

FINANCIAL UPDATE OF THE OKA NIOBIUM PROJECT INDICATES TO CONTINUED ROBUST ECONOMICS

MONTREAL, QC, March 31, 2010 – Niocan Inc. (TSX: NIO) announced today an update of the capital and operating costs (“capex/opex”) for its Oka niobium project. A recent engineering and financial review by Met-Chem Canada Inc. (“Met-Chem”) of the capex/opex concluded to the enhanced economics of the Oka niobium mine project.

The Board of Directors of Niocan mandated Met-Chem in 2009 to update, for internal use only (not yet as per NI 43-101 reporting practices), the Oka niobium mine project economic feasibility studies of 1998 and 2000. The results of the Met-Chem update indicate improved economics of the initial studies, and this is despite the significant increases in the operating and capital costs in the comparable mining sector in the last decade.

The Met-Chem review was based on the same parameters as per the original project design of an annual production of 4,370 tonnes of ferroniobium equivalent to 6,263,600 pounds of contained niobium for a mine life of 17 years. The original plant included the paste backfill, a ferroniobium converter using aluminothermic process, but the recent review has added the costs for additional environmental measures as required by the Ministry of Sustainable Development Environment and Parks (“MSDEP”). The purpose of these measures was, among others, to reduce the potential impact of the mine dewatering on the surrounding farm lands water table and to add a fluorine element reject system.

Met-Chem estimated an expected increase of 71% of the 2009 dollar base project capex and an increase of 61% of the opex compared to the 1998 figures. However, in the interim, the price of FeNb has increased by over 300% in the international markets where Niocan would sell its product but a more representative price has been considered.

The economics remain sensitive to variations in capex and opex but are more impacted by the variations in revenue. Met-Chem has calculated an average price for ferroniobium (65% Nb contained) for the project Internal Rate Return (“IRR”) calculations. The price of ferroniobium over the last five (5) years was a running average of \$16.77 USD per pound. The economics of the project at this aforementioned average price, without any optimization of the mining and

metallurgical features, would yield after taxes IRR of 23%. If the FeNb average 2009 price of \$21 USD per pound is applied, Met-Chem's calculations give after taxes IRR of 34% for the project.

	<u>2000</u>	<u>2009</u>
After taxes IRR	15%±	23-34%±

The updated analysis and results of the engineering and financial review of capex/opex completed by Met-Chem in 2009 cannot be relied upon since they were not performed in accordance with the requirements of NI 43-101. The Company believes that these results provide a conceptual indication of the financial potential of the project and are therefore relevant. The capex/opex studies of 1998 and 2000 cannot be relied upon since they were completed before the adoption of NI 43-101.

Niocan has also mandated KPMG in 2009 to update its 2004 socio-economic impact study of the Oka niobium project. The 2004 and the recent 2009 studies have been and are being used extensively to provide additional information to the Quebec government ministries and to stakeholders in the region of Oka. Niocan issued a press release dated March 17, 2010 which summarizes the results of KPMG's 2009 update of this study.

The Company continues to request the delivery of the Certificate of Authorization from the MSDEP and management continues to make numerous representations and all necessary communications to stakeholders and government ministries to demonstrate the strong sustainable development aspects of the project. Niobium is classified a Kyoto Protocol metal because of its weight saving in metallurgical and engineering applications. The Kyoto Protocol was adopted on December 11, 1997 and entered into force on February 16, 2005. The Kyoto Protocol is an international agreement linked to the UN Framework Convention on Climate Change. The major feature of the Kyoto protocol is that it sets binding targets for 37 industrialized countries and the EU for reducing the greenhouse gas emissions. In October 2002, the Quebec National Assembly supported a unanimous motion for the implementation of the Kyoto Protocol in Canada.

The Company plans to complete the bankable economic feasibility of the Oka niobium mine project as per NI 43-101 as soon as the certificate of authorization is issued by the MSDEP. The Company estimates that it would take approximately six months to finalize the bankable economic study, and that this update would follow the 1998 and 2000 detailed engineering work for the project. Niocan has already filed a recent Technical Report as per National Instrument

43-101 (which is available on SEDAR since March 15, 2010) on its mineral resources at Oka.

About Niocan

Niocan's corporate mission is to become a significant scale ferroniobium producer, following the issuance of a Certificate of Authorization from the Ministry of Sustainable Development, Environment and Parks for its Oka niobium property. Niocan's assets include mining rights in two (2) properties: 48 claims covering 1604 acres as well as surface rights on 231 acres at Oka and the Hudson Bay Great Whale Iron property covering 17,098 acres.

On behalf of the Board of Directors

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FORWARD LOOKING STATEMENT

Certain statements contained in this press release are forward-looking and are subject to numerous risks and uncertainties, known and unknown. For information identifying known risks and uncertainties, relating to the issuance by the Ministry of Environment of the Certificate of Authorization to build the mine in Oka, financial resources, market prices, exchange rates, politico-social conflicts, competition, the purchase of the old St-Lawrence Columbium mine site from the Municipality of Oka should the Certificate of Authorization be issued, and other important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the Risk and Uncertainties Section of the Corporation's most recent Management's Discussion and Analysis, which may be found at www.sedar.com. Consequently, actual results may differ materially from the anticipated results expressed in these forward-looking statements.