**Niocan Announces Private Placement Financing with Nio-Metals Holdings LLC
and Changes to Niocan's Board of Directors**

Toronto, Ontario, August 29, 2011: Niocan Inc. ("Niocan" or the "Company") (TSX-NIO) announced today that the Company has received signed subscription agreements from three investors for an aggregate of 2,205 units (each, a "Unit") at an issue price of $1,000 per Unit, representing aggregate gross proceeds to the Company of $2,205,000 (the "Private Placement"). The principal investor is Nio-Metals Holdings LLC ("Nio-Metals") which will purchase 1,750 of the Units. The terms of the Private Placement are the same as those announced in the Company's press release dated August 19, 2011.

The Company expects further investors to agree to purchase an additional 800 Units, representing gross proceeds of $800,000. The Company expects to complete the issuance and sale all of the Units and receive aggregate proceeds of $3,005,000 on or prior to September 2, 2011.

The Special Committee of directors of the Company has now completed its process of assessing various strategic alternatives and has been disbanded. The Company would like to thank the Special Committee members for their invaluable service.

Finally, the Company announces the resignation of Mr. Lars-Eric Johansson from the Board of Directors effective today. The Board will appoint Mr. Mark Wallace to the position of director to fill the vacancy created by the resignation of Mr. Johansson.

Mr. Wallace is an officer of Nio-Metals and serves as the Chief Executive Officer of Tigris Financial Group Ltd., a New York City-based investment and asset management firm that focuses on natural resources and the natural resources sector through its related Electrum Group of Companies. Ambassador Wallace served previously as United States Ambassador to the United Nations, Representative for U.N. Management and Reform. Prior to his service at the United Nations, Ambassador Wallace served in a variety of government, political and private sector posts including in the U.S. Department of Justice, the U.S. Immigration and Naturalization Service, the U.S. Department of Homeland Security and the U.S. Federal Emergency Management Agency. Wallace has extensive experience in the private sector as a lawyer and as a member of the board of directors of various companies and not-for-profits.

About Niocan
Niocan's mission is to become a ferroniobium producer as soon as possible, following the issuance of a Certificate of Authorization from the Ministry of Sustainable Development, Environment and Parks for its Oka niobium property. Mining 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.

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On behalf of the Board of Directors

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FORWARD LOOKING STATEMENTS

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, politicosocial 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.