

Niko Provides Update on Natural Gas Prices in India

CALGARY, ALBERTA (September 30, 2016) – Niko Resources Ltd. (“Niko” or the “Company”)(TSX – “NKO”) provides the following updates on natural gas prices in India:

Domestic Natural Gas Price for October 1, 2016 to March 31, 2017 for Fields Under Production as at December 31, 2015

In accordance with the New Domestic Natural Gas Pricing Guidelines, 2014, the Government of India (“GOI”) has issued a notification that the price of domestic natural for sales from fields under production as at December 31, 2015 for October 1, 2016 to March 31, 2016 will be \$2.50 / MMbtu based on the gross calorific value of the sales gas. This price represents a decrease of approximately 18 percent from the price for April 1, 2016 to September 30, 2016, and a decrease of approximately 34 percent from the price prior to adoption of the New Domestic Natural Gas Pricing Guidelines, effective November 1, 2014.

Gas Price Ceiling for October 1, 2016 to March 31, 2017 for Gas Produced from Discoveries in Deepwater, Ultra Deepwater and High Pressure - High Temperature Areas that had not Commenced Production as of January 1, 2016

In accordance with the GOI’s decision of March 10, 2016 on marketing including pricing freedom for gas to be produced from discoveries in deepwater, ultra deepwater and high pressure-high temperature areas that had not commenced production as of January 1, 2016, the GOI issued a notification that the gas price ceiling for October 1, 2016 to March 31, 2017 would be \$5.30 / MMbtu based on the gross calorific value of the sales gas, representing a decrease of approximately 20 percent from the corresponding gas price ceiling applicable for April 1, 2016 to September 30, 2016.

The announcement of the natural gas prices in India for April 1, 2017 to September 30, 2017 is expected to occur in March, 2017.

For further information, please contact:

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