NIKO RESOURCES LTD

NIKO REPORTS RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2016

Niko Resources Ltd. ("Niko" or the "Company") is pleased to report its operating and financial results for the quarter ended December 31, 2016. The operating results are effective February 14, 2017. All amounts are in US dollars unless otherwise indicated and all amounts are reported using International Financial Reporting Standards unless otherwise indicated.

CHIEF EXECUTIVE OFFICER'S MESSAGE TO THE SHAREHOLDERS

I am pleased to write to you as the new CEO of Niko Resources Ltd. I believe my long history with Niko and extensive international experience provide me with the necessary skill set and background needed to lead the Company through the many challenges that we face, as we seek to achieve our overarching goal of enhancing value and ultimately monetizing the Company's core assets for the benefit of all its stakeholders.

The ability of the Company to fund its operations over the next several months has been significantly impacted by the continued non-payment of amounts due for natural gas and condensate delivered from Block 9 in Bangladesh. We continue to actively pursue resolution of the situation in Bangladesh and believe we are making progress towards a resolution.

Faced with this liquidity concern, we have been diligently pursuing other options to enhance the Company's cash resources. We are actively marketing our interest in the D6 Block in India and we have initiated efforts to obtain financing for planned developed projects in the D6 Block. Also, as you may expect, we continue to ensure that we maintain close relationships with our lenders. While I believe these efforts could potentially provide a solution to our liquidity situation and achieve our Company's overarching goal, no assurance can be made that these efforts will provide a solution on a timely basis or at all.

The Company announces that Mr. Frederic F. (Jake) Brace has resigned from the Board of Directors of the Company due to unrelated business commitments. The Company will retain Mr. Brace as an advisor to the board.

To our employees and stakeholders, the management and the Board of your company wish to thank you for your support during these difficult times. While we remain hopeful, we acknowledge that much work has to be done and we are committed to doing our best for the benefit of all stakeholders.

William Hornaday – Chief Executive Officer, Niko Resources Ltd.

LIQUIDITY AND CAPITAL RESOURCES

Funding of Projected Cash Requirements of the Company

The Company's cash flow has been negatively impacted by the failure of Petrobangla (as defined below) to comply with its legal obligations (see *Non-payments by Petrobangla of Amounts Due* below). As a result, the Company's cash balances as at December 31, 2016 and projected revenues from its assets in India are not expected to be sufficient to fund the projected cash requirements of the Company's assets in India and its other cash requirements over the next several months. However, the Company's cash resources, and therefore its ability to fund its operations for the next 12 months, would be positively enhanced by the following:

- Receiving payments from Petrobangla of amounts due,
- Executing sale(s) of the Company's interests in its core assets in India and Bangladesh, or
- Obtaining financing for planned development projects in the D6 Block.

No assurance can be made that some or all of the above can be accomplished at all or on a timely basis. The failure to achieve any of the above on a timely basis would likely have a material adverse impact on the ability of the Company to fund its operations.

Term Loan and Convertible Notes

In July 2016, the Company executed an amendment (the "Fourth Amendment") to the terms of the Facilities Agreement with its Term Loan Lenders and executed a supplemental indenture to the Indenture governing its Convertible Notes (the "Indenture Amendment") (collectively, the "Amendments"). The key terms of the Amendments are described in the audited consolidated financial statements for the year-ended March 31, 2016. As a result of the Amendments, the Company is not required to make interest payments (including interest previously owing) under the Facilities Agreement or the Indenture during the term of the Amendments, nor make payments under the deferred obligation, other than in connection with waterfall distributions ("Waterfall Distribution"). The Amendments restrict the Company's ability to utilize potential proceeds from sales of assets and settlements of arbitration and / or tax claims, as any proceeds from these types of transactions will be required to be distributed amongst the lenders under the amended Facilities Agreement, the holders of the Convertible Notes (the "Noteholders") and the Company pursuant to the Waterfall Distribution. The Waterfall Distribution under the Amendments is as follows (and, in respect of amounts to be retained by the Company, is subject to the 2016 Settlement Agreement as set out under "Diamond Settlement" below):

- first tranche of the first $168 million:
  - (i) 100 percent to the Lenders
- capitalized interest on the Term Loan of up to $12 million:
  - (ii) 100 percent to the Lenders
- second tranche of the next $100 million, on a *pro rata* basis:
  - (i) 62.67 percent to the Lenders,
  - (ii) 29.33 percent to the Noteholders, and
  - (iii) 8.00 percent to be retained by the Company of which 20 percent is payable to Diamond
- third tranche of the next $120 million, on a *pro rata* basis:
  - (i) 40 percent to the Lenders,
  - (ii) 40 percent to the Noteholders, and
  - (iii) 20 percent to be retained by the Company of which 20 percent is payable to Diamond
- fourth tranche of any proceeds above the Third Tranche, on a *pro rata* basis:
  - (i) 20 percent to the Lenders,
  - (ii) 20 percent to the Noteholders, and
  - (iii) 60 percent to be retained by the Company of which 20 percent is payable to Diamond, subject to a cap

The cumulative proceeds distributed to each of (A) the Lenders shall not exceed the total principal and interest amounts outstanding to the Lenders as at the effective date of the Fourth Amendment plus interest accruing at a rate of 15 percent per annum from such date plus any amounts owing under the deferred obligation plus capitalized interest under the Term Loan and (B) the Noteholders shall not exceed the total principal and interest outstanding to the Noteholders as at the effective date of the Fourth Amendment plus interest accruing at a rate of 7 percent per annum from such date. All funds retained by the Company under the Waterfall Distribution will be retained free from the security (and claims for payment) held by the Lenders and Noteholders, however, the Company is required to make future payments to Diamond equal to 20 percent of amounts to be retained by the Company pursuant to the Waterfall Distribution, subject to a cap.

Diamond Settlement Agreement

In October 2016, Niko executed an agreement (the "2016 Settlement Agreement") with subsidiaries of Diamond Offshore ("Diamond") relating to the settlement of outstanding claims under drilling contracts and the Diamond Settlement Agreement executed in December 2013 (the "2013 Settlement Agreement") (including related judgements granted by courts in Texas and Alberta), in compliance with the terms of the Fourth Amendment.

Under the 2016 Settlement Agreement, in exchange for full and final mutual releases of outstanding claims under the drilling contracts and the 2013 Settlement Agreement (including related judgements), the Company has:

- (i) agreed to make future payments to Diamond equal to 20 percent of amounts to be retained by the Company pursuant to the Waterfall Distribution, subject to a cap;
- (ii) paid to Diamond a cash settlement amount; and
- (iii) assigned to Diamond a portion of potential contingent payments under the previously announced sale agreement for the Company's interest in five Indonesian production sharing contracts ("PSCs").

Non-payments by Petrobangla of Amounts Due

Since June 2016, Bangladesh Oil, Gas and Mineral Corporation ("Petrobangla") has paid reduced amounts to the operator of the Block 9 PSC for invoiced amounts due for gas and condensate supplied from the Block 9 PSC pursuant to the Block 9 gas and condensate sales agreements, with the amounts withheld equal to the 60 percent share in the Block 9 PSC held by Niko Exploration (Block 9) Limited ("Niko Block 9"). Niko Block 9 has issued notices of dispute and force majeure under the Block 9 PSC and sales agreements to the Government of Bangladesh and Petrobangla. As the cash flow that was expected to be generated by the Block 9 PSC was targeted to fund the current and projected capital expenditures related to the drilling program in Block 9 in fiscal 2017 as well as other cash requirements of the Company, withholdings by Petrobangla of amounts due to Niko Block 9 for gas and condensate supplied from the Block 9 PSC have significantly impacted the Company's ability to fund its operating and capital requirements. Since late September 2016, Niko Block 9 has not paid cash calls that were due and has been issued default notices by the operator of the Block 9 PSC. Under the terms of the joint operating agreement ("JOA") between the participating interest holders in the Block 9 PSC, during the continuance of a default, the defaulting party shall not have a right to its share of gas and condensate sales proceeds, which shall vest in and be the property of the non-defaulting parties who have paid to cover the amount in default in order to recover the amounts owed by the defaulting party. In addition, if the defaulting party does not cure a default within 60 days of the default notice, the non-defaulting parties have the option to require the defaulting party to withdraw from the PSC and JOA. To date, the non-defaulting parties have not exercised this option.

Claim from the Government of India in Alleged Migration of Natural Gas Dispute

In November 2016, the contractor group of the D6 Block in India received a letter from the Government of India ("GOI"), in which the GOI made a claim of approximately $1.55 billion (Niko share $155 million) against the contractor group in respect of gas said to have migrated from neighboring blocks to the D6 Block. Reliance Industries Ltd. ("RIL"), the operator of the D6 Block, has invoked the dispute resolution mechanism in the PSC and issued a Notice of Arbitration to the GOI. Niko believes the contractor group is not liable for the amount claimed by the GOI and is working with the contractor group to defend against the claim by invoking the dispute resolution mechanism in the PSC.

Exploration Subsidiaries

The Company's exploration subsidiaries that currently own or previously owned interests in PSCs in Trinidad and Indonesia have significant accounts payable and accrued liabilities (including PSC obligations) and unfulfilled exploration work commitments reflected on the Company's balance sheet as at December 31, 2016, with the unfulfilled commitments and PSC obligations in Trinidad backed by parent company guarantees. In August 2016, three of the Company's indirect subsidiaries received written notice from the Government of the Republic of Trinidad and Tobago ("GORTT") requesting that unfulfilled exploration work commitments be performed under each of the subsidiaries' respective PSCs within 60 days, failing which the GORTT would terminate the PSCs and exercise its rights on the parent company guarantees for unfulfilled exploration commitments of $118 million. The GORTT has not taken any further steps in this regard. The Company is considering various options to address this matter.

Contingent Liabilities

The Company and its subsidiaries are subject to various claims from other parties, as described in Note 22 of the condensed interim financial statements for the three and nine months ended December 31, 2016, 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.

Complete details of the Company's financial results are contained in its condensed interim consolidated financial statements and Management's Discussion and Analysis for the nine months ended December 31, 2016 which will be available under the Company's SEDAR profile at www.sedar.com.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS BY REPORTABLE SEGMENT

The Company's financial results for the third quarter of fiscal 2017 were impacted by the following significant items:

Diamond Settlement
As a result of the 2016 Settlement Agreement, the carrying value of the contract settlement obligation that had been reflected as a current liability was derecognized and this obligation was recorded as a long-term liability at its estimated fair value, resulting in the recognition of a gain on debt modification of $28 million, net of costs. The value of this obligation is primarily dependent on the net proceeds that would be distributed to Diamond in the future under the Waterfall Distribution mechanism in the Fourth Amendment upon the sale of the assets of the Company and other events, and is therefore highly uncertain. The estimated fair value of the contract settlement obligation was determined using the estimated fair value of the Convertible Notes and the corresponding net proceeds that would be payable to Diamond under the Waterfall Distribution mechanism.

Non-payments by Petrobangla of Amounts Due
As a result of the continued non-payments by Petrobangla of amounts due and Niko Block 9's non-payments of cash calls due to the operator and the default mechanism in the Block 9 JOA, the invoices issued by the operator of the Block 9 PSC for gas and condensate sales to Petrobangla for the third quarter of fiscal 2017 reflect the non-defaulting parties' entitlement to the sales proceeds and as such, for the third quarter of fiscal 2017, the Company did not recognized $8 million of net oil and gas revenue that it otherwise would have been entitled to.

If Niko Block 9 does not receive amounts due from Petrobangla in the near future, the Company may not be able to reflect any natural gas and condensate reserves for Block 9 in its reserves disclosures as at March 31, 2017 and would need to assess whether the carrying value of the assets in Block 9 would need to be significantly impaired.

Consolidated

	Three months ended December 31,		Nine months ended December 31,	
(millions of US Dollars, unless otherwise indicated)	2016	2015	2016	2015
Sales volumes (MMcfe/d)[(1)]	84	102	88	105
Net oil and natural gas revenue	7	22	36	74
EBITDAX from continuing operations[(2)]	1	11	17	46
Net income (loss) from continuing operations	23	(27)	242	(133)
Net income (loss) from discontinued operations	(2)	4	(2)	(30)
Development capital expenditures	13	2	28	19
Net cash flow[(3)]	(8)	0	(21)	(23)

(1) Includes volumes for September 2016 to December 2016 in Bangladesh for which revenue has not been recognized (see below).
(2) Refer to "Non-IFRS Measures" for details.
(3) Net cash flow is the total change in cash and cash equivalents as stated in the Company's statement of changes in cash flow. This additional IFRS measure is used to show the total change in cash and cash equivalents from the Company's operating, investing and financing activities.

Natural production declines and lower natural gas prices for the D6 Block in India and the non-recognition of net revenue for Block 9 in Bangladesh for the third quarter of fiscal 2017 contributed to lower net oil and gas revenue and lower EBITDAX for the Company for the third quarter of fiscal 2017 compared to the third quarter of fiscal 2016. Net income from continuing operations of $23 million for the third quarter of fiscal 2017 primarily resulted from the gain on debt modification of $28 million resulting from the 2016 Settlement Agreement and a deferred income tax recovery of $4 million, partially offset by depletion and depreciation expense of $7 million. Net loss from continuing operations of $27 million for the third quarter of fiscal 2016 primarily reflected interest expense on the Term Loan and Convertible Notes and asset impairment in the D6 Block in India.

Development capital expenditures of $13 million for the third quarter of fiscal 2017 related primarily to development well programs in the D6 Block in India and in Block 9 in Bangladesh.

Net cash flow of ($8) million for the third quarter of fiscal 2017 primarily reflected the impact of EBITDAX of $1 million, payments for development capital expenditures of $8 million, and principal and interest repayments of $3 million on the finance lease related to the floating, production, storage and offloading vessel ("FPSO") employed in the D6 Block in India. Net cash flow for the third quarter of fiscal 2016 primarily reflected the impact of EBITDAX of $11 million, payments for development capital expenditures of $8 million, and principal and interest repayments of $3 million on the finance lease.

India

	Three months ended December 31,		Nine months ended December 31,	
(millions of US Dollars, unless otherwise indicated)	2016	2015	2016	2015
Sales volumes (MMcfe/d)	28	40	30	42
Net oil and natural gas revenue	7	15	25	54
Segment EBITDAX[1]	3	10	14	39
Segment income (loss)	(0)	(15)	(0)	(85)
Development capital expenditures	5	1	16	16
Segment net cash flow[1]	(7)	(0)	(10)	(3)

(1) Refer to "Non-IFRS Measures" for details.

Total sales volumes from the D6 Block for the third quarter of fiscal 2017 of 26 MMcfe/d decreased from 39 MMcfe/d for the third quarter of fiscal 2016 primarily due to the impact of natural production declines in the fields in the block, partially offset by incremental production from sidetracks and reactivations during fiscal 2016 and fiscal 2017. Production from the first of two planned sidetrack wells in the MA field commenced in early October 2016 and contributed approximately 3 MMcfe/d of production for the third quarter of fiscal 2017.

Net oil and natural gas revenues decreased for the third quarter of fiscal 2017 compared to the third quarter of 2016 primarily due to lower natural gas sales volumes and prices. The notified price for gas sales from the D6 Block for October 2016 to March 2017 is $2.50 / MMbtu GCV, a decrease of 35 percent from the notified price for October 2015 to March 2016 of $3.82 / MMbtu GCV.

Segment EBITDAX of $3 million for the third quarter of fiscal 2017 decreased compared to the third quarter of fiscal 2016 primarily due to lower net oil and natural gas revenues, partially offset by the impact of lower production and operating expenses for the D6 Block.

Segment loss for the third quarter of fiscal 2017 decreased compared to a segment loss of $15 million in the third quarter of fiscal 2016 primarily due to lower depletion expense and lower asset impairment expense, partially offset by lower EBITDAX. Depletion expense decreased for the third quarter of fiscal 2017 compared to the third quarter of fiscal 2016 due to lower production volumes and a lower depletion rate resulting from a change in the depletion calculation for the common facilities of the D6 Block effective April 1, 2016, whereby the costs of common facilities are depleted using the total proved reserves of the D6 Block instead of being depleted using the total proved reserves of producing fields in prior periods. Segment loss of $15 million for the third quarter of fiscal 2016 reflected asset impairment expense of $15 million primarily related to the reductions in the carrying value of the Company's assets in the D6 Block in India that were subsequently reversed in the fourth quarter of fiscal 2016.

Development capital expenditures of $5 million for the third quarter of fiscal 2017 primarily related to the development drilling program in the D6 Block in India. The drilling of the second of two planned sidetrack wells in the MA field commenced in late September 2016 and production from this well commenced in late January 2017.

Segment net cash flow of ($7) million for the third quarter of fiscal 2017 primarily reflected the impact of $3 million of segment EBITDAX, which was more than offset by $8 million of payments for development capital expenditures, and $3 million of principal and interest repayments on the finance lease related to the FPSO employed in the D6 Block.

In the third quarter of fiscal 2017, the Company signed an asset sale and purchase agreement for the sale of its 33.33% interest in the Hazira field in India. Closing of the sale transaction is subject to government and other approvals. The Company's share of sales volumes from the Hazira field for the third quarter of fiscal 2017 of 1.3 MMcfe/d was virtually unchanged from the third quarter of fiscal 2016.

Bangladesh

(millions of US Dollars, unless otherwise indicated)	Three months ended December 31, 2016	2015	Nine months ended December 31, 2016	2015
Sales volumes (MMcfe/d)[(1)]	57	62	58	63
Net oil and natural gas revenue	-	7	11	20
Segment EBITDAX[(2)]	(1)	4	6	12
Segment income (loss)	(2)	2	(11)	7
Development capital expenditures	8	1	11	3
Segment net cash flow[(2)]	(0)	5	(0)	11

(1) Includes volumes for September 2016 to December 2016 for which revenue has not been recognized (see below).
(2) Refer to "Non-IFRS Measures" for details.

Total sales volumes from Block 9 in the third quarter of fiscal 2017 decreased from the third quarter of fiscal 2016, primarily reflecting the impact of increased delivery pressure requirements of the sales trunkline.

Net oil and natural gas revenues for the third quarter of fiscal 2017 decreased from the third quarter of fiscal 2016 due to lower sales volumes and the non-recognition of $8 million of net oil and gas revenues for the third quarter in Block 9 (refer to discussion on *Non-payments by Petrobangla of Amounts Due* in the Liquidity and Capital Resources section).

Segment EBITDAX of ($1) million for the third quarter of fiscal 2017 decreased compared to the third quarter of fiscal 2016 primarily as a result of the non-recognition of net oil and gas revenues in the third quarter, partially offset by lower production and operating expenses.

Segment loss of $2 million for the third quarter of fiscal 2017 decreased compared to segment income of $2 million in the third quarter of fiscal 2016 primarily as a result of a negative segment EBITDAX, partially offset by lower depletion expense.

Development capital expenditures of $8 million for the third quarter of fiscal 2017 related primarily to costs for the development drilling program in Block 9 in Bangladesh. The drilling of the first of two planned development wells in the Bangora field commenced in September 2016 and this well was brought on-stream in late January 2017. Commencement of drilling of the second well targeted for the fourth quarter of fiscal 2017 is currently under evaluation (refer to discussion on *Non-payments by Petrobangla of Amounts Due* in the Liquidity and Capital Resources section).

Segment net cash flow for the third quarter of fiscal 2017 primarily reflected the non-payment by Petrobangla of amounts due to the Company and non-payment by the Company of cash calls due to the operator for development capital and operating expenditures in Block 9 (refer to discussion on *Non-payments by Petrobangla of Amounts Due* in the Liquidity and Capital Resources section).

Other

(millions of US Dollars, unless otherwise indicated)	Three months ended December 31, 2016	2015	Nine months ended December 31, 2016	2015
Segment EBITDAX from continuing operations[(1)]	(2)	(3)	(3)	(5)
Segment income (loss) from continuing operations	26	(14)	254	(55)
Net income (loss) from discontinued operations	(2)	4	(2)	(30)
Segment net cash flow from continuing operations[(1)]	(1)	(6)	(11)	(37)
Segment net cash flow from discontinued operations[(1)]	(0)	2	(0)	6

(1) Refer to "Non-IFRS Measures" for details.

Segment income for the third quarter of fiscal 2017 of $26 million increased from a segment loss in the third quarter of fiscal 2016 of $14 million, primarily resulting from the recognition of a gain on debt modification of $28 million on the 2016 Settlement Agreement and lower recorded interest expense on the Term Loan and Convertible Notes due to the debt modification in July 2016.

Net loss from discontinued operations for the third quarter of fiscal 2017 of $2 million increased from a net income in the third quarter of fiscal 2016 of $4 million, primarily resulting from the recognition of additional unfulfilled exploration commitments on certain PSCs in Indonesia. In the third quarter of fiscal 2016, net income primarily resulted from an unfulfilled exploration commitment recovery of $5 million, partially offset by asset impairment of $2 million.

Segment net cash flow from continued operations of ($1) million for the third quarter of fiscal 2017 decreased from ($6) million in the third quarter of fiscal 2016 primarily due to lower payments for restructuring costs and legal expenses pertaining to arbitrations in Bangladesh.

Segment net cash flow from discontinued operations for the third quarter of fiscal 2017 reflect the significant decrease in activity subsequent to the sale of Indonesia subsidiaries in fiscal 2016. Net cash flow from the discontinued operations of $2 million for the third quarter of fiscal 2016 reflect receipt of net cash consideration for the sale of the subsidiary that held an interest in the fifth of five Indonesian PSCs that was sold in fiscal 2016.

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 Company's ability to fund its cash requirements over the next several months, the ability of the Company to successfully complete its strategic plan on a timely basis, compliance with the 2016 Settlement Agreement, the Company not being liable in respect of claims made by the GOI and the successful pursuit of legal rights by the Company related to disputes with the Government of Bangladesh and its subsidiary entities. 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 plan on a timely basis or that the Company will be able to meet the goals and purposes of its business plan (including resolving various disputes against governments and others in its favour) or fund its operations over the next several months. The failure to meet or satisfy any of the foregoing is likely to have a material adverse impact on the Company and thereby 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 the future actions of the Company's lenders, future actions of the GOI, future actions of the People's Republic of Bangladesh, Petrobangla or Bapex, whether courts in the People's Republic of Bangladesh will recognize the exclusive jurisdiction of the international tribunals constituted under the Rules of the International Centre for Settlement of Investment Disputes, Niko being able to terminate or otherwise overcome a certain stay order in respect of Block 9 PSC, non-defaulting parties not seeking to require a subsidiary of the Company to withdraw from the Block 9 PSC, future commodity prices, 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 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: risks related to the ability of the Company to continue as a going concern, the risks associated with the Company meeting its obligations under the amended Facilities Agreement and successfully completing its strategic plan, risks related to the various legal claims against the Company or its subsidiaries, risks related to non-payments by Petrobangla of amounts due to subsidiaries of the Company, 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, 2016 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.

Non-IFRS Measures

The selected financial information presented throughout this press release is prepared in accordance with IFRS, except for "EBITDAX", "Segment EBITDAX" and "Segment Net Cash Flow". The Company utilizes EBITDAX and Segment EBITDAX to assess performance and to help determine its ability to fund future capital projects and to repay debt. EBITDAX and Segment 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 debt modification, 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). Segment net cash flow is the total change in cash and cash equivalents for each of the Company's reportable segments (India, Bangladesh and Other). This additional measure is used to show the total net change in cash and cash equivalents from the reportable segment's operating, investing and financing activities. EBITDAX, Segment EBITDAX and Segment Net Cash Flow 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. These non-IFRS measures do not have any standardized meaning prescribed by IFRS and is therefore may not 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.