

Niko Provides Corporate Update

CALGARY, ALBERTA (December 21, 2015) – Niko Resources Ltd. (“Niko” or the “Company”)(TSX – “NKO”) announces that it has reached an agreement with the institutional lenders of its US\$340 million senior term loan facilities on an extension to the standstill period to provide the Company with additional time to pursue its strategic plan.

Subject to certain conditions, the lenders have agreed not to act until January 15, 2016 on any rights or remedies arising from any default on the term loan, provided that the lenders could terminate the standstill period with 10 days notice if they become of the opinion that there is no reasonable prospect of agreeing to a commercially acceptable strategic plan.

The Company continues to pursue a strategic plan to maintain the Company’s core assets until the value of such assets can be enhanced for the benefit of the Company’s stakeholders. The Company believes it has sufficient liquidity to fund the cash requirements of its operating subsidiaries in India and Bangladesh and its corporate general and administrative expenses for the foreseeable future, provided that it receives concessions from its key stakeholders to significantly reduce the cash outflows to these stakeholders until the value of the Company’s core assets can be enhanced. These concessions are a key aspect of the strategic plan which the Company is currently negotiating with the lenders, representatives of the holders of the Company’s 7% senior unsecured convertible notes due December 31, 2017, and the parties to the Diamond Settlement Agreement. The strategic plan that the Company is pursuing will likely be subject to certain approvals by certain stakeholders and could have a significant negative impact on securityholders and other stakeholders and the value of their interests in the Company. No assurance can be made that any strategic plan can be accomplished at all or on a timely basis. The failure to effect a transaction pursuant to a strategic plan on a timely basis could prove to be unsatisfactory for stakeholders, which would likely have a material adverse impact on the value of their interest in the Company.

A copy of the second standstill agreement will be filed on the Company's SEDAR profile at www.sedar.com. For further information on the liquidity and capital resources of the Company, please see the Company’s MD&A for the three and six-month periods ended September 30, 2015, filed on the Company’s SEDAR profile 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. Specifically, this press release contains forward looking information relating to the ability of the Company to successfully complete its strategic plan on a timely basis (including obtaining the approval of debtholders) and the sufficiency of the Company's liquidity for the foreseeable future under certain circumstances. 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's liquidity will be sufficient over the foreseeable future. The failure to meet or satisfy any of the foregoing is expected to have a material adverse impact on the Company and could 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. 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 ability of the Company to reach an agreement on a timely basis with its lenders and the holders of the Notes and the risks discussed under "Risk Factors" in the Company's Annual Information Form for the year-ended March 31, 2015 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.