

12 May 2008

Company Announcements Office  
Australian Securities Exchange Limited  
Level 10, Exchange Centre  
20 Bond Street  
SYDNEY NSW 2000

### FPSO On Site At Galoc

Nido Petroleum Limited (Nido) is pleased to announce that the Floating, Production, Storage and Offtake (FPSO) vessel 'Rubicon Intrepid' has arrived on location at the Galoc field.

The field Operator, the Galoc Production Company, has advised that the FPSO departed Batangas on 10 May 2008 and reached the Galoc field on 11 May 2008 (see attached).

Over the next week, the vessel will commence mooring, hook-up and commissioning procedures in preparation for first production. This preparatory work is expected to take up to three weeks to complete, with first oil anticipated around the end of May.

Nido will continue to provide the market with regular updates on the Galoc development and will notify the market immediately of material events.

Yours sincerely



**Joanne Williams**  
Deputy Managing Director

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11 May 2008

**Galoc Field Development – FPSO Arrives at the Galoc Field**

Galoc Production Company (GPC), the Operator of the Galoc Field offshore Palawan, Philippines, is pleased to advise that the FPSO arrived in the Galoc Field offshore northwest Palawan this afternoon, Sunday 11<sup>th</sup> May. The FPSO sailed from Batangas, a port to the south of Manila, on Saturday evening on conclusion of the inshore activities. With the FPSO now in the field, final preparations will be undertaken prior to commencement of the hooking up to the mooring and riser system that was installed during March. The current forecast is for favourable weather that should allow the hook-up operation to be undertaken over the coming week. On completion of hook-up, final commissioning of both the subsea and FPSO located equipment will be undertaken to ensure readiness to safely receive and process reservoir fluids. It is anticipated that these activities will take approximately 3 weeks with the target of achieving 1<sup>st</sup> oil by the end of the month.

Initial production will involve testing of the 2 wells prior to achievement of steady state production. The 1<sup>st</sup> cargo is anticipated mid/late June.

## Additional Notes

The Galoc field is located in Service Contract SC14-C (Galoc Sub Block) in 290m of water approximately 65km north west of Palawan in the Republic of the Philippines. The development involves the construction of two subsea completed horizontal production wells, with extended reservoir contacts, tied back to a Floating Production Storage and Offloading ("FPSO") facility via a short seabed pipeline and mid-water riser system. Most likely oil reserves as estimated at time of commitment to the development in 2006, is approximately 10 million barrels. The reserves estimate and requirement for additional wells and facility capacity will be reassessed following an analysis of results from both development drilling and initial field production performance.

The participating interests in the Galoc Field are as follows:

Participant	Participating Interest %
Galoc Production Company W.L.L. (Operator)	58.29
Nido Petroleum Philippines Pty Ltd	22.28
The Philodrill Corporation	7.02
Oriental Petroleum & Minerals Corporation/ Linapacan Oil Gas & Power Corporation	7.58
Forum Energy Philippines Corporation	2.27
Alcorn Gold Resources Corporation	1.53
PetroEnergy Resources Corporation	1.03

Further information on GPC and the Galoc Field can be obtained from:

- GPC's website [www.galoc.com](http://www.galoc.com)
- via email at [enquiry@galoc.com](mailto:enquiry@galoc.com)
- or by contacting

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