

**NIOCAN CONDUCTS METALLURGICAL TESTS ON
ITS GREAT WHALE IRON PROPERTY**

MONTREAL, QC, August 17, 2009 – Niocan Inc. (TSX:NIO) today announced an update of its 100% owned Great Whale Iron Property (“GWIP”) project.

In July 2009, the Company collected new drilled core samples and cores drilled in 1957-60 by Belcher Mining Corporation Ltd from the A, D and E iron mineralized (36% Fe magnetite) sites on the GWIP (17,098 acres) located 80 kilometers from the twin villages of Kuujuarapik – Whapmagoostui on the Hudson Bay.

The objective of the 2009 program, at an approximate cost of \$250,000, is to perform modern metallurgical tests to confirm the optimum ore grain size of the prospects (historical resources) for maximum iron liberation.

Intensive exploration carried out in the 1960’s indicated an estimate of tonnage and grade of approximately 942 million tons of iron historical resources (Belcher Mining Corporation Ltd., November 1960 by L.M. Scofield). According to the report prepared by Met-Chem on August 31, 2006: *“In the 1960’s, such calculation method was considered reliable. However today mineral resources or reserve calculations are generally based on mining software which are more robust and can perform 3D calculation. It will be necessary to twin some historic holes with new ones in order to establish a correlation between historic information and new ones before being able to use concentration tests indicator for new mineral resource or reserve estimates for compliance with NI 43-101”*.

Since the Company has not established mineral resources and has not performed a preliminary feasibility study, it can not, since the coming into force of NI 43-101, refer to “mineral reserves” without including the appropriate warnings to illustrate that this constitutes an historical estimate. In addition, since no qualified person has performed sufficient work required to classify the historical estimate as current mineral resources or mineral reserves, Niocan is not treating the historical estimate as current mineral resources or mineral reserves as defined in sections 1.2 and 1.3 of NI 43-101, and therefore, the historical estimate should not be relied upon.

Niocan must update the estimates and studies made in the 50’s and 60’s to demonstrate the feasibility of a contemporary iron mine in order to interest one or more partners in this potential project. Niocan wishes to identify a partner with the financing capability to share the cost of a scoping study for a percentage of ownership while eventually retaining a position in this historical mineral prospect, referring to the geological works done in the 60’s. Once the project is started, the Company expects that it would take approximately three (3) calendar seasons to conduct the scoping study.

A report to be prepared by Met-Chem will be delivered in 3-4 months when the tests are completed by Research Consortium in Mineral Processing (Corem) in Quebec City.

For more information, please contact

G. Bernard Coulombe
President & CEO
(514) 288-8506
(514) 843-4809