

CENTENNIAL, Colo., July 20, 2017 (GLOBE NEWSWIRE) -- [NioCorp Developments Ltd.](#) (“NioCorp” or the "Company”) (TSX:NB) (OTCQX:NIOBF) (FSE:BR3) today praised the U.S. Senate Armed Services Committee (“SASC”) for its recent approval of legislation requesting a U.S. Department of Defense (“DoD”) briefing on the potential strategic value of U.S.-produced scandium. The legislation also “strongly encourages” the DoD to consider entering into commitments to purchase strategic and critical materials from U.S. domestic producers that are not yet in production but which the DoD believes are likely to initiate production of such materials within the next five years.

Under the leadership of SASC Chairman Senator John McCain (R-AZ) and Senator Jack Reed (D-RI), and with support from both Republican and Democratic members of the SASC, the Committee recently approved the following language on page 287 of the Committee Report accompanying the Fiscal Year 2018 National Defense Authorization Act (“NDAA”), which is publicly available here: <https://www.congress.gov/115/crpt/srpt125/CRPT-115srpt125.pdf>

“Domestic production of Scandium. Given the planned initiation and production in the United States within the next 5 years of as much as 100 metric tons of Scandium, the committee directs the Secretary of Defense to provide a briefing on the potential defense and industrial uses of Scandium to the congressional defense committees by December 1, 2017.”

NioCorp is the only current prospective producer of scandium in the U.S. that has announced plans to produce this amount of scandium on an annual basis. As outlined in the Company’s recently released Elk Creek Superalloy Project Feasibility Study, the Company plans to produce approximately 103 tonnes of scandium product annually. NioCorp’s annual scandium production is estimated to exceed total global scandium production by a factor of at least five, and will potentially position the U.S. as the world’s leading producer of scandium.

On page 288 of the Committee Report accompanying the NDAA, the SASC also included this legislative language:

“Fiscal stability of the National Defense Stockpile … Additionally, the committee strongly encourages the Department to make use of existing authorities under Section 303 of the Defense Production Act (50 U.S.C. 2093) to enter into commitments to purchase strategic and critical materials required to meet the defense, industrial, and essential civilian needs of the United States from domestic producers and domestic producers that the Department believes are likely to initiate commercial production of such materials within the next five years.” (emphasis added).

If enacted into law, this language could result in the DoD entering into forward purchase agreements for strategic and critical materials such as scandium, ferroniobium (FeNb), and others from prospective producers that are not yet into production. If the DoD elects to exercise such authorities and enters into offtake agreements with pre-production companies, it would mark a significantly more aggressive approach by the DoD in seeking to encourage greater domestic production of critical and strategic materials.

As a critical and strategic material, FeNb is considered to be of such importance that the DoD and the Congress agreed in the FY2014 NDAA that the National Defense Stockpile should purchase and store FeNb in the Stockpile in the event of future emergencies. Scandium is another critical and strategic material that is analyzed by the DoD on an ongoing basis as part of the DoD’s “Strategic and Critical Materials Report on Stockpile Requirements,” although the DoD and Congress have to date not directed that scandium be purchased for storage in the Stockpile.

“We were pleased to see the Republican and Democratic leaders of the U.S. Senate Armed Services Committee put forward such strategically innovative ideas regarding greater domestic production in the U.S. of strategic and critical materials,” said Mark A. Smith, Executive Chair and CEO of NioCorp. “The Committee clearly wants to help the U.S. Defense Department use all of the policy tools in its toolbox to encourage and strengthen supply chains for critical and strategic materials, especially those that can be produced domestically in the U.S.”

Mr. Smith added: “NioCorp looks forward to initiating the first-ever production in the U.S. of ferroniobium, and the first U.S. production of commercial scandium in decades, when our Elk Creek Project comes online.”

On Behalf of the Board of Directors,

"Mark Smith”

Mark Smith
Executive Chairman, CEO, and Director

Source: [NioCorp Developments Ltd.](#)
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About NioCorp

NioCorp is developing a superalloy materials project in Southeast Nebraska that will produce Niobium, Scandium, and Titanium. Niobium is used to produce superalloys as well as High Strength, Low Alloy ("HSLA") steel, which is a lighter, stronger steel used in automotive, structural, and pipeline applications. Scandium is a superalloy material that can be combined with Aluminum to make alloys with increased strength and improved corrosion resistance. Scandium also is a critical component of advanced solid oxide fuel cells. Titanium is used in various superalloys and is a key component of pigments used in paper, paint and plastics and is also used for aerospace applications, armor and medical implants.

Cautionary Note Regarding Forward-Looking Statements

Neither 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. Certain statements contained in this document may constitute forward-looking statements, including but not limited to potential future production at the Elk Creek Project, anticipated products to be produced at the Elk Creek Project, the future critical and strategic nature of niobium and scandium, anticipated costs of production at the Elk Creek Project being competitive, and anticipated competitive advantages. 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 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.

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