

## **NIKO RESOURCES SIGNS 1<sup>ST</sup> LONG TERM GAS CONTRACTS FOR D6**

Mumbai March 27, 2009: Niko Resources Ltd. (TSX – NKO) along with their partner Reliance Industries Limited (RIL) has signed the Gas Sales and Purchase Agreements (GSPA) with customers in India's fertilizer sector for supply of natural gas to be produced from the KG-D6 block. The GSPAs were signed with 12 customers in the fertilizer sector for supply of approximately 15 million standard cubic meters daily (530 million standard cubic feet daily) of natural gas at 15 different urea manufacturing facilities.

With the signing of GSPAs, D6 gas would reach all gas-based urea manufacturing units in India, eliminating the deficit in gas supply currently faced by these units. We look forward to having a long-lasting and mutually beneficial relationship with the fertilizer companies.

The key highlights are:

- The duration of contract under the GSPA is 5 years;
- The gas price in GSPA is as per the formula approved by Empowered Group of Ministers, Government of India;
- The supply of gas is expected to commence shortly;
- The fertilizer companies also signed Gas Transportation Agreements.

Secretary - Petroleum & Natural Gas, Secretary - Department of Fertilizers, and other officials of the Government of India were also present during the execution of GSPA in Mumbai today.

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**For further information, please contact:**

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