

NIKO RESOURCES LTD. UPDATES RESERVES

Niko Resources Ltd. ("the Company") is pleased to provide an update on reserves as at March 31, 2011. On a company-wide MMcfe basis, net proved plus probable reserves totalled 854,901 MMcfe while gross proved plus probable reserves totalled 1,207,585 MMcfe. The net present value after tax discounted at 10% was \$1.8 billion.

Technical revisions and economic factors resulted in a 6.8% decline in net proved plus probable reserves.

However, largely on the strength of improved prices, the Company's net present value of future net revenues after income taxes, discounted at 10 percent per year of \$1,827 million is virtually unchanged from last year's reported \$1,832 million.

This disclosure does not include contingent resources from 20 satellite discoveries at D6; 15 discoveries at NEC 25 nor 3 discoveries at the 5c Block in Trinidad and Tobago. Further, reported reserves do not include the impact of recent deep drilling success at Hazira.

The following table details the aggregate net present value of future net revenues attributable to the reserves (after future income tax expense), estimated using forecast prices and costs, calculated without discount and using discount rates of 5% and 10%.

| Net Present Value of Future Net Revenues ^{(1) (2) (3)} Summary of Oil & Gas Reserves Forecast Prices and Cost As at March 31, 2011 After Income Taxes Discounted at (%/year) | | | |
|--|-------------|-------------|--------------|
| Reserves Category | 0 (MM\$) | 5 (MM\$) | 10 (MM\$) |
| PROVED | | | |
| Developed Producing | 1,547 | 1,228 | 1,009 |
| Developed Non-Producing | 161 | 157 | 139 |
| Undeveloped | 501 | 395 | 308 |
| TOTAL PROVED | 2,209 | 1,779 | 1,456 |
| PROBABLE | 801 | 541 | 371 |
| TOTAL PROVED PLUS PROBABLE | 3,010 | 2,320 | 1,827 |

⁽¹⁾ These values reflect reductions for the estimates for profit petroleum amounts that will be payable to the Government of India and Government of Bangladesh.

⁽²⁾ These values are calculated using a D6 forecast gas price calculated as the forecast Brent Blend divided by 10 less \$1 transportation differential.

⁽³⁾ Future development costs are estimated at \$831 million.

The following table reconciles the changes in the gross and net reserves estimates for the Company's India and Bangladesh properties as at March 31, 2010 and as at March 31, 2011, estimated using forecast prices and costs with crude oil and NGLs being converted to an MMcfe basis:

| Summary of Oil & Gas Reserves Forecast Prices & Costs As at March 31, 2011 | | |
|---|---|--|
| Factors | Gross Proved plus Probable (MMcfe) ⁽¹⁾ | Net ⁽²⁾ Proved plus Probable (MMcfe) ⁽¹⁾ |
| March 31, 2010 | 1,581,894 | 1,021,835 |
| Technical Revisions & Economic Factors* | (267,882) | (70,374) |
| Production | (106,427) | (96,561) |
| March 31, 2011 | 1,207,585 | 854,900 |
| * as % of March 31, 2010 | (16.9%) | (6.8%) |

⁽¹⁾ Crude oil and natural gas liquids have been converted to MMcfe at a rate of 1 MBBL: 6 MMcfe.

⁽²⁾ "Net" reserves are defined as those accruing to the Company's working interest share after royalty interests owned by others have been deducted including a reduction to reflect any profit petroleum amounts that will be payable to the Government of India and Government of Bangladesh.

Disclosure of Reserves Data

This statement of reserves data and other information (presented herein) is dated June 10, 2011 and is effective March 31, 2011. The preparation date of the information regarding reserves in the Statement was June 10, 2011.

The future net revenue numbers presented herein, whether calculated without discount or using a discount rate, are estimated values and do not represent fair market value. It should not be assumed that the net present values of future net revenues presented in the tables below are representative of the fair market value of the reserves. There is no assurance that the price and cost assumptions will be attained and variances could be material.

The following reserves data and associated tables herein summarize the reserves of crude oil, natural gas and NGL and the net present values of future net revenues associated with the Company's reserves as evaluated in the Ryder Scott Report, based on forecast price assumptions presented in accordance with NI 51-101. The Ryder Scott Report evaluates the Company's interest in the Hazira Field, the Surat Block and the D6 Block in India and Block 9 in Bangladesh.

There is no assurance that the price and cost assumptions set out above will be attained and variances could be material. The reserves estimates provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein.

The Company's material reserves and production are located in India and Bangladesh. The Company also has properties in Canada with reserves. Reserves attributable to the Company's Canadian properties constitute less than 0.1% of the Company's total reserves and therefore have not been evaluated and are not included in the reserves information provided herein.

Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Mcfe may be misleading, particularly if used in isolation. An Mcfe conversion ratio of 1 bbl: 6 Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does

not represent a value equivalency at the wellhead. In the press release the abbreviations set forth below have the following meanings:

“MM\$”-millions of U.S. dollars

“Mcf” – thousand cubic feet of gas equivalent

“MMcfe”-million cubic feet of gas equivalent

“MBBL”- thousand barrels

June 13, 2011

For further information, please contact:

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Certain statements in this press release are forward-looking statements. Specifically, this press release contains forward-looking statements relating to management's approach to operations, estimates of future sales, production and deliveries, business plans for drilling and development, estimated amounts and timing of capital expenditures, anticipated operating costs, royalty rates, cash flows, transportation plans and capacity, anticipated access to infrastructure or other expectations, beliefs, plans, goals, objectives, assumptions and statements about future events or performance. The reader is cautioned that the assumptions used in the preparation of such information, although considered reasonable by Niko at the time of preparation, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. Such factors include, but are not limited to: general economic, market and business conditions; industry capacity; competitive action by other companies; fluctuations in oil and gas prices; the results of exploration and development drilling and related activities; the uncertainty of estimates and projections relating to productions, costs and expenses; uncertainties as to the availability and cost of financing; fluctuations in currency exchange rates; the imprecision in reserve estimates; risks associated with oil and gas operations, such as operational risks in exploring for, developing and producing crude oil and natural gas; risks and uncertainties involving geology of oil and gas deposits; the weather in the Company's area of operations; the ability of suppliers to meet commitments; changes in environmental and other regulations; actions by governmental authorities including changes in laws and increases in taxes; decisions or approvals of administrative tribunals; risks in conducting foreign operations (for example, political and fiscal instability or the possibility of civil unrest or military action in countries such as India and Bangladesh); the effect of acts of, or actions against international terrorism; and other factors, many of which are beyond the control of Niko. There is no representation by Niko that the actual results achieved during the forecast period will be the same in whole or in part as those forecast.