

NioCorp Development Ltd is focused on their High Grade, Large Tonnage Niobium Project in Elk Creek, Nebraska and making an impact in the market for this Strategic Metal used in Many Industries including Infrastructure, Oil and Gas and Automobiles

**Resources
Niobium**

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Peter Dickie
President and CEO

BIO: Mr. Dickie brings over 20 years of business experience with both public and private companies holding numerous senior management positions. A graduate of both the University of British Columbia, and the University of Victoria (B.C.), his background includes 4 years in the Securities industry with Jones, Gable & Co. Mr. Dickie has served on the board of a number public companies, including Lateegra Gold Corp. where he was instrumental in acquiring the primary asset for the company which ultimately resulted in a takeover of Lateegra.

About NioCorp Development Ltd (TSX.V:NB - OTCQX:NIOBF - FSE:BR3) NioCorp is developing

North America's highest grade, large tonnage Niobium project in Elk Creek, Nebraska.

NioCorp aims to be the solution for America's strategic and critical Niobium needs for the domestic steel and aviation industry. Niobium is crucial in high strength steel for bridges and buildings, oil and gas pipelines, automobiles, stainless steel, MRI machines, wind turbines, jet thrusters, and more.

America has imported 100% of the Niobium it uses for the past 52 years. The US considers Niobium a strategic metal and is contemplating stockpiling due to the supply concentration risk and economic importance.

Interview conducted by:
Bud Wayne, Editorial Executive
CEOCFO Magazine

CEOCFO: Mr. Dickie, would you tell us about NioCorp and your recent name change?

Mr. Dickie: One of the issues we have faced corporately over the last eighteen to 24 months is related to the confusion some people encountered due to our previous corporate name, which was Quantum Rare Earth Developments Corp. based on our initial asset, a rare earth project in northern Saskatchewan. Shortly after acquiring that project we did acquire the Elk Creek Carbonatite property in Nebraska, where we are developing a large Niobium deposit. We felt that the fact that we had rare earth in our corporate name while we are developing a Niobium project, (Niobium is not a rare earth), was creating some confusion. While the name change to

NioCorp has been contemplated for some time now, we opted to make the move to coincide with the addition of some recent individuals to our advisory board. In particular, I'm talking about the addition of Mark Smith, former CEO of MolyCorp. We wanted to stress the difference between his previous rare earth company experience, and our major asset, being a Niobium deposit.

CEOCFO: You had some recent highlights and significant updates at the Niobium deposit in Nebraska. Would you tell us about the work that has happened?

Mr. Dickie: I think since the last time we talked we have released an updated 43-101 resource calculation in the second quarter of 2012. Our deposit has now been upgraded into two classifications: We have just over 19 million tons of indicated resource at a grade of 0.67%, containing approximately 129,000 tons of Niobium, and just over 83 million tons of inferred resource at a grade of 0.63% containing almost 525,000 tons of Niobium. Overall, the resource has climbed by about 25% through the additional drilling we did and it is still open to the northwest, the southeast and at depth. It is also important to point out that we are using a cut-off grade of 0.4% for the Niobium grade. Other projects out there, because of strong prices for Niobium, use a lower cutoff grade. We believe that proving up the economics of our project using conservative numbers will enhance the long-term value of our project as we perform additional work that we believe has the potential to add significantly to the size of the deposit.

CEOCFO: That sounds very exciting!

Mr. Dickie: Yes we are very excited about it. As your readers may know, there are essentially three producers in the world. The largest is CBMM in Brazil, which is a privately held company. CBMM's Araxa Niobium mine is one of the most profitable mines on the planet. They have a unique deposit in that is at the surface and is very high-grade, producing about 85% of the world's supply. Your readers may also know that a 30% interest in that mining operation was acquired by a consortium of Chinese, Japanese and Korean steel mills with a price tag for that at just under \$4 billion. That will give you some ideas to the overall value of the project. The other two producers are the Niobec Mining in Quebec, which is owned by IAM-GOLD Corp. and the Catalao Mine in Brazil that is owned by Anglo American. In comparison to Niobec, our mineral grades at Elk Creek is roughly 30% higher. Something that is very interesting and that we spend a fair amount of time researching is that all three of these current mining operations, and these are the folks that really know the market for Niobium, have announced plans to expand production in order to meet anticipated demand growth. Even with the expanded production if you were to take a demand forecast schedule, there is still the potential possibility of a shortfall or at least a restriction in the ability to expand the markets. For that reason, we have attracted a great deal of interest, in part from large steel companies that were not part of the CBMM deal in 2011.

CEOCFO: What do you see as the long-term goal for the company?

Mr. Dickie: At present, you are correct in stating that we are at the development stage in the evolution of the company. We do not look upon this as exploration anymore but rather development. With our deposit that is indicated and inferred status, our next steps are to solidify our metallurgical requirements for the deposit, and at the same time perform the necessary drilling to elevate the deposit to measured and indicated, and potentially increase the tonnage as well, and also to commence work towards

feasibility. Many of those aspects can all be done simultaneously, so we would like to move into that realm and start completing that work as soon as possible. Naturally, work like that does not come without a cost, so it is all dependent upon capital availability. To that end, we have had discussions with significant financial players in the marketplace, including a number of loyal Nebraskans thanks in no small part to former State Senator Tony Fulton, who is also a member of our advisory board. We also have the able assistance of Mark Smith former CEO of MolyCorp in our fund-raising efforts. For your readers who do not know Mark's history, prior to being CEO of MolyCorp he was the president and CEO of Chevron Minerals at the time when Chevron actually was an owner of MolyCorp while they held this project back in the nineteen seventies and eighties. Concurrently, MolyCorp owned a substantial piece of

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CBMM, where Mark served as a director. Between Tony's assistance politically and with Mark's assistance with his knowledge of the Niobium market, we are confident that we will be able to access the necessary funds to advance the project.

CEOCFO: Do you have adequate funding to move forward and do you see yourself reaching out further?

Mr. Dickie: As you know, capital markets for junior companies started turning downward about eighteen to twenty months ago. At that time, we instigated a program of reducing cost and restricting whatever expenses we could, which has resulted in our ability to survive, and although it is still fairly low, maintain a reasonable market cap with respect to our project. As the project moves forward and as equity markets move forward it has been a very tough go for many junior companies as far as raising capital is concerned. With our project, based on the merits of the project and based on the recent additions of personnel to the corporate fold, it has garnered us

a great deal of attention. We anticipate that within the next few weeks we will be completing a reasonable sized financing that will allow us to not only aggressively pursue the metallurgical aspects of the project but also to start work on our drilling and feasibility work on the project.

CEOCFO: I see that you have done a joint venture agreement on Australian Properties. Are you pretty much focused on Elk Creek in Nebraska or would you like to tell us about any other properties?

Mr. Dickie: Yes thank you for asking. We acquired the projects in Australia several years ago. The focus of those projects has been rare earth elements. We did some minor work on it several years ago, but as more players came into the field, and markets started becoming less friendly towards rare earth companies we refocused our efforts more exclusively on the Elk Creek Niobium project. In the meantime, over a lengthy period we were able to negotiate a good joint venture agreement on the Australian properties. The end result of that joint venture agreement is that NioCorp is actually a substantial shareholder of the company that controls it, an Australian listed venture called Victory Mines, and we also maintain a 20% carried-to-production interest in those projects. We understand Victory completed a fairly extensive work program this year and had some very encouraging results and they are now looking at a substantial drill program on the project this year. So while we continue work at Elk Creek, we await Victory's work in Australia, which, if successful, will only add to the value of our holdings.

CEOCFO: Why should the business and investment community pay attention to NioCorp?

Mr. Dickie: The Niobium market is a very stable and a large market, roughly \$4 billion dollars a year which is larger than the rare-earths market, the uranium market, and several others that readers may recognize more readily. There are only a few large undeveloped Niobium projects on the planet, and none besides Elk Creek

that have our combination of size, grade, infrastructure and favorable politics. With NioCorp's great project in Elk Creek and the incredible talent of people (Mark Smith, Tony Fulton) that we have brought on our team we are very excited about the future. Following some very tough capital markets over the last eighteen to twenty months, I am a firm believer that

companies with the correct and valuable assets moving forward in combination with the strong seasoned team of professionals that are running these companies will be the ones that survive. I also believe that these survivors will create tremendous value and wealth for their shareholders when capital does start flooding back into the equity market. Equity markets

are now, and always have been cyclical in nature, so despite current conditions, the capital always does flood back. I believe there is a tremendous opportunity for investors to create personnel wealth by jumping on the correct team that has the right quality project, and I believe NioCorp has those ingredients.



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