

**SHARE TRADING POLICY  
OF  
NIKO RESOURCES LTD.**

**(the "Corporation")**

*(Adopted by the Board of Directors of the Corporation on November 9, 2005 and amended and updated on April 3, 2007)*

***Purpose of the Policy:***

The purpose of this policy is to prescribe rules for Restricted Persons and Employees with respect to trading in securities of the Corporation by these individuals when there is Undisclosed Material Information or Pending Material Developments with respect to the Corporation. Strict adherence to these policies and guidelines will promote investor confidence in securities of the Corporation by assuring the investing community that Restricted Persons and Employees who have access to Undisclosed Material Information will not make use of it by trading in securities of the Corporation before the information has been fully disclosed to the public and a reasonable period of time for the dissemination of that information has passed.

***Definitions Used In This Policy:***

**"Blackout Period"** means the period during which Restricted Persons are prohibited from trading in the Corporation's securities;

**"Employees"** means all individuals currently employed by the Corporation, including directors, officers and consultants, who may become aware of, or are in possession of, Undisclosed Material Information;

**"Information Officer"** means the individual whom Employees or Restricted Persons may contact to determine whether or not they may execute trades in the market or reveal Undisclosed Material Information in the necessary course of business;

**"Material Change"** means a change in the business, operations or capital of the Corporation that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Corporation and includes a decision to implement the change by the board of directors of the Corporation or by senior management of the Corporation who believe that confirmation of the decision by the board is probable;

**"Material Fact"** means a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the Corporation's securities;

**"Material Information"** means any information (whether a Material Fact or Material Change) relating to the business and affairs of the Corporation that results in or would reasonably be expected to result in a significant change in the market price or value of any of the Corporation's securities;

**"Pending Material Developments"** means a proposed transaction of the Corporation that would constitute Material Information, however, a decision to proceed with the transaction has not been made by the board of directors or by senior management with the expectation of concurrence from the board;

**"Restricted Persons"** means Employees and others who are routinely in possession of Undisclosed Material Information. All Board members, all Calgary staff and each country manager will be considered Restricted Persons for all matters. In addition, for financial information disclosure the senior in country financial staff will be considered Restricted Persons. Additional personnel may be considered Restricted Persons depending upon the Material Information in question; and

**"Undisclosed Material Information"** means Material Information pertaining to the Corporation that has not been publicly disclosed or information that has been publicly disclosed, but a reasonable period of time for its dissemination has not passed.

*Terms of This Policy:*

**If there is any question or concern with respect to the application of this policy to any employee of the Corporation or to any particular circumstance, an Information Officer should be contacted for guidance.**

**1. General Prohibition**

**No Employees or Restricted Persons shall trade in the securities of the Corporation when they are aware of Undisclosed Material Information.** In addition, Employees and Restricted Persons are prohibited from informing, or "tipping", anyone else about that information. This prohibition extends to other securities whose price or value may reasonably be expected to be affected by changes in the price of the Corporation's securities and includes the granting or exercise of stock options.

**2. Information Officer**

For purposes of this Policy, Edward Sampson and Murray Hesje have been designated as the Information Officers and can be contacted at (403) 262-1020. When Employees or Restricted Persons have concerns about whether or not certain information is Undisclosed Material Information, they should contact an Information Officer to obtain permission before executing any trades in securities of the Corporation. If the information is such that it would influence Employees or Restricted Persons to buy or sell securities of the Corporation then that fact alone suggests that it is Material Information. Employees should err on the side of caution in such matters.

**3. Undisclosed Material Information of Other Corporations**

Where Employees or Restricted Persons become aware of Undisclosed Material Information concerning another public corporation, they shall not trade in the securities of that corporation until the information is publicly disclosed and a reasonable period of time for its dissemination has passed. Generally, a "reasonable period of time" will be 48 hours,

however, it may be longer depending upon the particular market following of that other corporation. An Information Officer should be consulted to determine what would be a "reasonable period of time" in the circumstances.

#### **4. Restricted Persons**

**Restricted Persons are prohibited from trading whenever there are Pending Material Developments, even if they are unaware of the details of the same.** In the circumstances where there is a Pending Material Development with respect to the Corporation, a confidential memo will be sent to all Restricted Persons informing them of the Blackout Period with respect to such Pending Material Development at which time they shall cease trading until further notice. No reason for the trading restriction will be provided.

As an alternative to a total prohibition on trading during a Blackout Period, senior management may make the determination that trades may occur during the Blackout Period but only with the express prior approval by an Information Officer of each such trade. This alternative will only be available during a Blackout Period if the written notice of such Blackout Period so states.

It shall be the responsibility of senior management to make the determination as to when a pending transaction would constitute a Pending Material Development. As guidance, a Blackout Period must at least commence once negotiations or discussions on a proposed transaction have progressed to a point where it reasonably could be expected that the market price of the Corporation's securities would materially change if the status of the transaction were publicly disclosed. Should it be decided to disclose a Pending Material Development, updates should be announced of any development which could impact the previous disclosure.

#### **5. Blackout Period**

In the event of a Pending Material Development, the Corporation may impose a Blackout Period period, during which no Restricted Person shall trade in the Corporation's securities. The purpose of the Blackout Period is to allow the market to fully reflect the Material Information in the price of the Corporation's securities. The Information Officers, in consultation with senior management, will be responsible for setting the length of the Blackout Period and notifying Restricted Persons of it.

With respect to financial information, there shall be a Blackout Period for the period commencing 25 calendar days prior to the release of quarterly or annual financial statements and ending one day following the release of the financial information.

#### **6. Insider Trading Reports**

In Alberta, directors, senior officers and persons beneficially owning or controlling more than 10% of the voting rights of a public corporation are required to file insider trading reports within 10 days of a change in their ownership position in any securities of the Corporation (this includes the grant of options or other convertible securities to such persons

or the exercise by them of such options or convertible securities). If an individual falls into one of these categories, that individual likely will be required to file Insider Trading Reports in other provinces and should consult an Information Officer as soon as possible whenever the individual trades securities to confirm his/her statutory obligations.

## **7. Penalties**

Where the Corporation determines that this Policy has been violated and it is able to identify the individual Employee or Employees or Restricted Persons that breached this Policy, the Corporation will take its own disciplinary actions, which could result in termination of employment or implementation of a probationary period. The Corporation is also entitled to pursue its legal remedies through the courts. If appropriate, the Corporation will report the matter to the regulatory authorities.

## **8. Policy Review**

The Corporation will review this Policy annually to ensure that it is achieving its purpose. Based on the results of the review, the Policy may be revised accordingly.

Updated as of April 3, 2007

Information Officer Signatures:

**Edward Sampson**

**Murray Hesje**