

BOARD MANDATE

The Board of Directors (the "**Board**") of NIKO RESOURCES LTD. ("**NIKO**") has the oversight responsibility and duties as described herein. In addition, each Director has the responsibility and duties provided in any other mandate or Position Description that applies to them.

General

The Board has responsibility for the stewardship of NIKO and its subsidiaries to ensure the long-term financial operational viability and efficiency of the Company, and to generally further NIKO's objectives by establishing policies and implementing, directing and monitoring the same exercising the care, diligence and skill of a reasonably prudent person in comparable circumstances, in good faith with a view to the best interests of NIKO. Without limiting the generality of the foregoing, the Board will perform the following duties.

Strategic, Operating, Capital Plans and Financing Plans

- in consultation with the management of NIKO, define the principal objectives of NIKO;
- require the Chief Executive Officer to present periodically to the Board for approval a long range strategic plan of NIKO designed to achieve the principal objectives as adopted by the Board;
- establish a strategic planning process and monitor performance versus plans;
- review and approve annual budgets, operating plans, and corporate objectives and monitor performance and compliance;
- identify the principal risks to NIKO and ensure the implementation of systems to manage such risks;
- review the integrity of internal control and management information systems;
- approve acquisitions and dispositions and the establishment of credit facilities;
- confirming on an annual basis the appointment of Officers;

Monitoring/Implementing

- monitor NIKO's progress toward its goals, and revise and amend strategic planning in response to change in business and corporate circumstances;
- monitor employment policies including compensation, performance and succession planning;
- in consultation with the Chief Executive Officer, establish and monitor and foster ethical and responsible decision making by management, and ethical standards to be observed by NIKO and its employees;
- approve all matters relating to any takeover bid of NIKO;
- monitor and approve compensation of senior management personnel and appropriate compensation programs for NIKO's employees;
- approve NIKO's Ethics Policy;
- with the Audit Committee and the Board Chair, respond to potential conflict of interest situations;
- monitor compliance with NIKO's Ethics Policy, and provide for appropriate disclosure of any waivers of the policy for directors and officers;

- review and approve succession, including approving development of and monitoring of the performance of senior management personnel;
- develop NIKO's approach to corporate governance;
- evaluate and recommend amendments to Corporate Governance Policies, the Board Mandate and Position Descriptions;
- on an annual basis review:
 - The Code of Conduct and Compliance Sign-offs
 - The Communications Policy
 - The Whistleblower Policy
 - The Share Trading Policy
 - and amend the same if considered necessary to ensure that such policies are achieving their intended purpose.

Communications, Disclosure and Compliance

- ensure timely compliance with the reporting obligations of NIKO, and that the financial performance of NIKO is properly reported to shareholders, other security and regulators on a timely and regular basis;
- recommend to shareholders of NIKO a firm of chartered accountants to be appointed as NIKO's auditors;
- ensure the timely reporting of any change in the business, operations or capital of NIKO that would reasonably be expected to have a significant effect on the market price or value of the shares of NIKO;
- ensure the corporate oil and gas reserve report fairly represents the quantity and value of corporate reserves in accordance with generally accepted engineering principles;
- report annually to shareholders on the Boards' stewardship for the preceding year;
- establish a process for direct communications with shareholders and other stakeholders through appropriate directors, including through the Whistleblower Policy; and
- ensure that NIKO has a policy in place to enable effective communication with its shareholders and the public generally.

Governance

- in consultation with the Chairman of the Board develop a position description for the Chairman of the Board and in consultation with the Chief Executive Officer a position description for the Chief Executive Officer and review such position descriptions as necessary to ensure the same are practical and appropriate;
- facilitate the continuity, effectiveness and principles of independence of the Board by, among other things:
 - appointing a Chair of the Board with experience and expertise in foreign investment and operations;
 - appointing an Audit Committee comprised solely of financially competent independent directors with the responsibility to assist the Board in fulfilling its oversight responsibilities with respect to (i) the integrity of annual and quarterly financial statements to be provided to shareholders and regulatory bodies; (ii) compliance with accounting and finance based legal and regulatory requirements; (iii) the independent auditor's qualifications and independence; (iv) the system of internal accounting and financial reporting controls that Management has established; (v) performance of the internal and external audit process and of the independent auditor; and (vi) implementation and effectiveness of the Ethics Policy and the compliance programs under the Ethics Policy;

- appointing a Reserves and Health, Safety & Environmental Committee comprised of a majority of independent directors with the responsibility to assist the Audit Committee and the Board in fulfilling their oversight responsibilities with respect to the annual review of NIKO's petroleum and natural gas reserves, and disclosure of reserves data and related oil and gas and mining activities, and environmental practices;
- in the Board's discretion, appointing any other Board Committees that the Board decides are needed and delegate to those Board Committees any appropriate powers of the Board;
- defining the terms of reference for the Chairs of such Committees;
- ensuring that processes are in place and are utilized to assess the effectiveness of the Board and the Committees established by the Board;
- establishing a system to enable any director or Committee to engage an outside advisor at the expense of NIKO;
- overseeing the development and implementation of the Director orientation program;
- review annually the compensation of directors.

Delegation

The Board may delegate its duties to and receive reports from the Audit, Reserves and Health, Safety & Environmental, and any other committee created by the Board to assist the Board in the performance of its duties.

Composition

- the Board shall be comprised of at least five (5) individuals appointed by the shareholders at the Annual Meeting;
- a majority of the Board Members will be independent (within the meaning of National Instrument 58.101) and free from any direct or indirect material relationship which could in the opinion of the Board, reasonably interfere with the members independent judgment;
- all Board members will have the skills and abilities appropriate to their appointment as directors, it being recognized that an appropriate combination of education, experience and competencies will ensure that the Board will discharge its duties effectively. Board members should have sufficient knowledge of NIKO and petroleum industry to assist in providing advice and counsel on relevant issues;
- Board members shall review available materials in advance of meetings and endeavour to attend all meetings of the Board and its subcommittees;
- once or more annually, this Mandate shall be evaluated and updates recommended to the Board for consideration.