



CODE OF ETHICS AND BUSINESS CONDUCT

December 10, 2011

NIKO RESOURCES LTD.

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Approved by the Board of Directors of the Corporation

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I. GENERAL

1. Purpose of the Code

The board of directors (the "**Board**") of Niko Resources Ltd. ("**Niko**") has adopted this Code of Ethics and Business Conduct (the "**Code**"), which is designed to provide guidance on the conduct of Niko's business in accordance with all applicable laws, rules and regulations and with the highest ethical standards. As a public corporation, Niko must not only conduct, but must also be seen to conduct, its business in accordance with the highest ethical standards.

The Code constitutes written standards that are designed to promote integrity, deter wrongdoing and address, at a minimum, the fundamental principles set out below.

Niko and its subsidiaries are collectively referred to herein as the "**Corporation**".

2. Application of the Code

The Code applies to all directors, officers and employees of the Corporation as well as other individuals who are engaged in providing professional and business services to the Corporation (who are collectively referred to herein as "**Corporation Personnel**") and operates in all countries in which the Corporation conducts business. Consultants to, suppliers and partners of and those in a contract or agency relationship with the Corporation are also expected to adhere to the Code when dealing with the Corporation.

3. Monitoring Compliance

The Governance Committee of the Board through the Chief Compliance Officer of the Corporation (the "**Chief Compliance Officer**") is responsible for monitoring compliance with the Code.

The Chief Compliance Officer is also responsible for regularly assessing the effectiveness of the Code in design and operation, for interpreting the Code in any particular situation and for recommending to the Governance Committee any changes to the Code which might be required from time to time.

The Chief Compliance Officer is also responsible for the communication to and training of existing and new employees with respect to the Code and for establishing and monitoring an annual employee acknowledgement process with respect to the compliance with the Code. Corporation Personnel and interested third parties with questions about the Code or specific situations are encouraged to refer the matter to the Chief Compliance Officer or any member of the Governance Committee.

Notwithstanding the above, all Corporation Personnel are personally accountable for learning, endorsing and promoting the Code and applying it to their own conduct and field of work. All Corporation Personnel will be asked to review the Code and confirm on a regular basis, through written or electronic

declaration, that they understand their individual responsibilities and will conform to the requirements of the Code. All new Corporation Personnel will be required to provide this declaration upon joining the Corporation.

All significant interested third parties and contract staff, including, without limitation, contractors and consultants who are acting as the Corporation's agents or are working on the Corporation's behalf or in its name through outsourcing of services, processes or any business activity, are expected to develop and enforce policies and/or practices that are consistent with the Code and its associated requirements that will apply to their staff providing services for or on behalf of the Corporation. Such parties will also be required to agree in writing, through their respective contracts with the Corporation, that they will comply with the terms of the Code.

Amendments to the Code shall be publicly disclosed to the extent required by law, rule, regulation or stock exchange requirement.

4. Waivers from the Code

Waivers of the requirements of the Code for the employees of the Corporation as well as other individuals who are engaged in providing professional and business services to the Corporation may be granted only by the Chief Executive Officer of Niko. Any waiver of the requirements of the Code for directors or officers of the Company may only be made by the Board.

II. FUNDAMENTAL PRINCIPLES

1. Conflicts of Interest

Corporation Personnel must act honestly and in good faith, with a view to the best interests of the Corporation. Corporation Personnel are expected to avoid situations where personal interests could conflict or could appear to conflict with their duties and responsibilities or the interests of the Corporation as a whole. A conflict of interest may occur where involvement in any activity, with or without the involvement of a related party, prevents the proper performance for the Corporation, or creates, or appears to create, a situation where judgment or ability to act in the best interests of the Corporation is affected.

When faced with an actual or potential conflict of interest situation, employees as well as other individuals who are engaged in providing professional and business services to the Corporation must follow the procedures outlined below. Interested third parties must consult their written contracts. Officers and directors must follow obligations as set out in relevant statutes and company by-laws and must inform the Chairman of the Board of any such conflict.

Supervisors should ensure that employees as well as other individuals who are engaged in providing professional and business services to the Corporation and interested third parties are not involved in any decision or operation affected by a conflict of interest. The Chairman of the Board should ensure that officers or directors are not involved in any decision or operation affected by a conflict of interest.

If employees as well as other individuals who are engaged in providing professional and business services to the Corporation find themselves in situations, or potential situations, of conflict of interest, they must seek guidance from their supervisor or the Chief Compliance Officer to determine if a conflict exists and how to deal with it. If a conflict of interest or a potential conflict of interest is identified, the individual must formally declare the conflict by informing the Chief Compliance Officer. The conflict must be

reviewed and approved by the Chief Compliance Officer and, in conjunction with the individual's supervisor, appropriate actions must be determined and documented in order to mitigate the conflict. Supervisors are responsible for ensuring that the employee as well as other individuals who are engaged in providing professional and business services to the Corporation follow the agreed upon actions to mitigate the conflict of interest. The results of this review and approval must be documented and filed in the individual's personnel file.

The following are specific conflicts that may arise in the course of carrying out the Corporation's business:

(a) Outside Business Interests

Corporation Personnel are free to take on employment and other activities outside of their work responsibilities with the Corporation. However, in doing so, Corporation Personnel must ensure that any "outside" activities do not present a real or perceived conflict with the interests of the Corporation or interfere or conflict with their duties as Corporation Personnel.

Personnel must not use the Corporation's resources (equipment, tools, credit cards, facilities, computing devices, telephones, *etc.*) for unauthorized or personal purposes.

Before publicly expressing views on matters that relate to the Corporation, Corporation Personnel should discuss the information with any of the Communication Officers. Corporation Personnel must not claim to speak on behalf of the Corporation without prior authorization. Reference should be made to the Corporation's Communications Policy.

(b) Outside Directorships

Corporation Personnel are free to take on directorships, however, Corporation Personnel must be aware of any potential for conflicts with the interests of the Corporation.

(c) Financial Interests in Suppliers, Contractors or Competitors

Any proposed affiliation between Corporation Personnel and any entity that has a relationship with the Corporation is subject to review by the Board's Corporate Governance Committee.

(d) Hiring Relatives of Current Corporation Personnel

The hiring of relatives of any Corporation Personnel must have prior consent of management. The relative hired must be placed in a separate department or work team and not be in a direct supervisory-subordinate relationship.

(e) Awarding Work

Awarding work to a supplier or consultant or contractor based on either a personal relationship or personal benefit which is not in the best interests of the Corporation is strictly prohibited. A declaration of a conflict of interest must be made before any personnel may approve an invoice from a vendor who is a relative.

2. Improper Payments

Anti-corruption laws and regulations apply to all of the Corporation's operations around the globe, and all Corporation Personnel are expected to obey them strictly. It is illegal and against the Corporation's Anti-Corruption Policy (the "**Anti-Corruption Policy**") for any Corporation employee, officer, director, representative or agent to offer to foreign government officials anything of value, including money, gifts, favours or entertainment, in exchange for obtaining or retaining business or for any other business advantage. "Foreign government officials" include government employees, political candidates or even employees of businesses that are owned by a foreign government, so all Corporation Personnel must be careful when dealing with state-owned companies or companies owned or controlled by foreign government officials. Agents and consultants are similarly prohibited from offering anything on the Corporation's behalf to foreign officials or political candidates.

There are two narrow exceptions to this prohibition: (i) small administrative fees, where they fall strictly within the definition of a "facilitation payment"; and (ii) payments to foreign officials which are expressly authorized by the written local laws of that official's country. Facilitation payments are defined in the Anti-Corruption Policy, and may only be made in the circumstances and for the purposes as outlined in such policy and must be promptly reported to the Corporation's country head of accounting and/or the Chief Compliance Officer for recording of such transactions in the accounting records.

The Chief Compliance Officer monitors compliance with the Anti-Corruption Policy. All Corporation Personnel are expected to be in compliance with the Anti-Corruption Policy at all times.

3. Giving and Receiving Gifts

Corporation Personnel are prohibited from soliciting or receiving any gift, loan, reward or benefit from a supplier or customer or any other party in exchange for any decision, act or omission by any Corporation Personnel in the course of carrying out their functions. Similarly, Corporation Personnel shall not try to influence the decisions of a supplier or customer or any other party by giving gifts.

A gift should never be accepted or offered by Corporation Personnel unless:

- (a) it is not a cash gift;
- (b) it is consistent with customary business practices;
- (c) it is not excessive in value;
- (d) it does not violate any laws; and
- (e) it does not violate any internal policy of the Corporation.

Examples of acceptable gifts, both to give and receive, include:

- (f) gifts of modest value that are promotional in nature (eg. pens, golf shirts);
- (g) gifts of modest value that are widely distributed to other Corporation Personnel, customers or suppliers;
- (h) meals of modest value (not lavish);

- (i) local sporting or theatrical events with a nominal or modest value;
- (j) holiday gatherings and other celebrations; and
- (k) reimbursement for reasonable expenses incurred in the course of business.

Frequency of gift acceptance should be determined by business circumstances, and in any case should not exceed three occurrences in a 12-month period involving the same party. If an employee is uncertain about the appropriateness of a gift because of value, frequency or the intent of the giver, he or she should decline the gift and inform his or her supervisor or manager.

4. Political Activity

The Corporation's directors, officers and employees may choose to become involved in political activities as long as they undertake these activities on their own behalf and may, on a personal level, give to any political party or candidate, but reimbursement by the Company is prohibited. No Corporation Personnel may give any payments to politicians or government officials for political activities in Canada or overseas but may provide the occasional gift with a nominal value or reimburse for pre-authorized reasonable business travel and expenses.

5. Protection and Proper Use of Corporate Assets and Opportunities

All Corporation Personnel must handle the physical and intellectual assets of the Corporation with integrity and with due regard to the interests of all of the Corporation's stakeholders. Corporation Personnel are deemed to hold the Corporation's property in trust for the benefit of the Corporation. The assets of the Corporation include the time Corporation Personnel are expected to work. Any misuse or misappropriation of the Corporation's assets can lead to disciplinary action. Corporation Personnel must return all of the Corporation's property under their control when leaving their employment with the Corporation.

Corporation Personnel cannot appropriate a corporate opportunity or corporate property, arising out of their relationship with the Corporation, for their own personal benefit. Corporation Personnel and members of their immediate family are prohibited from taking for themselves business opportunities that have arisen through the use of the Corporation's property, information or by virtue of their position in the Corporation.

Corporation Personnel must have authorization to enter into business transactions on behalf of the Corporation. Corporation Personnel must not use the Corporation's name, property and goodwill to obtain personal advantage, unless so authorized by the Board.

Email and Internet systems are provided primarily for business use. Personal use of these resources should be kept to a minimum. As email may not be entirely secure, Corporation Personnel must exercise caution and etiquette when sending email correspondence. The Corporation's e-mail and voice mail systems, Internet, computers, cell phones and personal digital assistants such as Blackberries (including all data and logs stored on those systems) are all the property of the Corporation. Activities on these systems are monitored by the Corporation to ensure acceptable use. You cannot expect any personal privacy for communications that you send, receive or store on these systems or devices.

6. Ethical Work Practices

Each individual employee is considered a valuable asset to be respected. The Corporation is committed to providing a workplace free of discrimination based on race, colour, religion, age, gender, national origin, disability or any other basis prohibited by applicable law, and such discrimination will not be tolerated. Further, the Corporation does not tolerate harassment in the work place. Generally speaking, harassment is any behaviour, conduct or action which any individual or group of individuals would reasonably find unwelcome, humiliating, intimidating or demeaning. Specifically, behaviour that may promote physical violence in the workplace, or any sexual, religious, age-related or racial harassment will not be tolerated. Avoid actions or behaviour that are, or could be, viewed as harassment, including conduct that creates an uncomfortable situation or hostile work environment, such as inappropriate comments or jokes, intimidation, bullying or physical contact.

Healthy employees working safely are essential to the Corporation's success. The Corporation strives to provide a safe, secure and healthy work environment. All Corporation Personnel are responsible for observing all of the safety and health rules that apply to their jobs and for taking appropriate precautions to protect people and property from an accident, injury or unsafe conditions.

7. Confidentiality of Corporate Information

Confidential information is any information that is not known to the general public and includes, without limitation, business research, market plans, strategic objectives, unpublished financial information, customer, supplier and personnel lists and all intellectual property, including trade secrets, software, trademarks, copyrights and patents.

Confidential information may not be given or released without proper authority and appropriate protection to anyone not employed by the Corporation or to Corporation Personnel who have no need for such information. Corporation Personnel are prohibited from discussing, disclosing or using any confidential information for their own personal purposes without prior consent of an executive officer. Please refer to the Corporation's Communications Policy.

Corporation Personnel are prohibited from trading or encouraging others to trade in the securities of the Corporation where the person trading is in possession of material non-public information. All Corporation Personnel must comply with the Corporation's Communications Policy and the Corporation's Share Trading Policy.

Personal information, as it relates to Corporation Personnel, including medical and benefits information, is only to be released to non-Corporation individuals after receiving prior permission from the affected Corporation Personnel, except where the information will be used to verify employment or to satisfy legitimate legal requirements.

8. Fair Dealing

Corporation Personnel shall not obtain or use information or trade secrets from any other Corporation. Corporation Personnel shall not undertake any activities that could reasonably be expected to result in an unreasonable restraint of trade, unfair trade practice or any other anticompetitive behaviour in violation of any law. However, in the normal course of business, it is not unusual for Corporation Personnel to acquire information about other organizations. In doing so, Corporation Personnel must not use illegal means to acquire a competitor's trade secrets or other confidential information.

Corporation Personnel are expected to be sensitive to situations where competition law issues may exist and to comply with all competition laws that apply in all countries in which the Corporation and its subsidiaries carry on business. When participating in joint ventures and industry associations involving competitors, Corporation Personnel must limit communication to that reasonably required for the legitimate business purposes of the arrangement.

9. Compliance with Laws, Rules and Regulations

All Corporation Personnel, in discharging their duties, must comply with the laws of the countries in which the Corporation and its subsidiaries carry on business. The law takes precedence where there may be a conflict between the law and traditional practice.

All Corporation Personnel are charged with the responsibility for acquiring sufficient knowledge of the laws involved in each area relating to their particular duties. Corporation Personnel must ensure that they conduct their business activities in compliance with the laws involved in their area and keep up-to-date on issues that may affect the laws in their area of operation. Corporation Personnel are also expected to comply with the governing rules of any industry or other association with which they participate on behalf of the Corporation.

10. Corporation Records and Disclosure Practices

Corporation records must be kept and maintained to fulfill relevant legal requirements. Recording and reporting information, including, without limitation, information related to operations, environment, health and safety, training, human resources and financial matters, must be done honestly, accurately and with care.

The books and records of the Corporation must reflect in reasonable detail its transactions in a timely, fair and accurate manner to, among other things, permit the preparation of accurate financial statements in accordance with generally accepted accounting principles and maintain recorded accountability for assets and liabilities. The accuracy of asset and liability records must be maintained by comparing the records to the existing assets and liabilities at reasonable intervals, and taking appropriate action with respect to any differences.

All business transactions that Corporation Personnel have participated in must be properly authorized, properly recorded and supported by accurate documentation in reasonable detail. Records must not be manipulated or destroyed for the purpose of impeding or obstructing any investigation undertaken by the Corporation or a governmental body.

The Corporation is to provide full, fair, accurate and timely disclosure in reports and documents that are filed with the regulatory authorities as well as in other public communications made by the Corporation. All Corporation Personnel responsible for the preparation of the Corporation's public disclosures, or who provide information as part of the process, must ensure that disclosures are prepared and information is provided in compliance with the Corporation's Communications Policy and is:

- timely, factual and accurate;
- broadly disseminated in accordance with all applicable legal and regulatory requirements; and
- fair, transparent, balanced and consistent

No information may be concealed from the Corporation's external auditors or the Board and its Committees. It is illegal to fraudulently influence, coerce, manipulate or mislead an external auditor who is auditing the Corporation's financial statements.

11. Reporting of any Illegal or Unethical Behaviour

Corporation Personnel are each responsible for being aware of, understanding and complying with the Code when making business decisions. Corporation Personnel must promptly report any problems or concerns and any actual or potential violation of the Code. To do otherwise will be viewed as condoning a violation of the Code.

There shall be no reprisal or other action taken against any Corporation Personnel who, in good faith, bring forward concerns about actual or potential violations of laws or the Code. Anyone engaging in any form of retaliatory conduct will be subject to disciplinary action, which may include termination.

An anonymous report can be made under the Corporation's Whistleblower Policy.

12. Consequences of Violating the Code

The Corporation's commitment to business integrity is the foundation of the Code. All Corporation Personnel are expected to act at all times in full compliance with both the letter and spirit of the Code and the legislative and regulatory requirements of the countries where the Corporation operates. All personnel are expected to be sufficiently familiar with the laws that apply to their work to recognize potential problems and to know when to seek advice.

Failure to comply with the Code will be considered by the Corporation to be a very serious matter. Depending on the nature and severity of the violation, disciplinary action may be taken by the Corporation, up to and including termination. In addition, the Corporation may make claims for reimbursement of losses or damages and/or the Corporation may refer the matter to the authorities. Anyone who fails to report a violation upon discovery or otherwise condones the violation of the Code may also be subject to disciplinary action.