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ASX Limited
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Tindalo-1 reaches a total depth of 1,875 metres

Kairiki Energy Ltd (Kairiki) is pleased to provide this progress report on the Tindalo-1 exploration well currently drilling in Service Contract 54 (SC54), located in the NW Palawan Basin, offshore the Philippines.

As of the last report from the Operator (Nido Petroleum Limited) Tindalo-1 had drilled into the top of the Nido Formation reservoir at 1,635 mRT (metres below the rig rotary table) and encountered hydrocarbon shows.

Since that report the 9 5/8" inch casing has been set across the overlying Pagasa Formation and 8 1/2" hole drilled through the Nido Formation reservoir to a total depth of 1,875 mRT at 1:00am Friday 17 October 2008. While drilling the reservoir elevated mud log gas readings (C1 to C5) were recorded, combined with strong oil fluorescence in the cuttings recovered to surface. No "Logging While Drilling" data was acquired through the reservoir section.

The forward plan is for the Operator to acquire and interpret wireline logs to evaluate any hydrocarbon accumulation within the Tindalo structure.

Daily drilling reports authored by the Philippines Department of Energy are available through a following link www.pse.com.ph.

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