

Press Release

Niocan inc.

Niocan signs agreement for Distribution of Ferroniobium in Europe

Montreal, November 16, 1999

Niocan announces that it has signed an agreement for the distribution in Europe of up to 40% of its production of ferroniobium expected to begin at the end of 2001.

The agreement was reached with a leading producer and distributor of ferroalloys which guarantees a minimum annual volume corresponding to 1.5 M lbs Niobium contained corresponding to 25% of production.

Niocan is also negotiating similar arrangements for North America and Asia to be announced later.

Niocan inc. is a mineral resources company which owns a deposit of niobium with proven and probable reserves for a minimum of 15 years operation **with an estimated recoverable value of \$1.0 billion**. The company is focusing on the development of its project to produce ferroniobium by the end of 2001. Ferroniobium is used in the production of specialty alloys for aerospace, power turbines; and in high strength low alloy steel used in the automobile, construction and pipeline industries.

This agreement is subject to the approval of regulatory authorities.

For more information please contact.

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