

Niko Announces Favourable ICSID Tribunal Decision on Implementation of Decision on Payment Claim

CALGARY, ALBERTA (October 14, 2015) – Niko Resources Ltd. (“Niko” or the “Company”) (TSX – “NKO”) is pleased to announce that an international tribunal (the “Tribunal”) constituted under the Rules of the International Centre for Settlement of Investment Disputes (“ICSID”) has issued a favourable decision on the implementation of its decision of September 11, 2014 on the payment claim initiated by the Company’s indirect subsidiary, Niko Resources (Bangladesh) Ltd. (“NRBL”), against Bangladesh Oil Gas & Mineral Corporation (“Petrobangla”), a crown corporation of the Government of Bangladesh.

In the ICSID arbitration case with respect to NRBL’s claim for payments owing to it by Petrobangla for gas deliveries made under the Feni Gas Purchase and Sale Agreement between those parties, the Tribunal decided that:

- a) Petrobangla shall pay into escrow accounts:
 - i) approximately US\$25 million plus approximately 140 million Bangladeshi taka (“BDT”) as per invoices for gas delivered from November 2004 to April 2010; plus
 - ii) interest to September 11, 2014 of approximately US\$6 million and approximately 50 million BDT; plus
 - iii) interest from September 12, 2014, at the six-month London Interbank Offered Rate + 2% for USD amounts and 5% for BDT amounts, compounded annually;
- b) The escrow accounts shall be opened by NRBL at a reputable, internationally operating bank and the funds in the escrow accounts shall be released only (a) as instructed by the Tribunal or (b) by joint instructions of Niko and Petrobangla; and
- c) Petrobangla shall ensure that the USD amounts paid into the escrow account are freely available to NRBL without any restrictions if and when payment to NRBL is ordered by the Tribunal.

Based on a USD to BDT exchange rate of 1 USD = 77.8 BDT, the claim amount due to NRBL to date totals approximately \$34.6 million (approximately \$27.1 million for invoiced amounts, approximately \$6.6 million for accrued interest to September 11, 2014 and approximately \$0.9 million for interest from September 12, 2014 to date).

The funds in the escrow accounts are expected to be held pending the decision of the Tribunal in the ICSID arbitration case (the “Compensation Declaration”) between NRBL and Bangladesh Petroleum Exploration and Production Company Limited (“Bapex”), a subsidiary of Petrobangla, with respect to responsibility for and damages arising from the uncontrolled flow problems that occurred in the Chattak field in January and June 2005. A Tribunal hearing for the Compensation Declaration case is scheduled to occur in November 2015. The Company believes that the outcomes of the ICSID arbitration on the Compensation Declaration and a suit filed in Bangladesh by Petrobangla and the associated costs to the Company, if any, are not determinable. For further information, see the Company's Annual Information Form for the year ended March 31, 2015 and the Company's public disclosure documents filed on SEDAR 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 within the meaning of applicable securities legislation. Specifically, this press release contains forward-looking information relating to the timing and conditions of the release of escrowed funds pending the decision of the Tribunal in respect of the Compensation Declaration and the Company's assessment of potential outcomes related thereto. 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, including expectations and assumptions regarding the timing of the arbitration. 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 process and future determinations of the Tribunal 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.