

## **Niocan Announces Completion of Private Placement Financing with Nio-Metals Holdings LLC and Other Investors**

**Toronto, Ontario, September 6, 2011:** Niocan Inc. (“Niocan” or the “Company”) (TSX-NIO) announced today that the Company has received payment for all subscriptions and has completed the issuance of an aggregate of 3,005 units (each, a “Unit”) at an issue price of \$1,000 per Unit, representing aggregate gross proceeds to the Company of \$3,005,000 (the “Private Placement”). The principal investor is Nio-Metals Holdings LLC (“Nio-Metals”) which has purchased 1,750 of the Units.

Each Unit is comprised of one \$1,000 principal amount of a secured debenture (“Debenture”) and 520 transferable common share purchase warrants of Niocan (each, a “Warrant”). Each Debenture will mature on August 30, 2012 and will bear interest at an annual rate of 12%. The principal amount and interest may be payable in cash or common shares of Niocan (“Common Shares”) at Niocan’s sole option (subject to certain limitations), with the number of shares to be determined based on a conversion price of \$1.45 per Common Share. Niocan will also have the right to redeem the Debentures prior to maturity at a cash redemption price of 105% of the principal amount. Each Warrant will entitle the holder thereof to purchase one Common Share at a price of \$1.45 (the “Exercise Price”) until August 29, 2014.

As required by the Toronto Stock Exchange, a maximum of 2,076,383 Common Shares may be issued or made issuable to Nio-Metals in connection with the Private Placement. Consequently, 187,890 of the Warrants acquired by Nio-Metals may not be exercised without prior approval of disinterested shareholders of Niocan, other than in certain circumstances. The remainder of the Warrants acquired by Nio-Metals are not subject to these restrictions and may be exercised at any time.

Further to the Company’s press release of August 29, 2011, the board of directors has appointed Mr. Mark Wallace as a director to fill the vacancy created by the resignation of Mr. Lars-Eric Johansson.

### *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 Columbian 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](http://www.sedar.com). Consequently, actual results may differ materially from the anticipated results expressed in these forward-looking statements.