

**Niko Announces Sale of Its Interests in 7 Indonesian PSCs for
\$31 million plus up to \$56 million of Contingent Proceeds**

CALGARY, ALBERTA (October 27, 2014) – Niko Resources Ltd. (“Niko” or the “Company”) (TSX – “NKO”) is pleased to announce that it has executed a definitive agreement with a subsidiary of Ophir Energy plc relating to the sale of Niko’s interests in seven Indonesian production sharing contracts (“PSCs”) for cash consideration of \$31 million, with further payments of up to \$56 million contingent on future exploration success.

Closings of the transactions for each of the seven PSCs are subject to closing adjustments and a number of conditions including the approval of the Government of Indonesia, certain other third party consents and agreements, and other conditions customary for transactions of this nature.

Upon closings of the transactions, a specified portion of the proceeds would be used to reduce the Company’s outstanding contract settlement obligation to Diamond Offshore, with the remainder subject to conditions outlined in the Company’s term loan facilities agreement.

“The sale of these PSCs aligns with our strategy to strengthening our balance sheet, while maintaining exposure to future potential exploration success,” said Kevin J. Clarke, Chairman and interim Chief Executive Officer. “Our team will continue to focus on developing innovative solutions that include farm-outs or sales of selected assets in our portfolio to further improve our balance sheet and increase our operating flexibility.”

**Summary of Production Sharing Contracts
included in Agreement**

Contract Area	Working Interest
West Papua IV	49.9%
Aru	60%
North Makasar Strait	30%
North Ganal	18.5%
Obi	42%
Kofiau	100%
Halmahera-Kofiau	80%

About Niko Resources Ltd.:

With its head office in Calgary, Alberta, Canada, Niko is focused on value generation in the D6 Block in India, while maintaining optionality to benefit from the exploration potential in its portfolio.

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 closing of the transactions, the use of proceeds upon closing and the development of innovative solutions that include farm-outs or sales of selected assets in the Company’s portfolio to further improve its balance sheet and increase its operating flexibility. 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. These forward looking statements are based on certain key expectations and assumptions. 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. The forward-looking information is presented as of the date of this press release, and the Company assumes no obligation to update or revise such information to reflect new events or circumstances, except as required by law.