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

Yakal-1 Progress Report

Nido Petroleum Ltd (Nido) and its Joint Venture partner, Kairiki Energy Ltd (Kairiki) are pleased to provide this progress report on the Yakal-1 discovery in SC54, located in the NW Palawan Basin, offshore the Philippines. As of the date of the last report a minimum oil column of 78 metres (and up to a maximum of 93 metres) had been confirmed with wireline logging and a 7" liner was being installed.

Since that report:

- The 7" liner has been successfully run;
- Yakal-1 has been capped and prepared for completion as a production well for extended well testing at a later date; and
- The rig is undertow to the Tindalo-1 location.

During the SC54 drilling campaign, daily reports authored by the Philippines Department of Energy are available through a link on Nido's homepage www.nido.com.au or at www.pse.com.ph. Nido will continue to issue "milestone" progress reports to the market as appropriate during the drilling campaign.

Yours sincerely



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