

Niko Obtains Offshore Exploration Acreage in Indonesia

Niko Resources Ltd. (TSX -"NKO") is pleased to announce that the Indonesian government has provisionally awarded Niko and its partners four blocks covering almost 20,000 square kilometers. In two of the blocks, Niko will be operator and earn a 51% working interest. In the two other non-operated blocks, Niko will earn a 25% working interest. Each of the Blocks is approximately 5,000 square kilometers and located primarily in deep water. These blocks represent prime acreage selected from extensive geologic and geophysical evaluations covering one million square kilometers, an area the size of Texas and California combined.

The acquisition of these blocks will establish Niko as a leading company in the exploration of the largely unexplored deep water areas offshore Indonesia. Considering the overwhelming success in finding oil and gas in shallow water and onshore areas of Indonesia, there is potential that Indonesian deep waters will provide successes similar to those seen in the deep waters of India, Brazil, Gulf of Mexico and West Africa to mention a few.

The 2 blocks operated by Niko are in the deep waters of the prolific Kutei Basin where over 7 billion barrels of oil equivalent have been proved to date on land and in shallow water. This area will see a significant amount of drilling by major oil companies over the next 2 years verifying the high expectations held by the industry. The 2 non-operated blocks are also associated with areas containing in excess of 2 billion barrels of oil equivalent.

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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.