

## NIKO RESOURCES UPDATE ON D6 OPERATIONS

Niko Resources Ltd. (TSX – NKO) is pleased to provide the following D6 operations update:

### PRODUCTION

- On April 2, 2009 Niko announced that it had commenced production from the Indian D6 Block. Field performance is exceptional with production averaging in excess of 700 MMSCFD over the last 7 days and is now exceeding 900 MMSCFD or over 32% of the 2800 MMcf/day target that is now expected before calendar year-end. When producing at target levels, Niko's corporate wide annual cash from operations is expected to approach \$500 million or \$10.00 per share.

### EXPLORATION

#### ▪ KG-D6 AR2

KG-D6 AR2 is located in water depth of 1844m and is approximately 5.7km northwest of the KG-D6 R1 Late Miocene gas discovery. The location was completed in April of 2009 at a total depth of 4358m. The well extended the gas accumulation originally discovered by the R1 well and as a result enhanced the potential natural gas resource in this area.

#### KG-D6 BA2

KG-D6 BA2 is currently the farthest offshore well in the KG-D6 block at 80km from the coast and is located in water depth of 2472m. The well is targeting the crest of a large anticlinal ridge feature that trends northeast to southwest across the entire block. The structure displays relatively late movement and trap closures have formed in intervals ranging from the Early Pliocene to Cretaceous. All horizons have been identified and mapped as potential targets.

The well was spudded on April 3<sup>rd</sup>, 2009 and is forecast to drill to a total depth of 7128m, which will TD the well in the Upper Cretaceous.

#### KG-D6 AS1

KG-D6 AS1 is located 11.2km due west of the KG-D6 R1 in water depths of 1791m and is planned to a target depth of 3,639 meters. The well targets the shallower Late Miocene gas discovery at KG-D6 R1.

The well is being drilled by the Discoverer 534 drillship which arrived on location April 26, 2009.

**May 11, 2009**

**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.