



The Elk Creek, Nebraska Superalloy Materials Project

Project Summary

NioCorp is developing North America's only niobium / scandium / titanium advanced materials manufacturing facility co-located with an underground mine. Located near Elk Creek, Nebraska, this will be the highest grade niobium project in North America, as well as one of the largest prospective producers of scandium in the world.

What the Project Will Produce?

According to NioCorp's 2017 Feasibility Study, the project is expected to produce an average of 7,055 tonnes per annum (tpa) of ferroniobium, 103 tpa of scandium trioxide, and 11,445 tpa of titanium dioxide over its 32-year operating life. The current estimate of the onset of production is as early as 2020/2021.

Project Economics¹

The forecast economics for the Project are robust, as outlined in the Company's 2017 Feasibility Study:

- **Financial Returns:** Pre-tax net present value ("NPV") of \$2.3 billion, at an 8% discount rate, with an internal rate of return ("IRR") of 24.3%, and after-tax NPV of \$1.7 billion, at an 8% discount rate, with an IRR of 21.7%, and an effective tax rate of 24.1%.
- **Revenue:** \$17.6 billion in revenue over the facility's operational life, with operating margin of \$12.2 billion.
- **CAPEX:** Up-front direct capital costs of \$705 million, in addition to indirect costs of \$189 million, pre-production capital costs of \$85 million, contingency of \$109 million, and pre-production net revenue credit of \$79 million.
- **EBITDA:** Averaged Earnings Before Interest, Taxes, Depreciation, and Interest ("EBITDA") of \$389.6 million per year over its operational life. The averaged EBITDA margin (EBITDA as a percent of total revenue) for the project over LOM is 69.5%.¹
- **Pre-Tax Payback Period** 3.4 years from production onset (3.7 years after-tax).

Why This Project is Unique

- ✓ Project is highly de-risked, with a positive Feasibility Study, multi-product output, 75% of its primary product pre-sold, and its major federal government permit already in hand.
- ✓ Very large and rich underground resource that offers high potential for future expansion.
- ✓ Superalloy metals to be produced are considered critical and strategic by many Western nations.
- ✓ In-principle eligibility from the German Government loan guarantee program already has been secured.
- ✓ Management team is highly experienced in financing and operating billion-dollar-plus mines and advanced materials manufacturing facilities.
- ✓ Project enjoys very strong state and local support.

1 - Project economics are derived from NioCorp's August 2017 Elk Creek Feasibility Study, which is publicly available via SEDAR. Please review carefully the Cautionary Notes regarding Forward Looking Statements at the end of this background.

The Elk Creek Superalloy Materials Project

NioCorp's Elk Creek Project is being designed to minimize the environmental footprint of niobium, scandium and titanium production. For example, the project will recycle a significant portion of its planned waste streams into usable materials, thus reducing both costs and environmental impacts. See a short video on the project and the remarkable superalloy metals it expects to produce here:

<https://youtu.be/HQ8iqKhkTk8>.



Multiple Markets For These Superalloy Metals

Niobium

Niobium is a crucial component in high strength, low-alloy (HSLA) steel, which is increasingly used in bridge and other large infrastructure projects, in high pressure oil and gas pipelines, in virtually all steel-chassis vehicles, and in many other applications. Niobium also is a component of superalloys used in nearly all jet engines and power generation turbines.



Scandium

Scandium has important uses in environmentally preferred Solid Oxide Fuel Cells, as well as in ultra-high-performance aluminum alloys. Scandium greatly strengthens aluminum alloys and allows them to be reliably welded, which presents revolutionary potential for the commercial airline industry. For example, between \$1.0-\$1.5 million of scandium oxide in a single airliner offers \$10-15 million in net present value fuel savings.



Titanium

Titanium has the highest strength-to-density ratio of any metallic element, and it is used in wide variety of sectors, including aerospace, national defense, chemical processing, desalination, automotive, health care, communications, sporting goods, and many others. Titanium in its oxide form also is used in the manufacture of pigments in paints, plastics and paper, and is a photocatalyst.



About NioCorp

A public company, shares of NioCorp are traded on three exchanges:

- Toronto Stock Exchange (TSX) under the ticker symbol "NB"
- Over The Counter Exchange (OTCQX) under the ticket symbol "NIOBF"
- Frankfurt Exchange (FSE) under the ticker symbol "BR3"

For More Information

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Cautionary Notes and Technical Disclosures: Neither the Toronto Stock Exchange (“TSX”) nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this document or of the videos that are referenced and linked to in this document. Certain statements contained in this document and these videos may constitute forward-looking statements, including statements regarding the results of the revised feasibility study, including, but not limited to, metal price and exchange rate assumptions, cash flow forecasts, projected capital and operating costs, metal or mineral recoveries, mine life and production rates; the Company’s potential plans and operating performance; expected demand for NioCorp’s products; the estimation of the tonnage, grades and content of deposits, and the extent of the resource and reserves estimates; potential production from and viability of the Project; estimates of future production and operating costs; estimates of permitting submissions and timing; the timing and receipt of necessary permits and project approvals for future operations; access to project funding, and exploration results. Such forward-looking statements are based upon NioCorp’s reasonable expectations and business plan at the date hereof, which are subject to change depending on economic, political and competitive circumstances and contingencies. Readers are cautioned that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause a change in such assumptions and the actual outcomes and estimates to be materially different from those estimated or anticipated future results, achievements or position expressed or implied by those forward-looking statements. Risks, uncertainties and other factors that could cause NioCorp’s plans or prospects to change include risks related to the Company’s ability to operate as a going concern; risks related to the Company’s requirement of significant additional capital; changes in demand for and price of commodities (such as fuel and electricity) and currencies; changes in economic valuations of the Project, such as Net Present Value calculations, changes or disruptions in the securities markets; legislative, political or economic developments; the need to obtain permits and comply with laws and regulations and other regulatory requirements; the possibility that actual results of work may differ from projections/expectations or may not realize the perceived potential of NioCorp’s projects; risks of accidents, equipment breakdowns and labor disputes or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in development programs; operating or technical difficulties in connection with exploration, mining or development activities; the speculative nature of mineral exploration and development, including the risks of diminishing quantities of grades of reserves and resources; and the risks involved in the exploration, development and mining business and the risks set forth in the Company’s filings with Canadian securities regulators at www.sedar.com and the SEC at www.sec.gov. NioCorp disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. Unless stated otherwise, information of a scientific or technical nature in this presentation regarding the Elk Creek Superalloy Project is summarized, derived or extracted from, the technical report entitled: “Revised NI 43-101 Technical Report Feasibility Study Elk Creek Niobium Project Nebraska” effective June 30, 2017 and dated December 15, 2017. The technical report has been filed under the Company’s issuer profile on SEDAR at www.sedar.com and on EDGAR at www.sec.gov.

Cautionary Note to U.S. Investors: The terms Proven Reserve, Probable Reserve, Indicated Resource, and Inferred Resource as used herein are as defined in Canadian National Instrument 43-101. These terms are not defined under SEC Industry Guide 7 and are not SEC Industry Guide 7 proven and probable reserves. In addition, the estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. U.S. investors are cautioned not to assume that estimates of inferred mineral resources exist, are economically minable, or will be upgraded into measured or indicated mineral resources.

ⁱ This document includes certain forward-looking non-GAAP financial measures, including EBITDA and Free Cash Flow. Reconciliations of these forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures are not provided because the Company is unable to provide such reconciliations without unreasonable effort, due to the uncertainty and inherent difficulty of predicting the occurrence and the financial impact of such items impacting comparability and the periods in which such items may be recognized. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to future results.