

Oka Mining Project
BAPE report favorable to Niocan; a few additional guarantees required

Montreal, 17 May, 2005 – The Minister of Sustainable Development, Environment and Parks of the Quebec government released the report from Quebec's office for public hearings on the environment (BAPE) on the "potential impacts of the exploitation of a mine and niobium plant in Oka on surface water, underground water and its usage."

Essentially, Niocan Inc. is satisfied with the content of the BAPE report, which confirms that the proposed methods for handling of process waters, underground mine waters, tailings and slag residues, are adequate to minimize their impacts. The BAPE hearing also confirms that the method used by Niocan to assess the impact on the underground water table, on the basis of records from the St. Lawrence Columbiun (SLC), is adequate.

On the other hand, Niocan Inc. realizes that both the conclusion and the press release issued by the BAPE do not reflect the positive content of most of the report. A careful reading of the report provides a more accurate summary of Niocan's commitments.

In this regard, it should be noted that the written commitments, agreed upon by Niocan and the Ministry of the Environment, after more than three years of discussions, do answer most of the questions identified in the BAPE's report.

Management and expert advisors of the firm believe that the pending questions that were raised by the BAPE can be addressed to the satisfaction of the Ministry of Sustainable Development, Environment and Parks of the Quebec government.

NIOCAN Inc. is a mineral resources company that owns niobium deposits in the Oka region, in Quebec. Current proven and probable reserves indicate a minimum 17 years of mine life and an estimated recoverable value of \$1 billion. In addition to proceeding with the development of its property in Oka, NIOCAN is currently carrying out due diligence on a niobium property in Northern Ontario to complement its long-term business plan. Niobium, a strong anticorrosive, is increasingly used in the production of specialty alloys used in the aerospace and power generation industries, as well as in high-strength low-alloy steel used in the automobile, construction and

pipeline sectors. NIOCAN has a total of 18.8 million shares issued (21.1 million fully diluted).

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FORWARD LOOKING STATEMENT

Certain information discussed in this release may constitute forward-looking statements within the meaning of the federal securities law. Although NIOCAN believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, these statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict and could cause actual results to differ materially from those projected. Forward-looking statements in the Company's disclosure include statements regarding the expectations and beliefs of management, the assumed long-term price of niobium, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the potential of the Company's properties and expectations of growth. The terms "Mineral Reserve", "Proven Mineral Reserve" and "Probable Mineral Reserve" referred to in the Company's disclosure are Canadian mining terms as defined in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council on August 20, 2000, as may be amended from time to time by the CIM. Any forward-looking statements are made as of the date of the document in which they appear. We do not expect to update forward-looking statements continually as conditions change and you are referred to the full discussion of the Company's business contained in the Company's disclosure filed with the Ontario Securities Commission and in the Company's annual report.

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