

## Niko Expands Its Indonesia Exploration Acreage

CALGARY, ALBERTA - Niko Resources Ltd. (TSX:NKO) is pleased to announce that the Indonesian Government has selected the Company as the successful bidder in three additional exploration blocks.

- The first block, Halmahera – Kofiau is offshore west Papua, Indonesia and will be operated by Niko who will hold a 50% interest. The block covers 1.2 million acres and is located in water depths from 0 to over 1,200 metres.

The block is adjacent to the Kofiau Block that was awarded to Niko and its partners in May 2009. Both blocks are located in a geological setting similar to the nearby Salawati Basin where in excess of 500 million barrels of recoverable oil reserves have been discovered in Miocene carbonates. The extension of the Salawati play into the Kofiau and Halmahera - Kofiau Blocks could establish an important new oil production trend in eastern Indonesia.

- The second block, West Papua IV is offshore southwest Papua, Indonesia where Niko will hold a 50% interest. The block covers 1.5 million acres and is located in water depths from 50 to 2,000 metres.

The block is in the same geological trend as the Kumawa PSC block awarded to Niko and partners in May 2009. The block is associated with adjacent areas containing significant oil and gas reserves. The nearby Bintuni basin located in west Papua has discovered gas reserves of 17 TCF. The thick, gas bearing Jurassic sandstone reservoirs in the Bintuni Basin are direct analogs to the exploration targets in the West Papua IV and Kumawa Blocks. Extensive sea floor coring and geochemical analyses indicate the possibility of an oil dominated petroleum system in these two blocks.

- The third block, East Bula is offshore northeast Seram, Indonesia and Niko will hold a 50% non-operating interest. The block covers 1.5 million acres and is located in water depths range from shallow to greater than 1,000 meters,

The block is located between the island of Seram and the Seram PSC block awarded to Niko and its partners in November 2008. Exploration and production activities onshore Seram began as early as 1897 with the discovery and production of oil. Over 100 million barrels of recoverable oil have since been discovered. The onshore geologic oil producing trends extend into the offshore East Bula and Seram blocks where a large regional reconnaissance study indicates the presence of numerous oil and gas seeps from the seafloor.

## Country Summary

When combined with previously announced acreage as summarized below, the company now has an interest in 11 deepwater exploration blocks in various offshore basins. All blocks are managed by Production Sharing Contracts with favorable deepwater exploration terms.

Block Name	Offshore Area	Award Date	NKO Int	Block Area acres	
				Gross	Net
West Sageri †	Makassar Strait	November-08	51%	1,229,800	627,131
SE Ganai I †	Makassar Strait	November-08	51%	1,202,866	613,541
Seram	Seram North	November-08	25%	1,233,259	308,377
South Matindok	Sulewasi NE	November-08	25%	1,280,455	320,237
Bone Bay	Sulewasi SW	November-08	25%	1,227,823	306,894
Kofiau †	West Papua	May-09	67%	1,235,483	824,067
Kumawa	Papua SW	May-09	25%	1,236,471	309,118
Cendrawasih	Papua NW	May-09	25%	1,233,259	308,377
Halmahera †	Papua W	Sept- 09	50%	1,216,722	608,361
West Papua	Papua SW	Sept-09	50%	1,559,558	779,779
East Bula	Seram NE	Sept-09	50%	1,489,163	744,582
† NKO operated			Avg 41%	14,144,613	5,750,216

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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.