



30th August 2010

ASX Limited
Company Announcements Office
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

SC 54A Tindalo Operations Update

Please refer to the attached ASX release of Nido Petroleum Limited, SC 54A Operator, for further details.

For further information please contact:
Mark Fenton
Managing Director
Phone: +61 8 9388 6711

Capital Structure

Shares	560.909 m
Unlisted Options	2.500 m
Total:	563.409 m

Convertible Notes	70.073 m
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Board of Directors

Paul Fry	Non-Executive Chairman
Mark Fenton	Managing Director
John Morton	Non-Executive Director

Assets

Philippines:

- SC 54A - KIK: 30.1%

Current Status:

- Tindalo oilfield currently producing under EWT

- SC 54B - KIK: 40%

Current Status:

- Gindara prospect drill ready;
- Seeking farminee.

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Corporate Profile

Kairiki Energy is an Australian Based junior international oil and gas exploration and production company focussed on the Philippines. Kairiki holds a 30.1% interest in Service Contract 54A and a 40% interest in Service Contract 54B.

SC 54A measures 862 km² and contains the Tindalo, Yakal, Nido 1X1 and Signal Head oil discoveries as well as a substantial portfolio of similar low-risk reefal prospects. In December 2009, Kairiki announced that the SC 54A Joint Venture had approved the development of the Tindalo field. The Tindalo development utilises a jack-up rig and a dynamically positioned storage vessel. Following a short project execution period, the Tindalo development tested oil at 18,689 bbls/d at the end of May 2010. Since that time, unexpected early water ingress to the well has resulted in the SC 54A Joint Venture preparing for a well re-entry and remediation programme to reduce or eliminate the water production. Based on a successful development at Tindalo a number of follow-up developments may be considered in SC 54A.

SC 54B measures 3184 km² and contains the Gindara prospect which has a mean unrisks oil in place volume estimated by the Operator, of 634 million barrels. The Gindara prospect is a very large simple four-way closure at the Top Nido Limestone reservoir objective with an areal extent of 28 km², a vertical closure of over 300m and is well located to receive hydrocarbon charge from the Palawan Trough. Kairiki is seeking to farm down its interest in SC 54B to accelerate drilling of the Gindara prospect.

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Australian Securities Exchange Limited
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SYDNEY NSW 2000

Tindalo Operations Update

Nido Petroleum Limited (Nido), as Operator of Service Contract 54A (SC 54A), is pleased to advise that the mobilisation of the material and equipment required for the Tindalo-1 well intervention and remediation programme has commenced with results expected from the workover before the end of September.

- The support vessel M/V Pacific Ariki started loading the material required for the well intervention in Singapore on 27 August and will mobilise to the Tindalo location via Labuan, Malaysia;
- Well testing will continue until the Pacific Ariki delivers its cargo to the Aquamarine Driller and well re-entry operations commence, which is expected within 2 weeks, subject to weather.
- Diagnostic logging undertaken as the first step in the well intervention will determine the selection of the remediation option and all items necessary for the three options under consideration are being mobilised to site.
- The well intervention is expected to take 10-17days to complete.

Well testing is continuing at the field location and the following can be confirmed since the previous update on 19 August 2010:

- Disposal of some 278,000 barrels of the produced water stored on the FSO was completed successfully during a production shutdown from 22-28 August; and
- Some 183,000 barrels of oil (@60°F) are now in the storage tanks of the FSO.

Nido will provide a further update on progress once well re-entry operations commence.

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) - Operator	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%

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