NIKO REPORTS RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2017

Niko Resources Ltd. ("Niko" or the "Company") is pleased to report its operating and financial results for the quarter ended September 30, 2017. The operating results are effective November 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

We are continuing with our efforts to monetize the Company's core assets for the benefit of all its stakeholders. While positive steps are being made and we remain hopeful, achieving successful conclusions to these efforts will be challenging due to market conditions in the industry and our ongoing legal disputes in India and Bangladesh.

The Company's liquidity situation remains a critical concern. The Company has required certain consents from its senior lenders to fund its cash requirements over the past months and has received these required consents. We expect to require additional consents over the upcoming months. No assurance can be made that the Lenders will provide these consents in the future.

We remain 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 Bangladesh Oil, Gas and Mineral Corporation ("Petrobangla") to comply with its legal obligations as outlined below.

In order to fund the Company's cash requirements over the short term, the Company requires certain consents from the Lenders under its amended and restated facilities agreement and to date, the Company has received these consents. The Company expects that similar consents from the Lenders will be required over the upcoming months. The withholding of such consents by the Lenders during this period will have a material adverse impact on the Company's ability to fund its operations and is therefore likely to have a material adverse impact on all stakeholders.

The Company's cash resources, and therefore its ability to fund its operations, could be positively enhanced by various factors, including 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 appropriate steps will be taken, or goals accomplished, in a manner or on a timely basis so as to enhance the Company's cash resources sufficiently. The failure to enhance the Company's cash resources on a timely basis will have a material adverse impact on the ability of the Company to fund its operations.

Non-payments by Petrobangla of Amounts Due
Since June 2016, Petrobangla has paid reduced amounts to the operator of the Block 9 PSC for invoiced amounts due for gas and condensate supplied from March 2016 to March 2017 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") and totalling $42 million to date. Niko Block 9 has issued notices of dispute and force majeure under the Block 9 PSC and sales agreements to the Government of Bangladesh ("GOB") and Petrobangla. As the cash flow that was expected to be generated by the Block 9 PSC was targeted to fund the capital and operating expenditure of Block 9 as well as other cash requirements of the Company, 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 sixty 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. Refer to Note 24(a)(ii) of the condensed interim consolidated financial statements for the three and six months ended September 30, 2017 for further details on this matter.

Exploration Subsidiaries
The Company's exploration subsidiaries that 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 September 30, 2017. In May 2017, the Company's indirect subsidiaries received written notices from the GORTT terminating the three PSCs. In the Company's view, the parent guarantees for unfulfilled exploration commitments for the three PSCs have expired. Effective with the termination of the PSCs, the Company reclassified the Trinidad segment as discontinued operations in the condensed interim consolidated financial statements for the three and six months ended September 30, 2017.

Contingent Liabilities
The Company and its subsidiaries are subject to various claims from other parties, as described in Note 24 of the condensed interim consolidated financial statements as at and for the three and six months ended September 30, 2017 and are 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 are material uncertainties 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 three and six months ended September 30, 2017 which will be available under the Company's SEDAR profile at www.sedar.com.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS BY REPORTABLE SEGMENT

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 September 2016 to September 30, 2017 reflect the non-defaulting parties' entitlement to the sales proceeds and, as such, the Company has not recognized $29 million of net oil and gas revenues that it otherwise would have been entitled to, of which $5 million related to natural gas and condensate sales in the second quarter of fiscal 2018. In addition, the Company recognized an impairment of $13 million in the second quarter of fiscal 2017 related to the net revenue receivable from Petrobangla for the months of March 2016 to August 2016, of which $4.5 million related to the natural gas and condensate sales in the second quarter of fiscal 2017.

If the non-defaulting parties to the Block 9 exercise their option to require Niko Block 9 to withdraw from the PSC and JOA and if this results in a loss of Niko Block 9's interest in the PSC and JOA, then a full impairment of the Company's carrying value of the assets and liabilities related to Block 9 could result.

Minimum Contract Quantities Dispute - India

As a result of an arbitration award in respect of the Hazira field in India (described in the Company's Management's Discussion and Analysis for the three months ended June 30, 2017 available under the Company's SEDAR profile at www.sedar.com), in the first quarter of fiscal 2018, the Company recognized a liability of $28 million for awarded amount plus accrued interest to September 30, 2017.

The Company's results for the second quarter ended September 30, 2017 are as follows:

Consolidated

(thousands of US Dollars, unless otherwise indicated)	Three months ended September 30, 2017	2016	Six months ended September 30, 2017	2016
Sales volumes (MMcfe/d)[1]	77	86	80	89
Net oil and natural gas revenue	4,926	13,266	10,690	29,621
EBITDAX from continuing operations[2]	(444)	7,230	(1,123)	15,962
Net income (loss) from continuing operations	(7,698)	240,811	(42,035)	219,981
Net income (loss) from discontinued operations	58	252	238	(560)

(1) Includes volumes in Bangladesh for which revenue has not been recognized since September 2016 (see below).

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

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 contributed to lower net oil and natural gas revenue and lower EBITDAX for the Company in the second quarter of fiscal 2018 compared to the second quarter of fiscal 2017.

Net loss from continuing operations of $(8) million in the second quarter of fiscal 2018 was primarily due to lower net oil and natural gas revenue, partially offset by lower depletion and depreciation expense, lower interest expense and restructuring costs. Net income from continuing operations of $241 million for the second quarter of fiscal 2017 primarily attributed to the gain on debt modification of $255 million as a result of amendments to the term loan facilities agreement and convertible note indenture executed in July 2016, partially offset by a $13 million impairment of net revenue receivable from Petrobangla.

India

(thousands of US Dollars, unless otherwise indicated)	Three months ended September 30, 2017	2016	Six months ended September 30, 2017	2016
Sales volumes (MMcfe/d)[1]	20	29	22	31
Net oil and natural gas revenue	4,920	8,717	10,678	18,747
Segment EBITDAX[1]	1,251	5,108	4,336	10,323
Segment income (loss)	(3,459)	2,685	(32,483)	(168)

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

Total sales volumes from the D6 Block in the second quarter of fiscal 2018 of 19 MMcfe/d decreased from 28 MMcfe/d in the second quarter of fiscal 2017 primarily due to the impact of natural production declines and water and sand ingress that resulted in the shut-in of wells, partially offset by the impact of incremental production from sidetrack wells brought on-stream in the second half of fiscal 2017.

Net oil and natural gas revenues decreased in the second quarter of fiscal 2018 compared to the second quarter of fiscal 2017 primarily due to lower sales volumes and natural gas prices. The notified price for gas sales from the D6 Block for April 2017 to September 2017 was $2.48 / MMbtu, approximately 20 percent lower than the price for April 2016 to September 2016 of $3.06 / MMbtu. For October 2017 to March 2018, the notified price for gas sales from the D6 Block is $2.89 / MMbtu, approximately 17 percent higher than the notified price for April 2017 to September 2017.

Segment EBITDAX of $1 million in the second quarter of fiscal 2018 decreased compared to the second quarter of fiscal 2017 primarily due to lower net oil and natural gas revenues.

Segment loss of $(3) million in the second quarter of fiscal 2018 increased compared to segment income of $3 million in the second quarter of fiscal 2017 primarily due to lower EBITDAX, the recognition of impairment loss on the gas pool account receivable of $1 million in the second quarter of fiscal 2018 and a deferred income tax recovery of $6 million recorded in the second quarter of fiscal 2017, partially offset by lower depletion expense.

Bangladesh

(thousands of US Dollars, unless otherwise indicated)	Three months ended September 30, 2017	2016	Six months ended September 30, 2017	2016
Sales volumes (MMcfe/d)[1]	57	57	58	58
Net oil and natural gas revenue	-	4,544	-	10,867
Segment EBITDAX[1]	(1,176)	3,014	(2,686)	7,297
Segment loss	(2,793)	(11,338)	(5,507)	(8,544)

(1) Includes volumes for April 2017 to September 2017 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 second quarter of fiscal 2018 were flat compared to the second quarter of fiscal 2017, as the impact of increased delivery pressure requirements of the sales trunkline, was virtually offset by the impact of a development well that was brought on-stream in the fourth quarter of fiscal 2017.

Net oil and natural gas revenue in the second quarter of fiscal 2018 was not recognized due to non-payment of sales revenue by Petrobangla (refer to discussion on *Non-payments by Petrobangla of Amounts Due in the Liquidity and Capital Resources* section).

Segment EBITDAX in the second quarter of fiscal 2018 decreased compared to the second quarter of fiscal 2017 primarily as a result of the non-recognition of net oil and gas revenues, partially offset by lower production and operating expenses.

Segment loss of $(3) million in the second quarter in fiscal 2018 decreased compared to the segment loss of $(11) million in the second quarter of fiscal 2017 primarily as a result of an recognition in the second quarter of fiscal 2017 of a $13 million impairment of net revenue receivable from Petrobangla and lower depletion expense, partially offset by lower segment EBITDAX.

Other

(thousands of US Dollars, unless otherwise indicated)	Three months ended September 30, 2017	2016	Six months ended September 30, 2017	2016
Segment EBITDAX from continuing operations[1]	(519)	(892)	(2,773)	(1,658)
Segment income (loss) from continuing operations	(1,446)	249,464	(4,045)	228,693
Net income (loss) from discontinued operations	58	252	238	(560)

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

Segment EBITDAX from continuing operations in the second quarter in fiscal 2018 decreased from the second quarter of fiscal 2017, primarily due to lower legal costs associated with the Company's ICSID arbitration cases.

Segment loss from continuing operations in the second quarter in fiscal 2018 decreased from a segment income of $250 million in second quarter of fiscal 2017, primarily resulting for the recognition in the second quarter of fiscal 2017 of a gain on debt modification of $255 million.

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, and the ability to receive consents from the Lenders for funding of the Company's cash requirements over the upcoming months. 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, non-defaulting parties not seeking to require a subsidiary of the Company to withdraw from the Block 9 PSC or JOA, 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, risks related to the Company not being able to increase its cash resources, 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, 2017 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 forecasts.

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" and "Segment EBITDAX". 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, commercial claim expense and unrealized foreign exchange gain or loss). EBITDAX and Segment 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. 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.