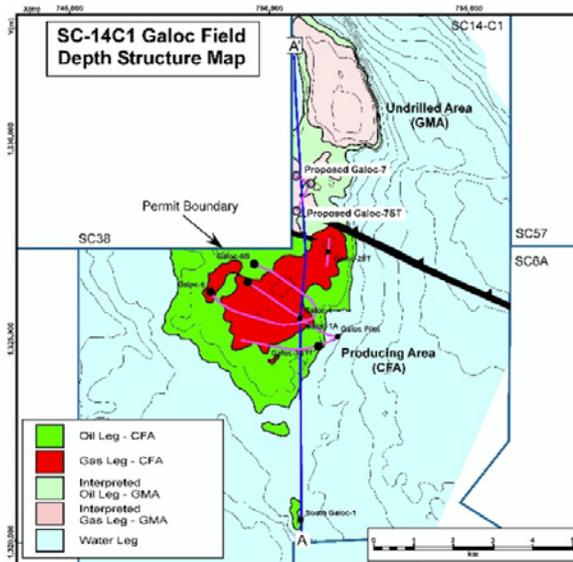
Measured response to market conditions



- **Rapidly declining revenue position due to production decline and oil price**
- **Significant reduction in CoS due principally to renegotiation of FPSO contract**
- **Steady reduction in G&A costs**
- **Steady improvement in YE cash position**
- **Secured capability to drill G-7/7ST appraisal well**
- **Current debt is \$83M**
- **Capability for further repayment in 2017 following recent operational performance at G-7/7ST**

# Galoc-7/7ST results

Operational and budget



- The well was c. 2 days behind the “trouble-free” prognosis
- Significant cost savings against pre-drill estimates
- Reservoir interval came in close to predicted depth and with gross thickness as expected
- Reservoir interval contained hydrocarbons in communication with the main Galoc Field
- Reservoir Net to Gross interval was lower than anticipated
- Work is ongoing to assess the implications of the well on a potential phase 3 development

# Forward plans

Period of transition but no change to strategy



- **Following the 2016 rights issue, the Bangchak Corporation Public Company Limited ('Bangchak') shareholding in Nido crossed the 90% threshold.**
- **On 10 May 2017 Bangchak launched a compulsory acquisition process and made an offer to all of Nido's remaining shareholders to purchase their outstanding shares at 10 cents per share.**
- **Bangchak intend to continue with their stated strategy of investing in attractive oil and gas production opportunities and building a significant E&P business.**
- **Bangchak intend to relocate the Company's corporate functions to Thailand in 2017. Nido staff have been kept fully informed during the process.**
- **The Manila office will continue to manage the Philippine asset portfolio and service Galoc oil field operations.**