



31st May 2010

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

Oil Flows at Tindalo

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	514.209 m
Unlisted Options	2.500 m
Total:	516.709 m

Convertible Notes	70.073 m
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Board of Directors

Paul Fry	Executive Chairman
Mark Fenton	Managing Director
Laurie Brown	Executive Director
Jyn Baker	Non Exec Director

Assets

Philippines:

- SC 54A - KIK: 30.1%

Current Status:

- Tindalo oilfield under development;
- 1st Oil expected May 2010.

- SC 54B - KIK: 40%

Current Status:

- Gindara prospect drill ready;
- Seeking farminee.

Kairiki Energy Limited

Suite 3, Churchill Court
331 – 335 Hay Street
SUBIACO WA 6008
AUSTRALIA

Phone: +61 8 9388 6711
Fax: +61 8 9388 6744
Website: www.kairikienergy.com
ABN: 34 002 527 906



Corporate Profile

Kairiki Energy is an Australian Based junior international oil and gas exploration company focused 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 and 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 with first oil expected in 2Q 2010 and an expected initial oil production rate of between 7,000-15,000 barrels of oil per day (2,450 – 5,250 bopd net to Kairiki.) The Tindalo development utilises a jack-up rig and a dynamically positioned storage vessel. 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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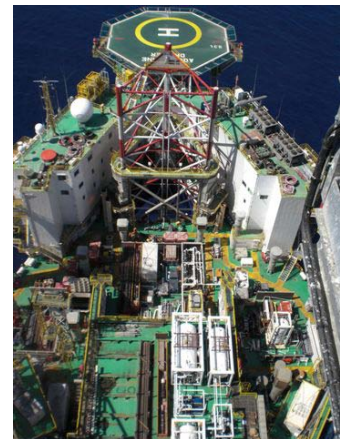
Oil Flows at Tindalo

Nido Petroleum Limited (ASX: NDO), as Operator of Service Contract 54A (SC 54A), is pleased to advise that first oil flowed to surface at 11:00am (Manila time) on 30 May 2010 from the Tindalo-1 well.

This follows the conclusion of well completion operations on the Tindalo-1 oil well earlier this week and final hookup and function testing of the surface production equipment.



Surface Production, processing and oil storage facilities
The "Aquamarine Driller" and "Tove Knutsen"



Installed processing facility (bottom centre/right)
on the Aquamarine Driller

In line with Tindalo's Plan of Development, an extensive drill-stem testing programme (DST) will be conducted to enable reservoir fluid and crude assay sampling and to assess the production performance of the well over a range of production conditions to determine the well's initial production capability. Nido will provide a further update on the testing results when available.

Yours sincerely



Joanne Williams
Deputy Managing Director

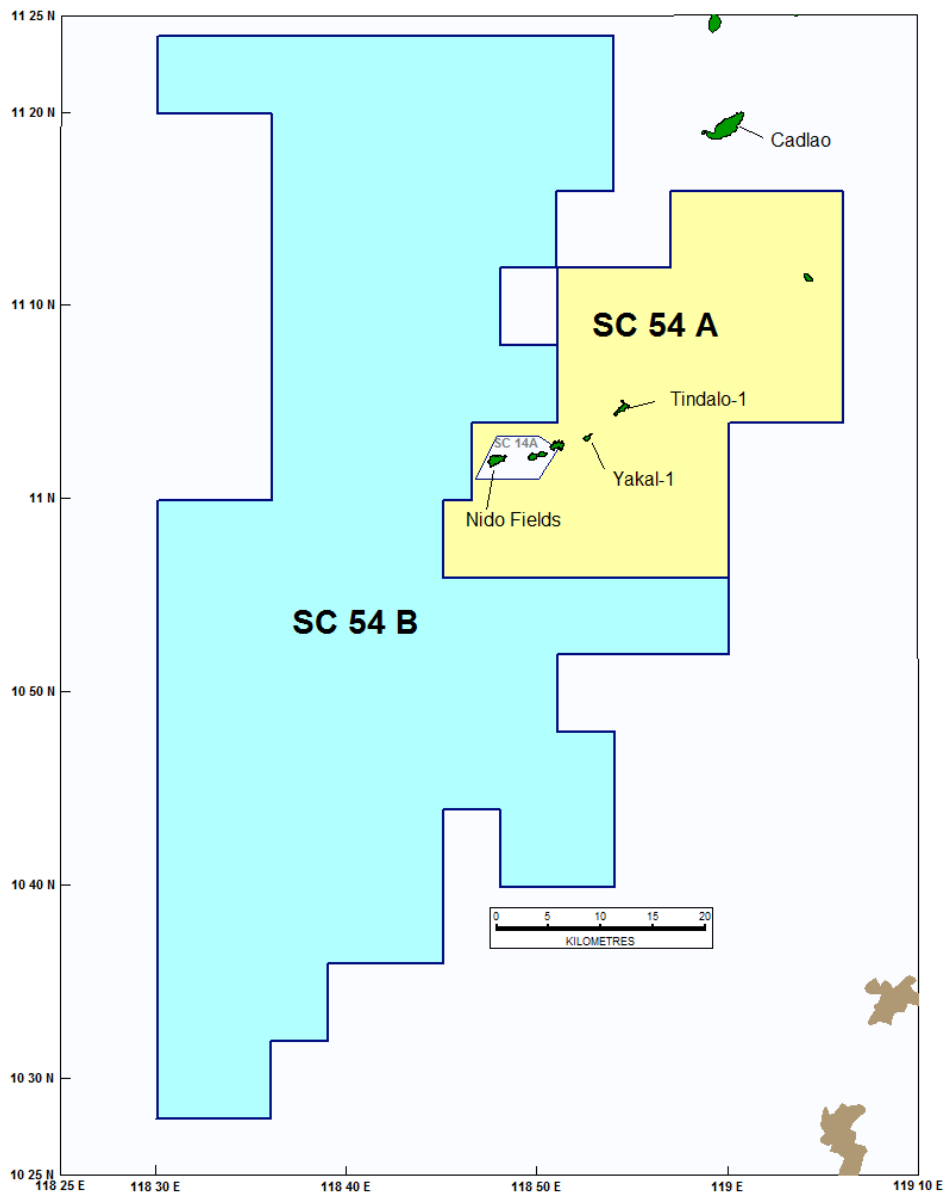
For more information please contact:

Ms. Joanne Williams,
Deputy Managing Director
Ph: +61 8 9474 0000
F: +61 8 9474 0099
www.nido.com.au

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%

SC 54A Location Map



About Nido Petroleum Limited

Nido Petroleum Limited is an oil and gas exploration and production company with over 2,945,000 hectares (29,450 sq km) of contiguous exploration and development assets in the North West Palawan Basin in the Philippines. Nido is a leading explorer in the North West Palawan basin and the company's exploration portfolio extends across both of the shallow (<100m) and deepwater (>1,200m) sectors of the North West Palawan continental margin which provides it with a diverse range of potential exploration and development projects in the Philippines premier producing basin. Nido operates SC 54A (42.4% interest), SC 54B (60% interest) and SC 58 (*50% interest). Nido also has a 50% non-operated interest in SC 63.

Nido's core producing asset is the Galoc oil field of which Nido has a 22.879% non-operated interest. Galoc lies within SC 14 in 300 metres of water, some 60 km offshore Palawan Island. First production commenced 9 October 2008 through a simple two-well sub-sea development concept tied back to a moored FPSO.

In 2008, Nido completed a successful two well exploration program in SC 54A which resulted a 100% strike rate yielding the Yakal-1 and Tindalo-1 oil discoveries. Nido is currently working to augment Galoc production by fast-tracking the development of the Tindalo field with first production planned for 2Q 2010.

* *Subject to: completion of the obligations under the Farm-out Agreement with PNOC; and DOE approval.*