

Niocan Announces Extension for the Repayment of its Secured Debentures with Nio-Metals Holdings and Other Investors

For immediate release

Montreal, Quebec, August 28, 2012. Niocan Inc. ("Niocan" or the "Company") (TSX-NIO) announced today that the Company has entered into Amendment Agreements (the "Amendment Agreements") with each of the holders of the Secured Debentures Series 2011-I dated August 29, 2011 (the "Debentures"), including Nio-Metals Holdings LLC.

Under the terms of the Amendment Agreements, the maturity dates of the Debentures were extended from August 29, 2012 to August 29, 2013, and Niocan's right to redeem the Debentures prior to maturity at a redemption price of 105% of the principal amount has been amended, whereby Niocan may now proceed to such redemption at any time starting February 28, 2013, and may effect such redemption payment, either in whole or in part, not only through cash payments but also, at its sole option, through the issuance of common shares in the capital of Niocan ("Common Shares"), subject to certain limitations, at a conversion price which is the greater of \$1.45 per Common Share, subject to adjustments, and the volume weighted average trading price of the Common Shares for the five (5) trading days prior to the issuance of the Common Shares less an amount equal to the maximum discount permitted under the rules of the Toronto Stock Exchange.

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: 49 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 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, politico-social conflicts, competition, regulatory approvals, 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. Consequently, actual results may differ materially from the anticipated results expressed in these forward-looking statements.