NIKO RESOURCES LTD

2015 RESULTS FOR THE YEAR ENDED MARCH 31, 2015

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Niko Resources Ltd. ("Niko" or the "Company") is pleased to report its operating and financial results for the quarter and year ended March 31, 2015. The operating results are effective June 24, 2015. All amounts are in US dollars unless otherwise indicated and all amounts are reported using International Financial Reporting Standards unless otherwise indicated.

CHAIRMAN'S MESSAGE TO THE SHAREHOLDERS

Fiscal 2015 was a very challenging year for Niko. The implementation of a new domestic natural gas pricing policy in India was initially deferred by the Government of India and then, due to revisions to the previously approved formula, a lower than expected price increase was announced. Due primarily to the projected impact of the new pricing policy on the Company's future liquidity, the Company pursued the sale of assets of the Company or the sale of the Company itself, and agreed to amendments to its term loan facilities agreement to provide the Company with sufficient flexibility to complete the sales process. The Company's efforts to sell its interest in the D6 Block in India are unlikely to be successful in the short term, and therefore further time is required to pursue a strategic plan to enhance value.

In June 2014, the Company closed on the sale of its interest in Block 5(c) in Trinidad, providing funds to reduce its outstanding liabilities and adding cash to its balance sheet. In April 2015, the Company closed on the sale of its interest in four PSCs in Indonesia and in May 2015, it executed agreements to effectively amend its previously executed farm-outs of two PSCs in Trinidad into sales of the Company's entire interests in the PSCs, subject to government approval. Efforts continue to monetize other non-core assets and minimize cash outflows outside of the Company's core areas.

The Company believes it has sufficient liquidity for the foreseeable future to fund the cash requirements of its operating subsidiaries in India and Bangladesh and its corporate general and administrative expenses, but requires concessions from its stakeholders to reduce the cash outflows to these stakeholders until the value of the Company's assets can be enhanced. These negotiations are underway and the Company is hopeful that the result will be beneficial for all stakeholders.

Kevin J. Clarke – Chairman and interim Chief Executive Officer, Niko Resources Ltd.

LIQUIDITY AND CAPITAL RESOURCES

Company Strategy

In fiscal 2014, the Company shifted its strategic focus to developing and appraising the assets in the D6 Block in India, while maintaining optionality of the balance of its exploration portfolio. To provide the financial capacity to implement this strategy, in December 2013, the Company entered into a definitive facilities agreement with certain institutional lenders (the "lenders") providing for term loan facilities. At that time, prices for natural gas sales from the D6 Block were expected to approximately double effective April 1, 2014, as per a pricing formula approved by the Government of India ("GOI") in June, 2013.

After three deferrals, in October 2014, the GOI approved the new domestic gas pricing policy for India effective November 1, 2014, and issued the New Domestic Natural Gas Guidelines, 2014 (the "Guidelines"), which reflected a pricing formula that had been revised from the pricing formula approved in June 2013. As per the Guidelines, the gas price is to be calculated based on a volume weighted average of prices in the US, Canada, Europe and Russia based on the twelve month trailing average price with a lag of three months, and is to be determined on a semi-annual basis.

The Guidelines indicate that, subject to certain exceptions, the revised price would be applicable to all natural gas produced from various types of blocks in India including NELP blocks (such as the D6 and NEC-25 blocks in which the Company holds a 10 percent interest). One of the exceptions noted in the Guidelines is the Dhirubhai 1 and 3 fields in the D6 Block where a dispute between the contractor group and the GOI on the cost recovery of certain costs is under arbitration. The Guidelines indicate that the contractor group would be paid the earlier price of $4.20 / MMbtu and the difference between the revised price and $4.20 / MMbtu would be credited to a gas pool account and "whether the amount so collected is payable or not to the contractors of this block would be dependent on the outcome of the award of the pending arbitration and any attendant legal proceedings".

In accordance with the new Guidelines, the price for the period of November 1, 2014 to March 31, 2015 increased by approximately 33 percent from the $4.20 / MMbtu net calorific value ("NCV") that natural gas sales had been priced at prior to the adoption of the Guidelines, significantly lower than anticipated when the facilities agreement with the lenders had been entered into. The price notified by the GOI for the period of April 1, 2015 to September 30, 2015 decreased by approximately 8 percent from the price for natural gas sales from November 1, 2014 to March 31, 2015.

The Guidelines indicate that "For all discoveries after the issuance of these guidelines, in Ultra Deep Water Areas, Deep Water Areas and High Pressure-High Temperature areas, a premium would be given on the gas price determined as per the formula" defined in the Guidelines, with the premium to be "determined as per prescribed procedure." The applicability of the premium to existing undeveloped discoveries in the D6 and NEC-25 blocks, such as the discoveries included in the approved plans of development for the R-Cluster and Satellite Areas, remains to be clarified. The development of these discoveries is dependent on the future economic viability of the required investments.

Due primarily to the projected impact of the new domestic gas pricing policy for India on the Company's future liquidity and significant uncertainty on the future long-term price outlook in India, in December 2014, the Company engaged Jefferies LLC as its financial advisor to assist the Company in pursuing strategic alternatives including the sale of assets of the Company, a merger or other business combination, the outright sale of the Company, a refinancing of its existing debt with replacement debt, or some combination thereof.

Financial Covenants

Prior to the amendments outlined below, the Company was subject to the following financial covenants under its term loan facilities agreement:

- Maximum ratio of (a) consolidated senior debt (defined as debt incurred under facilities A, B and C of the term loan facilities and finance lease obligations) to (b) the consolidated EBITDAX (as defined in the facilities agreement) for the trailing four quarters, commencing with the period ended June 30, 2014.
- Minimum ratio of (a) proved plus probable reserves for the D6 Block to (b) senior debt, commencing with the period ended March 31, 2014 (with the calculation performed annually based on its year-end reserves and financial statements).

The Company's operating results for the trailing four quarters ended December 31, 2014 were not sufficient to satisfy the senior debt to EBITDAX financial covenant and under the original agreement a breach of this covenant would have resulted in the right for the lenders to accelerate payment of the outstanding principal amount of the term loan facilities of $308 million. Due to cross default provisions of the note indenture for the Company's 7 percent senior unsecured convertible notes due December 31, 2017 ("Notes"), an event of default under the term loan facilities agreement that was not cured within 45 days would have permitted the holders of the Notes to accelerate payment of the outstanding principal amount of the Notes. As a result, and notwithstanding that an event of default did not occur under the facilities agreement, the Company has reflected the outstanding balances of the term loan facilities and Notes as current liabilities.

Amendments to the Facilities Agreement

In February 2015, the Company and its lenders agreed to amend the terms of the facilities agreement in order to ensure that an event of default did not occur. It was believed that the amendment would provide the Company with sufficient time to pursue the potential sale of the Company's interest in the D6 Block in India or the sale of the Company. As the process for the sale of the Company's interest in the D6 Block or the Company did not achieve certain milestones agreed to with the lenders in the first amendment, in May 2014, the Company and its lenders entered into two agreements which, subject to certain conditions, resulted in extensions of milestones to complete the sales process and further extended the waiver of certain financial covenants and undertakings set out in the facilities agreement until September 15, 2015.

In accordance with the provisions of the amendments to the facilities agreement, in the fourth quarter of fiscal 2015, the Company withdrew $23 million from the reserve accounts specified under facilities agreement and made $20 million of principal repayments, reducing the reserve account balances from $58 million at December 31, 2014 to $35 million at March 31, 2015, and the principal amount outstanding on the term loan from $300 million at December 31, 2014 to $280 million at March 31, 2015. Subsequent to March 31, 2015, the Company deferred its quarterly interest payment due on June 23, 2015 to September 23, 2015, withdrew $10 million from the reserve accounts and made $30 million of principal repayments, reducing the reserve account balances to $25 million and the principal outstanding on the term loan to $250 million.

As per the amendments to the facilities agreement, the Company is restricted to specified amounts of capital expenditures for non-core assets and general and administrative expenditures during calendar 2015, and must maintain specified minimum total cash balances. In addition, the Company is restricted from making any interest or other payments under the Notes or under the terms of the agreement entered into with Diamond Offshore (the "Diamond Settlement Agreement") until September 30, 2015.

The Company has therefore initiated discussions and negotiations with holders of Notes and representatives thereof to seek their consent to defer to September 30, 2015 the interest payment due on June 30, 2015. In addition, the Company has sought the consent of the parties to the Diamond Settlement Agreement to defer any payments that are due and payable prior to September 30, 2015 and eliminate the required minimum balance in a reserve account specified in the Diamond Settlement Agreement. To date, no consents have been obtained from the holders of the Notes or the parties to the Diamond Settlement Agreement (collectively, the "Consents"), and it appears unlikely that Consents will be obtained prior to June 30, 2015. As a result, it is probable that the Company will be in breach of the indenture governing the Notes and the Diamond Settlement Agreement. Under the terms of the indenture governing the Notes, an event of default would not occur until July 30, 2015. Under the Diamond Settlement Agreement, in the event of a breach, the parties thereto may seek to enforce their unsecured rights, but the extent of any damages they may suffer from a breach and the strength of any claim they could make is not clear at this time.

Since it now appears unlikely that the Company will be able to achieve the remaining milestones in the amended facilities agreement and that the Company will default under key unsecured obligations, the Company is pursuing an alternative strategic plan with the assistance of its advisors to enhance value over a longer period of time. The Company has been in discussions with its lenders about the structure of this plan and plans to have further discussions with other key stakeholders, including the holders of the Notes and the parties to the Diamond Settlement Agreement. This alternative plan would likely be subject to certain approvals by various stakeholders and could have negative impact on stakeholders and the value of their interests in the Company. No assurance can be made that any strategic plan can be accomplished at all or on a timely basis. The failure to effect a transaction pursuant to a strategic plan on a timely basis could prove to be unsatisfactory for security holders, which would likely have a material adverse impact on the value of their interest in the Company.

Sources of Funding - Operating Subsidiaries in India and Bangladesh and Corporate

The Company has the following sources of funding for its planned operating, investing and financing cash outflows (including working capital requirements):

- Unrestricted cash and cash equivalents as at March 31, 2015 of $60 million;
- Restricted cash as at March 31, 2015 of $38 million (subject to terms of the facilities agreement, as amended);
- Receipts of oil and natural gas revenues from its producing assets in India and Bangladesh;
- Potential proceeds from asset sales, farm-outs and other arrangements; and
- Potential proceeds from future equity or debt issuances.

The Company believes that it has sufficient liquidity for the foreseeable future to satisfy the anticipated cash requirements of its operating subsidiaries in India and Bangladesh and its corporate general and administrative expenses. In the alternative strategic plan that the Company is pursuing with its stakeholders, the Company is negotiating to reduce future cash outflows related to its term loan facilities agreement, Notes and Diamond Settlement Agreement until such time that the value of the Company's assets can be enhanced or alternative arrangements are agreed to.

Exploration Subsidiaries in Indonesia and Trinidad

As at March 31, 2015, the Company had $102 million of accounts payable and accrued liabilities related to its exploration subsidiaries in Indonesia and Trinidad and $273 million of exploration work commitments associated with these subsidiaries, including commitments of the Trinidad subsidiaries that are backed by parent company guarantees. For six production sharing contracts ("PSCs") in Indonesia that had commitments due in November 2014 and one PSC that had commitments due in May 2015, the Company requested amendments to the PSCs to extend the initial exploration period to ten years and extend the deadlines for the commitments. Extensions have not been granted and as at March 31, 2015, certain of the Company's subsidiaries have recognized liabilities of $117 million for these unfulfilled exploration work commitments. In addition, liabilities of $75 million have been recognized as at March 31, 2015 for unfulfilled exploration work commitments in certain PSCs in Trinidad as extensions to the deadlines for the commitments have not been received.

The Company is continuing its efforts to sell or farm out interests in many of its exploration PSCs, reschedule its exploration commitments, and settle its vendor liabilities.

In April 2015, the Company closed on transactions for the sale of certain of its subsidiaries holding interests in four Indonesian PSCs (West Papua IV, Kofiau, Halmahera-Kofiau, and Aru) as the first phase of transactions under a definitive agreement executed in October 2014 with a subsidiary of Ophir Energy Plc ("Ophir"). The cash consideration of $16 million received reflects $9 million of combined net working capital obligations of the subsidiaries acquired by Ophir. Further payments under these transactions are contingent on future exploration success. Approximately $4 million of the cash consideration was used to reduce the amount outstanding under the Diamond Settlement Agreement and $9 million was used to pay outstanding tax liabilities in Indonesia and costs associated with the transactions. Closings of the transactions for the sale of the Company's interests in two additional Indonesian PSCs (North Ganal and North Makassar Strait) are subject to the satisfaction or waiver of the remaining conditions precedent. Niko is contesting the Land and Building Tax ("LBT") assessments related to certain Indonesian PSCs and has indemnified Ophir for any potential LBT obligations related to the subsidiary that owns an interest in the Aru PSC and at closing, would do so for the subsidiary that owns its interest in the North Ganal PSC.

In May 2015, the Company executed agreements to sell its entire interests in the Guayaguayare Shallow and Deep PSCs to subsidiaries of Range Resources Ltd., effectively amending the terms of previously executed farm-out agreements. Under the sale agreements, the Company will sell its interests in the PSCs in exchange for the assumption of existing liabilities and commitments under the PSCs and for potential future payments that are contingent on certain future events in the PSCs. Closing of the sale transactions are subject to certain conditions, including the approval of the Government of Trinidad and Tobago.

The terms of the Company's term loan facilities limit the funding of capital expenditures and working capital requirements of the Company's exploration subsidiaries and the Company is evaluating its options for these subsidiaries as part of its strategic plan. There is significant uncertainty regarding whether these efforts will be sufficient to allow certain of the Company's exploration subsidiaries to meet existing and future obligations and continue activities in the future.

Contingent Liabilities

The Company and its subsidiaries are subject to various claims from other parties, as described in Note 32 of the consolidated financial statements for the year-ended March 31, 2015, and is actively defending against these claims. An adverse outcome on one or more of these claims could significantly impact the future cash flows of the Company.

Ability of the Company to Continue as a Going Concern

As a result of the foregoing matters (including the ongoing obligations of the Company and its subsidiaries), there is material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern.

BUSINESS HIGHLIGHTS

The significant business highlights of fiscal 2015 are as follows:

Sales Volumes

	Three months ended March 31,		Year ended March 31,	
(mmcfe/d)	2015	2014	2015	2014
D6 Block, India	43	50	47	51
Block 9, Bangladesh	66	67	65	59
Other[1]	2	2	2	2
Total	111	119	114	112

[1] Other includes Hazira in India, and Canada.

D6 Block, India

- Per the Guidelines announced by the GOI in October 2014, , the price for natural gas sales from the D6 Block in India increased effective November 2014 to $5.05 / MMbtu based on the gross calorific value ("GCV") of the sales gas, which equated to approximately $5.61 / MMbtu based on the net calorific value ("NCV") of the sales gas and represented an increase of 33 percent from the $4.20 / MMbtu NCV that natural gas sales had been priced at prior to the adoption of the guidelines. The price announced by the GOI for April 2015 to September 2015 of $4.66 / MMbtu GCV represents a reduction of approximately 8 percent from the price for the November 2014 to March 2015 period. Refer to the "Liquidity and Capital Resources" for a detailed discussion of the gas pricing policy and its impact on the Company and the Company's future outlook.
- The price for oil and condensate sales for fiscal 2015 decreased by approximately 20 percent compared to fiscal 2014 as a result of the decline in world oil prices.
- Total sales volumes from the D6 Block in fiscal 2015 of 47 mmcfe/d decreased from fiscal 2014 primarily due to the impact of natural production declines in the fields in the block, partially offset by incremental production from the MA-8 development well brought on-stream in January 2014, the MA-6H sidetrack well brought on-stream in April 2014, and the MA-5H sidetrack well brought on-stream in March 2015.
- Successful commissioning of three compressors for the Onshore Terminal Booster Compressor project occurred in the fourth quarter of fiscal 2015, providing operational flexibility to address the decline in reservoir pressure. A program to re-activate certain shut-in wells in the Dhirubhai 1 and 3 ("D1 D3") fields began in the first quarter of fiscal 2016.
- The appraisal of the MJ Discovery announced in fiscal 2014 continued during fiscal 2015 with the drilling of the second and third appraisal wells and the completion of phase 1 of a conceptual engineering study for potential development of the field.

Block 9, Bangladesh

- Total sales volumes from Block 9 in fiscal 2015 of 65 mmcfe/d increased from fiscal 2014, reflecting the impact of workovers on two wells in the Bangora field performed in the first half of fiscal 2014 and plant compression facilities which came on-line in the third quarter of fiscal 2015.

CAPITAL AND EXPLORATION EXPENDITURES

For the year ended March 31, 2015:

(millions of U.S. dollars)	Development capital [1]	Capital inventory	Exploration and evaluation capital [1][2]	Directly expensed exploration and evaluation costs[1]	Total [3]
India and Bangladesh	31	4	15	1	51
Other	-	(6)	2	17	13
Total[3]	31	(2)	17	18	64

[1] Share-based compensation and other non-cash items are excluded.

[2] Includes expenditures that were subsequently expensed.

[3] Figures may not add up due to rounding.

India and Bangladesh

Capital and exploration expenditures in India and Bangladesh totaled $51 million for fiscal 2015, including $8 million in the fourth quarter of the year. Development capital of $31 million for the year related primarily to the drilling, workover and sidetrack of wells in the D6 Block in India and compression projects in the D6 Block and in Block 9 in Bangladesh. Exploration and evaluation capital of $15 million for fiscal 2015 related primarily to the drilling of the MJ-A2 and MJ-A3 appraisal wells in the MJ field in the D6 Block in India. Costs related to the unsuccessful MJ-A2 appraisal well were expensed in the first quarter of the year.

Other Countries

Capital and exploration expenditures outside of India and Bangladesh totaled $13 million for fiscal 2015, including $2 million in the fourth quarter of the year. Exploration and evaluation costs expensed directly to income of $17 million and other exploration and evaluation expenditures of $2 million for the year have been partially offset by the impact of returning $6 million of drilling inventory to suppliers in the first quarter of the year.

ESTIMATED RESERVES and ESTIMATED AFTER-TAX NET PRESENT VALUE OF FUTURE NET REVENUE

Estimated Reserves

	As at March 31,	
Gross[1] (Bcfe)	2015	2014
Proved[2]	218	387
Proved plus Probable[2]	546	591

(1) 'Gross' reserves are defined as those accruing to the Company's working interest share before deduction of royalties and government share of profit petroleum, and are reflected on a gas equivalent basis.
(2) Figures in the table for March 31, 2014 exclude 197 Bcf of proved natural gas reserves and 235 Bcf of proved plus probable natural gas reserves related to the Company's interest in Block 5(c) in Trinidad and Tobago that was sold subsequent to March 31, 2014.

Deloitte LLP ("Deloitte"), an independent petroleum engineering firm, has prepared its reserves evaluations for the Company's interests in the D6 and NEC-25 Blocks in India and Block 9 in Bangladesh. These evaluations have been prepared in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* and the Canadian Oil and Gas Evaluation Handbook, with an effective date of March 31, 2015.

Deloitte has evaluated the reserves for the Company's assets in India using its forecast of commodity price inputs into the Indian natural gas pricing formula under the Guidelines (effective November, 2014).

India

Combined proved reserves and proved plus probable reserves for the D6 and NEC-25 Blocks in India of 70 Bcfe and 369 Bcfe, respectively, as at March 31, 2015, reflect the reclassification of the reserves for certain undeveloped fields from proved reserves to probable reserves due to the uncertainty in the economic viability of the development projects at the prices assumed in the reserve evaluations of these fields.

Bangladesh

Proved reserves for Block 9 in Bangladesh increased to 148 Bcfe, as at March 31, 2015, reflecting net additions to proved reserves of 44 Bcfe and production of 24 Bcfe. Proved plus probable reserves for Block 9 increased to 177 Bcfe from 172 Bcfe at March 31, 2014.

Estimated After-tax Net Present Value of Future Net Revenue

	As at March 31,	
(millions of U.S. dollars)	2015	2014
Proved[1]	128	570
Proved plus Probable[1]	235	988

(1) Figures in the table for March 31, 2014 excludes after-tax net present value of future net revenue of $125 million for proved reserves and $159 million for proved plus probable reserves related to the Company's interest in Block 5(c) in Trinidad and Tobago that was sold subsequent to March 31, 2014.

Complete details of the Company's reserves and future net revenues attributable thereto are contained in its Annual Information Form for the year ended March 31, 2015, which will be available on the Company's SEDAR profile at www.sedar.com.

CONTINGENT RESOURCES FOR MJ DISCOVERY IN THE D6 BLOCK IN INDIA

As previously disclosed, Deloitte prepared an independent resources evaluation report for the MJ Discovery in the D6 Block in India. The evaluation has been prepared in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* and the Canadian Oil and Gas Evaluation Handbook, with an effective date of March 31, 2015. Deloitte's best case estimate of gross unrisked contingent resources of 1.4 trillion cubic feet of equivalent (Niko's share 140 Bcfe) relates to the Central (North), Northern and Central (South) fault blocks that were drilled by the MJ-1, MJ-A1, and MJ-A3 wells, based on an estimated areal extent of approximately 24 square kilometers, approximately twice the areal extent of the analogous MA field that is currently producing. Further details of the independent resources report for the MJ Discovery in the D6 Block in India are contained in the Material Change Report dated April 6, 2015, filed on the Company's SEDAR profile at www.sedar.com.

FINANCIAL RESULTS

(millions of U.S. dollars)	Three months ended March 31, 2015	2014	Year ended March 31, 2015	2014
EBITDAX	19	20	82	101
Net loss	(435)	(1)	(673)	(657)

(1) EBITDAX is a non-IFRS measure as defined by the Company in its filings of its Management's Discussion and Analysis on SEDAR at www.sedar.com. The most comparable IFRS measure is net loss and a reconciliation of EBITDAX to net loss is contained in the Company's Management's Discussion and Analysis.

EBITDAX for the fourth quarter of fiscal 2015 was $19 million compared to $20 million in the fourth quarter of fiscal 2014, primarily due to lower oil prices, decreased sales volumes, and higher government share of revenue in Block 9 in Bangladesh, partially offset by higher natural gas prices for the D6 Block in India. EBITDAX for fiscal 2015 was $82 million compared to $101 million for fiscal 2014, primarily due to lower oil prices, decreased sales volumes, higher government share of revenue in Block 9 in Bangladesh and income in the prior year related to the farm-out of an interest in the Grand Prix block in Madagascar, partially offset by higher natural gas prices for the D6 Block in India.

Net loss for the fourth quarter of fiscal 2015 of $435 million primarily related to the after-tax impact of $230 million of reductions in the carrying values of the Company's producing, development and exploration and evaluation assets in India and capital inventory in Trinidad, recognition of $192 million of liabilities for unfulfilled exploration work commitments in Indonesia and Trinidad, partially offset by $23 million of reversal of asset impairments related to four Indonesia PSCs sold in April 2015, and a $17 million gain on derivative related to the revaluation of the Company's deferred obligation related to the D6 Block in India. Net loss for fiscal 2015 primarily related to the items above and recognition in the first three quarters of the year of $67 million of reductions in the carrying values of the Company's exploration and evaluation assets and capital inventory in Trinidad and Indonesia, accelerated accretion expense of $81 million resulting from the reclassification of the Company's term loan facilities and convertible notes from long-term to current liabilities in the third quarter, partially offset by a $48 million gain on derivative related to the revaluation of the Company's deferred obligation related to the D6 Block in India recognized in the third quarter. Net loss for fiscal 2014 related primarily to the after-tax impact of reductions in the carrying value of the Company's exploration and evaluation assets in Indonesia and Trinidad.

Complete details of the Company's financial results are contained in its consolidated financial statements and Management's Discussion and Analysis for the year ended March 31, 2015 which will be available on the Company's SEDAR profile at www.sedar.com.

For further information, please contact:
Niko Resources Ltd. (403) 262-1020, Glen Valk, VP Finance & CFO, or visit the Company's website at www.nikoresources.com.

Forward-Looking Information
Certain statements in this press release constitute forward-looking information. Specifically, this press release contains forward looking information relating to the ability of the Company to successfully complete its strategic alternatives plan on a timely basis, the ability of the Company to obtain the Consents, the Company complying with the terms of the facilities agreement, as amended (including meeting and satisfying certain milestones), and the ability of the Company to give effect to its business plan. Such forward-looking information is based on a number of risks, uncertainties and assumptions, which may cause actual results or other expectations to differ materially from those anticipated and which may prove to be incorrect. There can be no assurances that the Company will be able to successfully complete its strategic alternatives plan on a timely basis or give effect to an alternative plan thereto, or that the Company will be able to obtain the Consents, or that the Company will be able to comply with the terms of the facilities agreement, as amended, or that the Company will be able to meet the goals and purposes of its business plan or meet and satisfy the milestones agreed to with the lenders. The failure to meet or satisfy any of the foregoing is likely to have a material adverse impact on the Company and could significantly impair the value of security holders' interest in the Company. Undue reliance should not be placed on forward-looking information. Such forward-looking information reflects the Company's current beliefs and assumptions and is based on information currently available to the Company. This forward-looking information is based on certain key expectations and assumptions, many of which are not within the control of the Company and include expectations and assumptions regarding its future growth, results of operations, production, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, plans for and results of drilling activity, environmental matters, business prospects and opportunities, prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, the performance of existing wells, the success of drilling new wells, the availability of capital to undertake planned activities, the availability and cost of labour and services and general market conditions. The reader is cautioned

that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be incorrect. Actual results may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors and such variations may be material. Such risk factors include, but are not limited to: the risks associated with the Company meeting its obligations under the amended facilities agreement and successfully completing a strategic plan, as well as the risks associated with the oil and natural gas industry in general, such as operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of estimates and projections relating to production rates, costs and expenses, commodity price and exchange rate fluctuations, government regulation, marketing and transportation risks, environmental risks, competition, the ability to access sufficient capital from internal and external sources, changes in tax, royalty and environmental legislation, the impact of general economic conditions, imprecision of reserve estimates, the lack of availability of qualified personnel or management, stock market volatility, risks associated with meeting all of the Company's financing obligations and contractual commitments (including work commitments), the risks discussed under "Risk Factors" in the Company's Annual Information Form for the year-ended March 31, 2015 and in the Company's public disclosure documents, and other factors, many of which are beyond the Company's control. Niko makes no representation that the actual results achieved during the forecast period will be the same in whole or in part as those forecast.

The forward looking information included in this press release is expressly qualified in its entirety by this cautionary statement. The forward looking information included herein is made as of the date of this press release and Niko assumes no obligation to update or revise any forward looking information to reflect new events or circumstances, except as required by law.

Reserves and Resources Advisory

In addition, statements relating to "reserves" and "contingent resources" contained herein are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the resources described can be economically produced in the future. Future net revenue values are estimated values only and do not represent fair market value. The reserve and resource estimates provided herein are estimates only and there is no assurance that the estimated reserves and other resources will be recovered. Actual reserves and resources may be greater than or less than the estimates provided herein. Terms related to reserves and resource classifications referred to herein are based on the definitions and guidelines in the Canadian Oil and Gas Evaluation Handbook and are set out in further detail in the Company's Annual Information Form for the year ended March 31, 2015 ("AIF") with respect to reserves and in the Material Change Report dated April 15, 2015 ("MCR") with respect to contingent resources.

The MCR contains additional detail with respect to the Company's resource assessment and includes the significant risks and uncertainties associated with the estimates and the recovery and development of the resources, and the specific contingencies which prevent the classification of the contingent resources as reserves. Readers should refer to the Material Change Report for a detailed breakdown of the high (P10), low (P90) and best (P50) Contingent Resources estimates. The Company's Material Change Report is available on SEDAR at www.sedar.com.

Additional details and assumptions in respect of the Company's reserves and associated future net revenues reported herein are contained in the report of Deloitte LLP for the year ended March 31, 2015 and are summarized in the AIF which will be available on SEDAR at www.sedar.com.

Non-IFRS Measures

The selected financial information presented throughout this press release is prepared in accordance with IFRS, except for "EBITDAX". The Company utilizes EBITDAX to assess performance and to help determine its ability to fund future capital projects and to repay debt. EBITDAX is calculated as net income before interest expense, income taxes, depletion and depreciation expenses, exploration and evaluation expenses, and other non-cash items (gain or loss on investments, gain or loss on asset disposal, gain or loss on derivatives, asset impairment, share-based compensation expense, restructuring expenses, accretion expense, unfulfilled exploration commitment expense and unrealized foreign exchange gain or loss). EBITDAX should not be viewed as a substitute for measures of financial performance presented in accordance with IFRS or as a measure of a company's profitability or liquidity. This non-IFRS measure do not have any standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other companies. Refer to the Company's Management's Discussion and Analysis for details on these non-IFRS financial measures.