This "Management's Discussion and Analysis" has been prepared as of November 29, 2013 and should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company for the three months ended September 30, 2013.

Forward-looking Information

This Management Discussion and Analysis ("MD&A") contains certain forward-looking statements and information relating to NioCorp Developments Ltd. (formerly Quantum Rare Earth Developments Corp.), (the "Company" or "NioCorp") that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of Company exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of NioCorp to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

International Financial Reporting Standards

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars

The Company

The Company was incorporated on February 27, 1987 under the laws of the Province of British Columbia. The head office, principal address and records office of the Company are located at Suite 1510 - 1050 West Pender Street, Vancouver, British Columbia, Canada V6E 3S7. The Company's registered address is at the same address. On February 25, 2013 the Company changed its name from NioCorp Rare Earth Developments Corp. to NioCorp Developments Ltd. and effectively at market opening on March 4, 2013 trading in the shares of NioCorp Developments Ltd. commenced on the TSX Venture Exchange under the new trading symbol "NB". The Company continues with the trading symbols on the United States OTCQX – NIOBF, and the Frankfurt Stock Exchange - BR3.

The Company is in the process of acquiring and exploring its exploration and evaluation assets and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The continued operations of the Company and the recoverability of the amounts shown for exploration and evaluation assets and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and upon future profitable production.

On September 23, 2013 the Company announced it had appointed Mr. Mark A. Smith as Chief Executive Officer and a director of the Company. Previously Mr. Smith was on the advisory board. Mr. Smith is well recognized in the mining community, having recently served as Chief Executive Officer and director of Molycorp, Inc., where he was instrumentally involved in taking it from a private company to a publicly traded company with a producing mine. Prior to that, he held numerous engineering, environmental and legal positions within Unocal Corporation ("Unocal") and later acted as the President and Chief Executive Officer of Chevron Mining Inc. ("Chevron"), a wholly-owned

subsidiary of Chevron Corporation. Mr. Smith also served for over five years as a Shareholder Representative of Companhia Brasileira de Metalurgia e Mineração (CBMM), part of the Moreira Salles Group, a private company that currently produces approximately 85% of the world supply of Niobium. During his tenure with Chevron Mr. Smith was responsible for Chevron's three coal mines: one molybdenum mine, a petroleum coke calcining operation and the Mountain Pass mine. Mr. Smith has been a Director of Avanti Mining Inc. since 2009, and has been a Member of the Advisory Board at NioCorp since February 2013. Mr. Smith is a Registered Professional Engineer and serves as an active member of the State Bars of California and Colorado. He received his Bachelor of Science degree in Agricultural Engineering from Colorado State University in 1981 and his Juris Doctor, cum laude, from Western State University, College of Law, in 1990.

On March 5, 2009 Mr. Peter Dickie joined the board of directors. Mr. Dickie is a businessman with over 20 years' experience with both public and private companies holding numerous senior management positions. On August 19, 2009 he became President and CEO. With the addition of Mark Smith on September 23, 2013 as CEO, Mr. Dickie continues to be the President of the Company. 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.

On October 8, 2009 Mr. J. Casey Forward was appointed to the position of Chief Financial Officer. Mr. Forward is an independent CGA with over 20 years of experience in both private and public companies involved in mining and business development. Mr. Forward currently serves as a director or officer of several public companies involved in the mineral resource sector.

On November 28, 2012, Mr. Claude Dufresne joined the board. Previously, Mr. Dufresne had served on the Company's Technical Advisory Board to help oversee developments of the Company assets which he joined September 27, 2010. Mr. Dufresne graduated with a Bachelor's degree in Mining Engineering from Laval University in 1991. Following his graduation, Mr. Dufresne started working with Cambior as a metallurgist then mill superintendent before being transferred to Cambior's largest operation located in South America. After spending 10 years on the operational side of the business, he became responsible for worldwide sales and marketing of Cambior's ferro-nioibium and calcined bauxite. After Cambior's acquisition by Iamgold Corp, Mr. Dufresne collaborated with Iamgold's Corporate Development group while continuing with its sales and marketing activities. In January 2008, Mr. Dufresne started Camet Metallurgy Inc. which was responsible for worldwide sales and marketing of Iamgold's niobium until the end of October 2012. Mr. Dufresne is a member of the Ordre des Ingenieurs du Quebec, and of the Tantalum & Niobium International Study Center (TIC).

On February 14, 2013 the Company announced the addition of the Honorable Tony Fulton, P.E. to the Company's Advisory Board. Mr. Fulton is a former State Senator in the State of Nebraska, having recently reached his term limit precluding a third term re-election. A lifelong resident from near the Elk Creek area, Mr. Fulton is a graduate of the University of Nebraska, and a Mechanical Engineer by profession. Mr. Fulton was recently a key figure affecting the Keystone XL pipeline, another Nebraska project by a Canadian company, pushing forth with a positive business position accompanied with sound environmental considerations. Fulton commented, "Folks in Southeast Nebraska have been talking about this project in Elk Creek for some time, and I enthusiastically offer my expertise and experience in bringing the project to fruition."

On March 15, 2010 Ms. Erin Chutter joined the board. Ms. Chutter is the President and Founder of Puget Ventures Inc., a TSXV listed mineral exploration company advancing the Werner Lake Cobalt Mine in Ontario, Canada. Active in politics since the late 1980s, Erin has managed and advised campaigns at three levels of government, as well as party leadership races. She has also served on staff to federal and provincial ministers and leaders. Currently, she also serves on the national board of the Canadian Taxpayer's Federation and the Macdonald Laurier Institute.

On June 6, 2011 Mr. Dave Beling joined the board. Mr. Beling has a unique combination of project and corporate expertise, with over 47 years of experience in the global precious metal, base metal and energy mineral sectors, Mr. Beling has significantly reviewed or was directly involved with 84 underground mines, 127 open pit mines and 163 mineral processing plants as a consultant or while employed with Phelps Dodge, Union Oil, Fluor, United Technologies, Westinghouse, and several Canadian and US junior mining companies. Since 1981 he served as a senior executive and member of the Board of Directors of eight public mining companies. In addition to developing and managing operations, he initiated or strongly contributed to the marketing and closing of several debt and equity financings, commodity and asset sales, mergers, acquisitions and joint ventures.

Mineral Properties

(a) Elk Creek

During the year ended June 30, 2011, the Company completed the acquisition of the Elk Creek property located in Southern Nebraska.

The property interests of Elk Creek consist of a number of pre-paid five year mineral exploration lease agreements which were negotiated prior to acquisition, and include a pre-determined buyout for permanent ownership of the mineral rights. Terms of the agreements require no further payments until the conclusion of the pre-paid lease, at which time the Company may elect to buyout the mineral rights. Certain agreements also contain provisions to purchase surface rights, and several contain provisions whereby the vendors would retain a 2% NSR.

The Elk Creek Carbonatite, located in southeastern Nebraska, is an intrusive complex of carbonatite and related rocks and is host to significant niobium and rare earth element (REE) mineralization. The Elk Creek Carbonatite is evidenced by diamond drilling in an oval-shaped magnetic and gravity anomaly approximately 7 kilometres in diameter, making it one of the largest known carbonatite complexes. According to the US Geological Survey, “The Elk Creek carbonatite, located south of Lincoln, has the potential to be one of the largest global resources of niobium and rare earth elements (REE)” (http://water.usgs.gov/wid/html/ne.html).

The Company has received a 43-101 report on NioCorp's property at Elk Creek, Nebraska, showing an Indicated resource containing over 129 million kilograms of niobium, and an Inferred resource containing over 523 million kilograms of niobium. The current market price for niobium is over $41 per kilogram, Peter Dickie, CEO, said. “Niobium has a range of strategic industrial uses, including high-strength alloys in high-performance aircraft and as a steel hardener in natural gas pipelines.” NioCorp has determined that its 14-square mile site at Elk Creek also contains four primary rare earth elements: lanthanum, cerium, praseodymium and neodymium. Historic exploration of the property was conducted by the State of Nebraska, Cominco American and Molycorp, Inc. during the 1970’s and 1980’s. At least 113 core holes were completed within the outline of the 7-kilometre diameter geophysical anomaly. Detailed drilling of 25 holes was completed within a core zone, which identified high-grade niobium mineralization.

“The U.S. imports 100% of the strategic metal, niobium, and while the U.S. currently has no domestic source, the U.S. Geological Survey (USGS) has said that in addition to rare earth elements (REEs), NioCorp’s 14-square-mile site in Elk Creek, Nebraska may comprise the largest niobium resource in the nation. Niobium is used as a steel hardener to produce lighter, stronger steel and due to this weight advantage can create significant savings when used in automobiles, natural gas pipelines, bridges and buildings. Niobium is also used to produce super-alloys needed by the aerospace and defense industries.”

"The U.S. has shown increasing interest in niobium and rare earth elements. Niobium is subject to strategic stockpiling, along with rare earth elements, under legislation in Congress. In addition, the USGS recently included NioCorp's Elk Creek site in a federally funded research project conducted by the University of Colorado and the University of Nebraska-Lincoln on mineral resources that are vital to the economy, national security, and land-use decisions."

On January 31, 2012 the company announced that the U.S. Geological Survey (USGS) had included NioCorp's Elk Creek, Nebraska rare earth elements (REE) site in a federally funded research project on mineral resources that are important to the economy, national security, and land-use decisions.

"USGS has stated that in addition to REEs at Elk Creek, the site may contain the largest niobium resource in the U.S.," Dickie said. "It's an honor for Elk Creek to have been selected as the subject of one of five research grants from USGS under the 2012 USGS Mineral Resources External Research Program (MRERP)."

NioCorp looks forward to cooperating with the grant recipients. NioCorp has been testing historic and recent core samples at Elk Creek, including historic samples that were stored at the University of Nebraska-Lincoln. The principal scientists for the research will be Lang Farmer of the University of Colorado and Matt Joeckel and Richard Kettler of the University of Nebraska-Lincoln. They were selected from among other applicants for MRERP funding from academia, state agencies, private sector organizations and other scientists.

The USGS grant announcement stated, "The University of Colorado and the University of Nebraska-Lincoln will conduct a collaborative research project to examine the age and origin of the REE resources of the Elk Creek deposit in southeastern Nebraska by investigating previously collected drilling core. The Elk Creek REE deposit is found in a rare carbonate-rich igneous rock known as carbonatite. In addition to REEs, the Elk Creek carbonatite may comprise the largest niobium resource in the United States. Niobium is primarily used as an alloying element in steels and superalloys, such as materials used in high performance aircraft. This research is expected to yield data and information that will advance exploration and assessment models for similar REE deposits."

The total amount of the five MRERP grants from USGS is more than $260,000. For additional details, see http://www.usgs.gov/newsroom/article.asp?ID=3082
"Although the US is currently dependent on foreign imports for our supply of rare earths and other critical elements that are essential for the high tech industry, our nation is actually rich in deposits of these valuable minerals," explained USGS Director Marcia McNutt. "The Mineral Research Grants help provide the basic research foundation to better develop our domestic resources and thus become less dependent on foreign imports."

Historically Molycorp completed wide-spaced drilling on roughly 610 metre centers surrounding the core zone, within the 7-kilometre diameter geophysical anomaly. Thick intersections of rare earth elements (REE), niobium and phosphate mineralization were encountered in several of these holes. At least 18 of the surrounding holes intersected >20 feet (6.1 metres) of > 1.0% REO, while at least 17 of the surrounding holes intersected >10 feet (3.05 metres) of > 0.6% Nb_2O_5. All drill intercepts reported here are down-hole measurements. The orientations of mineralized sections are unknown, and therefore, true thicknesses have yet to be determined. It is important to note that REO as reported here refers to rare earth oxide and in this case refers only to the sum of lanthanum, cerium and neodymium oxides only. Results for the other rare earths are not available. Analysis was performed at Molycorp's internal laboratories, with check analysis at Skyline Laboratory, Colorado.

In addition to the core historic niobium resource zone, anomalous niobium mineralization was identified during the wide-spaced exploration drilling. Hole EC-40 located approximately 1.5

kilometres northeast of the core niobium resource zone intersected 24.4 metres of 1.01% Nb_2O_5 and 0.31% REO. Hole EC-95 located approximately 1.2 kilometres southwest of the core niobium resource zone intercepted 10.5 metres of 0.70% Nb_2O_5.

Three zones of anomalous REE mineralization were identified outside the core historic niobium resource zone, during the wide-spaced exploration drilling. The results of some of the holes are summarized below:

	Hole ID	From (m)	To (m)	Interval (m)	**REO (%)**
eastern anomaly	EC-93	149.4	289.6	140.2	**2.19**
	including	179.8	198.1	18.3	**3.12**
	EC-43	243.8	256.0	12.2	**2.83**
		295.7	323.1	27.4	**1.52**
western anomaly	EC-4	217.1	402.3	185.2	**1.18**
		417.6	445.0	27.4	**1.02**
	EC-41	304.8	335.3	30.5	**1.19**
		365.8	396.2	30.5	**1.28**
	EC-55	237.7	429.8	192.0	**1.31**
		246.9	271.3	24.4	**1.62**
		289.6	323.1	33.5	**2.09**
		338.3	390.1	51.8	**1.52**
central anomaly	EC-1	198.1	219.5	21.3	**1.05**
		225.6	234.7	9.1	**1.08**
	EC-17	554.7	612.6	57.9	**1.27**
	EC-19	187.5	253.0	65.5	**1.13**
		627.9	661.4	33.5	**1.02**
	EC-21	207.6	228.6	21.0	**1.54**

Several of these regional holes terminated in carbonatite. Petrographic and microprobe work completed by Molycorp indicates that the rare earth elements are hosted within the minerals bastnaesite, parasite, synchisite and lesser amounts of monazite. Niobium is hosted within pyrochlore.

Associated with the carbonatite and carbonatite breccias are lesser amounts of basalt, lamprophyre, and syenite. These Late Proterozoic-age intrusive rocks are situated approximately 200 metres below an almost flat-lying cover of Pennsylvanian-aged marine carbonate and shale.

Carbonatites are very rare and unique rock types, with approximately 500 complexes known worldwide. Often containing a variety of exotic minerals, carbonatites have been known to produce economic concentrations of rare earth elements, niobium, copper, iron, apatite, vermiculite and fluorite; with significant byproducts which may include barite, zircon, tantalum, gold, silver, uranium, nickel and platinum group elements.

On April 28, 2011 the Company announced the filing of an NI 43-101 resource report on the Elk Creek Carbonatite project. The report specifically deals with the core Niobium zone, and does not reflect results of any of the Rare Earth Element zones also located on the property. The report, prepared by Wardrop, A Tetra Tech Company ("Wardrop") is available on SEDAR.

Table 1.1 Inferred Resource Estimate for the Elk Creek Deposit

Nb_2O_5% Cut off	Density	Tonnes (x 000 t)	Nb_2O_5%	Contained Nb_2O_5 (1,000's of kg)
0.70%	3.00	18,369	0.80	146,366
0.65%	3.00	28,704	0.75	216,003
0.60%	3.00	40,470	0.72	289,522
0.55%	3.00	52,875	0.68	360,820
0.50%	3.00	64,257	0.65	420,727
0.45%	3.00	73,677	0.63	465,545
0.40%	3.00	80,148	0.62	493,240
0.35%	3.00	82,863	0.61	503,616

Notes:

1. Effective date of the resource estimate is March 31, 2011
2. Resource estimate based on Nb_2O_5% assays from historic assay database.
3. Wardrop considers a base case cut-off grade of 0.40 Nb_2O_5% to be reasonable in the absence of metallurgical data and economic parameters (i.e. operating costs).
4. Average specific gravity of 3.00 g/cc
5. The resource estimate has been classified as an Inferred Resource based on the use of historic data, number of drill holes used in the estimation and for the relatively low sample support within the current outlined deposit.
6. Resource Estimate is based on:
    a. A database of 25 drill holes totaling 14,739.8 m of diamond drilling where samples were composited on 3.05 m (10 ft.) lengths.
    b. An Indicator Kriged (IK) wireframe, defining a 45% probability of achieving or exceeding a cut-off of 0.4 Nb_2O_5%, was generated on block size of 20 m x 20 m x 10 m.
    c. Geological model bounded by the IK wireframe. The IK wireframe was generated based on the 25 drill holes.
    d. Block model estimated by OK interpolation method on block size 10m x 10m x 10m. The OK estimation was generated based on 14 drill holes within the mineralized IK wireframe.
    e. Resource Estimate assumes 100% recovery as metallurgical results are not available.

The Elk Creek Niobium Deposit is an elongate, approximately east-west orientated mineral occurrence, in excess of 800 meters along strike. The deposit remains open to the east, west and at depth. It is hosted by the Elk Creek Carbonatite, which is an intrusive complex of carbonatite and related rocks. The property was held under an option agreement during the 1970s and 1980s by Molycorp Inc., at which time considerable exploration took place. At least 113 core holes were completed within the outline of the seven-kilometre-diameter geophysical anomaly, with 25 holes completed within a core zone, where high-grade niobium mineralization was identified.

Fugro Airborne Surveys Corp. of Ottawa, Ont., completed a high-resolution airborne gravity and magnetic survey in the spring of 2011. The Company received raw-data results from this survey in early summer, utilizing the information to assist in citing drill hole locations. The final report was received by the Company in late October of 2011 and is currently being reviewed. The spring 2011 drill program at Elk Creek, the first undertaken on the project in more than 25 years was completed

and results announced in August and September as they were received. Goals of the drill program included confirmation, expansion and in-fill drilling of the existing Niobium resource area to provide core for metallurgical test work, and confirmation and step-out drilling beyond the REE mineralization previously reported for Hole EC-93 (155.5 m of 2.70% TREO).

On April 26, 2011 the Company announced the commencement of drilling operations at the Elk Creek Carbonatite Project, located in southeastern Nebraska. The spring 2011 drill program would target both the Elk Creek Niobium Deposit and Rare Earth Element (REE) mineralization previously identified within the eastern part of the Elk Creek Carbonatite Complex. The Company had expanded upon the previously announced drilling plans, and anticipated completing at least 5,000 m within several drill holes. For the Elk Creek Niobium Deposit, the Company would test at least three locations; these holes planned as "infill" holes to upgrade the resource category for the deposit, and to provide sufficient material for future metallurgical test-work.

On July 27th, 2011 the Company announced results for the first of five drill holes from the spring/summer 2011 exploration program at the Elk Creek Niobium – REE Project, located in southeastern Nebraska, USA.

Highlights from the current exploration include:

- **NEC11-01: 235.22 m of 0.73% Nb_2O_5 and 0.43% TREO***,
- including 54.13 m of 1.17% Nb_2O_5 and 0.46% TREO; and
- the identification of a significant zone of Middle and Heavy Rare Earth (MHREO) mineralization of between 25%° to 35% MHREO*, with notable enrichment in Europium, Gadolinium, Terbium and Dysprosium, associated with the Elk Creek Niobium Deposit.

Drill hole NEC11-001 is one of five holes recently completed at the Elk Creek Project. Three holes were completed at the Elk Creek Niobium Deposit, one hole to the south of EC-93 (155.5 m of 2.7% TREO, see news release dated March 7, 2011), and one hole to test a unique aeromagnetic anomaly.

Drill hole NEC11-001 was drilled at a -70° inclination at a direction of 035° to a depth of 900.38 metres (a drill plan and cross-section are available on the company's website at http://www.NioCorprareearth.com). The hole was drilled within the southeastern portion of the deposit at depth; results of niobium and the rare earth elements and their ratios are as follows:

NEC11-001	FROM	TO	INTERVAL	Nb2O5	TREO	LREO	MREO	HREO
				(%)	(%)	(%)	(%)	(%)
	534.75	769.97	235.22	0.73	0.43	0.33	0.056	0.053
including	565.13	619.26	54.13	1.17	0.46	0.3	0.07	0.091

NEC11-001	FROM	TO	MHREO	LREO/TREO	MHREO/TREO
			(%)	Ratio	ratio
	534.75	769.97	0.109	77	25
including	565.13	619.26	0.161	65	35

LREO MREO

NEC11-001	FROM	TO	La2O3 (ppm)	Ce2O3 (ppm)	Pr2O3 (ppm)	Nd2O3 (ppm)	Sm2O3 (ppm)	Eu2O3 (ppm)	Gd2O3 (ppm)
	534.75	769.97	945	1586	162	584	174	174	210
including	565.13	619.26	795	1425	154	608	237	119	342

HREO

NEC11-001	FROM	TO	Tb2O3 (ppm)	Dy2O3 (ppm)	Ho2O3 (ppm)	Er2O3 (ppm)	Tm2O3 (ppm)	Yb2O3 (ppm)	Lu2O3 (ppm)	Y2O3 (ppm)
	534.75	769.97	25	93.3	12.1	22.9	2.36	12.9	1.71	357
including	565.13	619.26	42.5	159.4	20.5	37.7	3.79	20.5	2.64	620

Based on the deposits geometry, the drilled thickness is currently estimated at 60 per cent of the true thickness.

The identification of a new zone of Middle and Heavy Rare Earth Oxide (MHREO) enrichment associated with the higher grade portions of the niobium interval was identified within drill Hole NEC11-001. This zone will be further investigated via a review of mineralogy and historic results to determine its significance.

**Total Rare Earth Oxides (TREO) include: La2O3, Ce2O3, Pr2O3, Nd2O3, Sm2O3, Eu2O3, Gd2O3, Tb2O3, Dy2O3, Ho2O3, Er2O3, Tm2O3, Yb2O3, Lu2O3 and Y2O3.*
Light Rare Earth Oxides (LREO) include: La2O3, Ce2O3, Pr2O3 and Nd2O3.
Middle Rare Earth Oxides (MREO) include: Sm2O3, Eu2O3 and Gd2O3.
Heavy Rare Earth Oxides (HREO) include: Tb2O3, Dy2O3, Ho2O3, Er2O3, Tm2O3, Yb2O3, Lu2O3 and Y2O3.
Middle to Heavy Rare Earth Oxides (MHREO) is the sum of MHREO and HREO.

The Company announced results for two additional holes of the first of five drill holes from the spring/summer 2011 exploration program at the Elk Creek Niobium – REE Project, located in southeastern Nebraska, USA. Drill holes NEC11-002 and NEC11-003 are the remaining two of three holes which were completed to test the Elk Creek Niobium Deposit.

Highlights from the exploration include:

- NEC11-002: 179.18 m of 0.87% Nb_2O_5 and 0.43% TREO*
  - Including 131.03 m of 1.02% Nb_2O_5 and 0.48% TREO*
  - Including 34.16 m of 1.23% Nb_2O_5 and 0.38% TREO*

- NEC11-003: 130.37 m of 0.58% Nb_2O_5 and 0.48% TREO*
  - Including 34.16 m of 0.94% Nb_2O_5 and 0.42% TREO*

Management of NioCorp are very pleased with the results as they provide additional information on areas of the deposit at depth where limited information was previously available, but also confirm the strong grade and size potential of the Niobium structure indicated by previous drilling by Molycorp.

Drill hole NEC11-002 was drilled at a -55° inclination at a direction of 035° to a depth of 908.61 metres (a drill plan and cross-section are available on the company's website at http://www.NioCorprareearth.com). The hole was drilled in the northwestern portion of the deposit at depth. A significant zone of Middle and Heavy Rare Earth (MHREO*) mineralization of between 28% to 43% MHREO, with notable enrichment in Europium, Gadolinium, Terbium and Dysprosium was encountered in this hole, similar to the MHREO enrichment found in hole NEC11-001.

Drill hole NEC11-003 was drilled at a -65 inclination at a direction of 035° to a depth of 508.71 metres. The hole was drilled in the southeastern portion of the deposit

Results of niobium and the rare earth elements and their ratios for these two holes are as follows:

	FROM (m)	TO (m)	INTERVAL (m)	Nb2O5 (%)	TREO (%)
NEC11-002	713.81	892.99	179.18	**0.87**	0.43
including	757.71	888.74	131.03	**1.02**	0.48
including	780.12	805.67	25.55	**1.23**	0.38
NEC11-003	296.35	426.72	130.37	**0.58**	0.48
including	330.61	364.77	34.16	**0.94**	0.42

	FROM (m)	TO (m)	INTERVAL (m)	LREO (%)	MREO (%)	HREO (%)	MHREO (%)	LREO/TREO ratio	MHREO/TREO ratio
NEC11-002	713.81	892.99	179.18	0.31	0.054	0.059	0.113	**72**	**28**
including	757.71	888.74	131.03	0.34	0.063	0.060	0.123	**71**	**29**
including	780.12	805.67	25.55	0.21	0.069	0.097	0.167	**57**	**43**
NEC11-003	296.35	426.72	130.37	0.42	0.033	0.024	0.057	**87**	**13**
including	330.61	364.77	34.16	0.36	0.037	0.024	0.061	**84**	**16**

				LREO				MREO		
	FROM (m)	TO (m)	INTERVAL (m)	La2O3 (ppm)	Ce2O3 (ppm)	Pr2O3 (ppm)	Nd2O3 (ppm)	Sm2O3 (ppm)	Eu2O3 (ppm)	Gd2O3 (ppm)
NEC11-002	713.81	892.99	179.18	830	1496	166	641	225	90	224
including	757.71	888.74	131.03	907	1632	179	698	265	107	257
including	780.12	805.67	25.55	535	1015	117	466	242	122	327
NEC11-003	296.35	426.72	130.37	1277	2082	201	689	164	53	115
including	330.61	364.77	34.16	1045	1761	174	602	185	63	125

				HREO							
	FROM (m)	TO (m)	INTERVAL (m)	Tb2O3 (ppm)	Dy2O3 (ppm)	Ho2O3 (ppm)	Er2O3 (ppm)	Tm2O3 (ppm)	Yb2O3 (ppm)	Lu2O3 (ppm)	Y2O3 (ppm)
NEC11-002	713.81	892.99	179.18	25.6	97.4	13.6	27.0	2.85	15.1	1.98	403
including	757.71	888.74	131.03	27.8	101.8	13.7	26.7	2.73	14.5	1.87	409
including	780.12	805.67	25.55	39.1	156.1	22.7	44.9	4.56	24.4	3.14	680
NEC11-003	296.35	426.72	130.37	10.3	37.4	5.5	12.6	1.52	8.9	1.27	163
including	330.61	364.77	34.16	10.3	36.4	5.3	12.4	1.53	9.3	1.29	160

Based on the deposits geometry, the drilled thickness is currently estimated at 60 per cent of the true thickness.

**Total Rare Earth Oxides (TREO) include: La2O3, Ce2O3, Pr2O3, Nd2O3, Sm2O3, Eu2O3, Gd2O3, Tb2O3, Dy2O3, Ho2O3, Er2O3, Tm2O3, Yb2O3, Lu2O3 and Y2O3.*
Light Rare Earth Oxides (LREO) include: La2O3, Ce2O3, Pr2O3 and Nd2O3.
Middle Rare Earth Oxides (MREO) include: Sm2O3, Eu2O3 and Gd2O3.
Heavy Rare Earth Oxides (HREO) include: Tb2O3, Dy2O3, Ho2O3, Er2O3, Tm2O3, Yb2O3, Lu2O3 and Y2O3.

Middle to Heavy Rare Earth Oxides (MHREO) is the sum of MHREO and HREO.

On September 20th, the Company announced results for the remaining two holes of the spring/summer exploration program at the Elk Creek Niobium – REE Project, located in southeastern Nebraska, USA.
REE results have been finalized for drill holes NEC11-004, located approximately 2.5 kilometres east of the Niobium Deposit; and NEC11-005, located approximately 1 kilometre ENE of the Niobium Deposit. Highlights from the current exploration include:

NEC11-004: 236.19 m of 2.10% TREO*
Including 68.18 m of 3.32% TREO*

NEC11-005: 433.97 m of 0.92% TREO*
Including 164.85 m of 1.21% TREO*

Drill hole NEC11-004 was drilled at a -55° inclination at a direction of 080° to a depth of 465.73 metres in the area of the Eastern REE Anomaly. The Eastern REE Anomaly is located approximately 2.5 kilometres to the east of the Elk Creek Niobium Deposit. The hole was collared 160 metres to the south-east and drilled in the direction of historic hole EC-93 which contains 155.5 metres of 2.70% TREO, including 54.9 m of 3.30% TREO (previously announced, March 7, 2011).

The drill hole encountered REE mineralization within strongly altered carbonatite and associated alkaline rocks. The step-out from historic hole EC-93 confirms the potential for a sizeable deposit. As well, the potential for the discovery of a high-grade core is also highlighted with 10 individual assays greater than 4.0% TREO (average sample width of 1.37 metres) within the 68.18 metre high-grade REE zone.

Drill Hole NEC11-005 was drilled at a -55 inclination at a direction of 096° to a depth of 636.42 metres. The drill hole was designed to test a unique aeromagnetic anomaly, and was collared 470 metres to the west of, and drilled in the direction of historic hole EC-17 which contains 64.0 metres of 1.19% TREO, (previously announced, March 23, 2011). The results herein indicate a large interval of moderate REE enrichment.
Complete results of the rare earth elements and their ratios for these two holes are as follows:

		NEC11-004			NEC11-005	
		Total	including		Total	including
FROM	(m)	188.37	247.00		202.45	450.24
TO	(m)	424.56	315.18		636.42	615.09
INTERVAL	(m)	236.19	68.18		433.97	164.85
TREO	**(%)**	**2.10**	**3.32**		**0.92**	**1.21**
LREO	(%)	2.03	3.26		0.86	1.16
MREO	(%)	0.036	0.033		0.030	0.028
HREO	(%)	0.030	0.022		0.026	0.019
MHREO	(%)	0.065	0.055		0.055	0.048
LREO/TREO	ratio	**95.2**	**98.2**		**92.8**	**95.6**
MHREO/TREO	ratio	**4.8**	**1.8**		**7.4**	**4.9**
La2O3	(ppm)	7856	13612		2695	3980
Ce2O3	(ppm)	9673	15224		4248	5653
Pr2O3	(ppm)	758	1100		398	489
Nd2O3	(ppm)	2062	2673		1305	1507

Sm2O3	(ppm)	193	187		167	162
Eu2O3	(ppm)	44	36		39	36
Gd2O3	(ppm)	119	107		92	83
Tb2O3	(ppm)	11.0	7.8		9.3	7.8
Dy2O3	(ppm)	45.8	32.6		39.0	31.4
Ho2O3	(ppm)	7.0	5.2		5.9	4.5
Er2O3	(ppm)	15.4	12.9		13.1	9.7
Tm2O3	(ppm)	1.74	1.57		1.49	1.05
Yb2O3	(ppm)	9.5	8.7		8.0	5.5
Lu2O3	(ppm)	1.30	1.26		1.08	0.71
Y2O3	(ppm)	205	150		179	134

*Total Rare Earth Oxides (TREO) include: La2O3, Ce2O3, Pr2O3, Nd2O3, Sm2O3, Eu2O3, Gd2O3, Tb2O3, Dy2O3, Ho2O3, Er2O3, Tm2O3, Yb2O3, Lu2O3 and Y2O3.
Light Rare Earth Oxides (LREO) include: La2O3, Ce2O3, Pr2O3 and Nd2O3.
Middle Rare Earth Oxides (MREO) include: Sm2O3, Eu2O3 and Gd2O3.
Heavy Rare Earth Oxides (HREO) include: Tb2O3, Dy2O3, Ho2O3, Er2O3, Tm2O3, Yb2O3, Lu2O3 and Y2O3.
Middle to Heavy Rare Earth Oxides (MHREO) is the sum of MHREO and HREO.

On January 17, 2012 NioCorp announced the retention of Wardrop, a Tetra Tech Company ("Tetra Tech") to undertake an updated independent resource estimate for the Elk Creek Niobium Deposit. On April 2, 2012, the company announced receipt of the updated NI 43-101 resource report from Tetra Tech.

Highlights:

- Addition of higher grade indicated status tonnage of **19.3 Mt grading 0.67% Nb_2O_5,**
- An increase in inferred status tonnage and grade from the previous resource estimate (News Release dated April 28, 2011); from 80.1 Mt grading 0.62% Nb_2O_5 to **83.3 Mt grading 0.63% Nb_2O_5.**

The updated resource estimate for the Elk Creek Niobium Deposit has resulted in an overall increase in tonnage with an Indicated Mineral Resource of 19.3 million tonnes grading 0.67% Nb_2O_5 (using a 0.40% Nb_2O_5 cut-off grade), and an increase in Inferred Mineral Resources to 83.3 million tonnes grading 0.63% Nb_2O_5 (using a 0.40% Nb_2O_5 cut-off grade). The resource update is the result of an additional three holes completed by the Company at the Elk Creek Niobium Deposit in 2011. A summary of the resources, with sensitivity to cut-off grade is presented in Table 1.

Table 1. Mineral Resource Estimate, Elk Creek Niobium Deposit
Effective March 21, 2012

Classification	Nb_2O_5 % cutoff	Tonnage (Mt)	Nb_2O_5 % Grade	Contained Oxide t Nb_2O_5
Indicated	0.70%	7.226	0.86	61,940
Indicated	0.60%	11.373	0.78	88,770
Indicated	0.50%	15.844	0.71	113,271
Indicated	**0.40%**	**19.319**	**0.67**	**129,182**
Indicated	0.35%	19.632	0.66	130,376
Inferred	0.70%	20.984	0.80	167,447
Inferred	0.60%	44.596	0.72	320,521
Inferred	0.50%	71.333	0.66	468,026
Inferred	**0.40%**	**83.288**	**0.63**	**523,844**

Inferred	0.35%	83.744	0.63	525,591

1. Effective date of the resource estimate is March 21, 2011
2. Resource estimate based on historic and recent Nb_2O_5% assay values.
3. Wardrop considers a base case cut-off grade of 0.40 Nb_2O_5% to be reasonable in the absence of metallurgical data and economic parameters (i.e. operating costs).
4. Average specific gravity of 2.96 g/cc.
5. The resource estimate has been classified as having both Indicated and Inferred Mineral Resources. The Indicated resources are based on an interpolation with a minimum of three drill holes within an average distance of less than 80 m. All other blocks within the IK wireframe are classified as Inferred resources.
6. Resource Estimate is based on:
- An Indicator Kriged (IK) wireframe, defining a 45% probability of achieving or exceeding a cut-off of 0.4 Nb_2O_5%, was generated on block size of 20 m x 20 m x 10 m.
- Geological model bounded by the IK wireframe. The IK wireframe was generated based on the 27 drill holes totalling 16,595 m of diamond drilling.
- Block model estimated by OK interpolation method on block size 20m x 20m x 10m. The OK estimation was generated based on 17 drill holes that intersect the mineralized IK wireframe.
- Resource Estimate assumes 100% recovery as metallurgical results are not available.

In accordance with recommendations from Tetra Tech, the company is planning an exploration program of both infill and expansion drilling. The goals of this program will be to increase both the indicated and inferred resource base, and expand upon the higher grade portions of the deposit.

The metallurgical test program is on-going, and is based on composite samples of drill core obtained from the 2011 drill core. The work is being conducted at the Hazen Research Inc. facility in Golden, Colorado.

On May 3, 2012 the Company announced the receipt of and filing of the completed NI 43-101 report from Tetra Tech.

(b) Archie Lake Property

In September 2009, the Company entered into an agreement to acquire the Archie Lake property located near Uranium City, Saskatchewan. In consideration, the Company paid acquisition costs of $40,000 and issued 2,000,000 common shares at a value of $840,000. The property is subject to a 2% Net Smelter Royalty ("NSR"), of which one half (1%) may be purchased back for $1,000,000. Since no current exploration work has been planned by the Company, it has decided to write off its total cost of $2,045,315 in the year ended June 30, 2013. The Company intends to maintain the property in good standing as it explores for future opportunities.

Historic exploration and results on the property returned significant concentrations of Rare Earth Elements (REEs). The historic exploration on the area is summarized in February 1971 assessment reports (not NI 43-101 compliant) on file with the Saskatchewan Ministry of Mines. Historic exploration on the property includes an airborne radiometric survey and follow-up prospecting and trenching over one of the anomalies identified. The main showing is postulated to be a paleo-placer type deposit, with monazite crystals constituting up to 50% of the rock in places. The assay reports from the previous exploration showed that ten samples analyzed by spectrographic analysis method showed elevated concentrations of Rare Earth Oxides. Values ranged from 0.1 to 15.7% RE2O3 and averaged 4.04% RE2O3. Individual elemental rare-earth abundances are in the following order: lanthanum, cerium, gadolinium, lutetium, terbium and ytterbium, with trace amounts of scandium and yttrium.

On February 16, 2011 the Company announced results of the 2010 exploration program. Prior exploration at Archie Lake identified a rare earth bearing meta-sedimentary horizon up to 6 m across,

near-vertical, approximately 600 m along strike, and with peak grades of 29.9% TREE (see July 6, 2010 News).

The 2010 exploration included a high resolution airborne magnetic (HRAM) and radiometric survey, property-wide prospecting and sampling, and surface sampling along the northerly strike extension of the known mineralized horizon. Highlights from the 2010 exploration include:

- confirmation of the geophysical signature associated with the rare earth element (REE) bearing horizon, and identification of new target locations;
- samples from northerly extensions of the mineralized horizon return peak results of 3.32% total rare earth oxide (TREO); and
- Identification of new locations of anomalous REE mineralization associated with parallel trends, with peak values of 0.73% TREO from surface outcrops.

At Archie Lake, the 2010 exploration comprised two phases. Phase I involved the completion of a HRAM and radiometric survey, to trace the known mineralized horizon, and identify other potential areas of interest. The survey was successful in delineating several prospective trends and new REE targets at the property. Only preliminary data was available at the time of ground work, with a full interpretation currently being undertaken by Rob Shives of GamX Inc. As such, several prospective trends and areas may have been overlooked and not fully assessed.

Phase II involved ground checking several of the new targets generated from the recent airborne survey, conducting a ground geophysical survey, geologic mapping, and sampling of the remaining trenches in order to verify the full 600 m extent of the 'historical' mineralized horizon. A total of 105 rock samples were collected across the property.

Two remaining historic trenches, not evaluated in 2009, were located and sampled along with a third trench with no historic record. Samples returned multiple TREO grades greater than 1% to a peak value of 3.32% TREO. In addition, an outcrop located a further 35 m northwest of the aforementioned trenches returned 2.50% TREO. The 2010 exploration confirms a known strike length of the mineralized horizon of approximately 550 m.

To the northwest of the mineralized trend, the Beaver River Fault appears to truncate and offset the mineralization, several hundred metres to the east, as assessed via air photos and magnetic data. Sample 75086 returned anomalous mineralization (0.64% TREO) in a location where the mineralized horizon would be expected to continue north of the fault. The sample contains coarse-grained Ilmenite, which is associated with monazite within the historic trenches. This area is a high-priority target for follow-up exploration, and confirms additional potential strike length for the mineralized horizon, beyond the historic mineralization.

In addition, geophysical targets located approximately 500 m west and 3 km north-northwest of the historic trenches returned anomalous mineralization up to 0.56% TREO (75654) and 0.73% TREO (28038) respectively. These grades are significant and will be further evaluated during the next field program. In addition, these two areas are coupled with anomalous pathfinder geochemistry (Ti, U) further supporting the anomalous REE nature of these locations.

All of the 2010 samples were sent to the Saskatchewan Research Council Geoanalytical Laboratories, Saskatoon, SK for analysis using the packages REE-1 and WR1 (REE and whole rock by lithium metaborate fusion and ICP-OES), and Multi-Element analysis (trace and base metals by aqua regia digestions and ICP)

Further mapping and sampling was completed in the spring and summer months 2011.

On December 1, 2009 the Company announced the results of the fall 2009, exploration and sampling program, at the Archie Lake Rare Earth Property. At Archie Lake, Rare Earth Element (REE) mineralization is contained within a meta-sedimentary horizon believed to be of paleo-placer origin. The mineralized horizon is up to 6 meters across, and has been historically traced for nearly 600 metres along strike. A sampling program on the Archie lake property commenced in early October, with the results incorporated into a NI43-101 report. A total of 36 surface samples were taken, which have been submitted for assaying.

During early October, a total of 36 rock samples were collected from six historic trenches and one small blast pit at the property. Samples were sent to Acme Analytical of Vancouver, BC. (Acme) for whole rock and trace element analysis with rare earths determined using ICP-MS. Check analysis was performed by AGAT Laboratories Ltd. (AGAT), Mississauga ON, and the Saskatchewan Research Council (SRC), Saskatoon, SK using an ICP-OES method capable of achieving higher detection limits; on a subset of the original *36* samples.

Mineralization was confirmed in all six trenches plus one small unnamed blast pit. As reported by Acme, one chip sample returned a high of 29.9% REE+Y (Semi-Quantitative Analysis). A total of five samples exceeded Acme's detection limits for one to four of the lanthanides (Ce, La, Nd, and Pr). Two of these samples exceeded 15% total rare earths plus yttrium (REE+Y). Of all 36 samples analyzed, a total of 18 samples exceed 2% REE+Y, six exceed 5% REE+Y with three exceeding 10% REE+Y. The peak value was comprised of nearly 60% monazite representing a highly mineralized pod within the overall zone. The maximum value of 29.9% REE+Y reported by Acme, was reanalyzed by AGAT as 21.1% REE+Y, and 29.2% REE+Y by the SRC. All other check samples were within acceptable limits. A complete sample section across the mineralized zone was obtained in Trench 'c'. Semi-continuous chip sampling across an approximate 5 m width returned 5.9% REE+Y. Preliminary thin section work has been completed on select samples by Allison Brand of Mackevoy Geosciences Ltd. It was determined that monazite-(Ce) is the near exclusive contributor to the mineralization, dominated by Ce, La, Nd and Pr.

Approximately 250 metres of the mineralized zone was traversed by the field crew during the fall 2009 exploration. Several trenches to the northwest, with historic mineralization reported, were not visited. To date, high-grade surface Rare Earth Element surface ("REE") mineralization at the Archie Lake Property has been identified along a strike length of approximately 550 metres, with a width of up to 6 metres, and samples reaching up to 29.9% TREE* (see July 6, 2010 News).

The surface mineralization has been exposed by several previously blasted trenches, and successively mapped and sampled by the company between 2009 and 2011. The mineralogical work to-date has identified REE mineralization exclusively from the mineral monazite, thought to be of paleo-placer origin.

*TREE (Total Rare Earth Elements) is defined as the sum of La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu and Y. Samples at Archie Lake are predominantly composed of the LREE (Light Rare Earth Elements), defined as the sum of Ce, La, Nd, Pr and Sm, which make up over 98% of the REE.

(c) Silver Mountain Mines Corp.

During the year ended June 30, 2011, the Company completed the acquisition of Silver Mountain Mines Corp. ("Silver Mountain"). The property interests of Silver Mountain consist of the Red Lake and Thunder Bay claims located in Ontario and the Jungle Well and Laverton projects located in Western Australia.

Red Lake (Tait Lake) Property – Silver Mountain

The Company holds an option to acquire a 100% interest in certain claim units located in the Kenora Mining Division, Ontario. Terms of the option agreement include a payment dated July 31, 2009 of $10,000 (paid) and $129,000 payable as follows: $24,000 on or before first anniversary (paid), $30,000 on or before second anniversary (paid), $35,000 on or before third anniversary and $40,000 (paid) on or before fourth anniversary of signing. In addition, a total of 150,000 shares are issuable, with 50,000 shares on signing (issued prior to acquisition), 50,000 shares (issued during the fiscal year at a value of $28,000) on the first anniversary of the agreement, and 50,000 shares (issued at a value of $13,500) on the second anniversary of the agreement. Pursuant to the payment of $35,000 required on or before the third anniversary, the Company issued 400,000 shares at a value of $50,000. The property is subject to a 2% net smelter return ("NSR").

On November 28, 2011 the Company entered into an option agreement (the “Option Agreement”) among its wholly owned subsidiary, Silver Mountain, Perry English for Rubicon Minerals Corporation (“English”) and Amana Copper Ltd. (formerly Titan Goldworx Resources Inc.)(“Amana”) dated October 21, 2011, as amended November 28, 2011, whereby the Company has granted Amana an option (the “Option”) to acquire up to a 70% interest in the Tait Lake Property.

The Company received a termination notice from Amana on May 29, 2013. The Company intends to find another party to continue exploration on the Tait Property. The Company received $15,000 in cash and 150,000 common shares of Amana valued at $22,500. During the year ended June 30, 2013, the Company decided to write off the Red Lake claims and related value of $50,000 (2012 - $138,794) as no further exploration has been planned.

Thunder Bay Claims – Silver Mountain

Silver Mountain held an option to acquire a 100% interest in certain mineral claims located in Thunder Bay Mining Division, Ontario.

On October 24, 2011, the Company entered into a termination and mutual release agreement with the optionor whereby the Company will pay the optioner $20,000 (paid) and issue 129,032 shares (issued at a value of $20,000). As a result the Company is no longer required to keep those mineral claims in good standing for a period of at least 12 months from the termination. Accordingly, the Company wrote off all capitalized acquisition and deferred exploration costs associated with the property in the 2011 year end and the costs associated with the termination in the 2012 year end.

(d) Jungle Well and Laverton Projects

The Jungle Well and Laverton projects were originally contemplated through the acquisition of Silver Mountain in fiscal 2011.

On September 19, 2011, the Company entered into an option agreement with Florella Holdings ('Florella') whereby the Company granted Florella an option to acquire an 80% interest in the Jungle Well and Laverton projects. In July 2012 Florella assigned a portion of their interest to Victory Mines Limited ("Victory"). Under the terms of the agreements, the Company will retain a 20% interest, Florella will retain a 10% interest and Victory can earn a 70% interest. The interests of Florella and the Company are carried until such time as commercial production is reached. Pursuant to these agreements the Company received $60,000 and US$ 120,000 in fiscal 2012 and AUD$ 100,000 and 3,750,000 shares of Victory in fiscal 2013. The shares of Victory had a nominal value when received.

The Jungle Well Project is hosted within granted exploration licence EL 29/679 and located 150km west of the Mt. Weld deposit. The tenement covers over 7,500 hectares and recent rock chip samples from a historical trench that was excavated for the evaluation of diamonds in the late 1990's has returned REE results. The results for the rock chip samples are detailed in Table 1.

Table 1 – Rock Chip samples

ELEMENTS	Ce	Dy	Er	Eu	Gd
Name	Cerium	Dysprosium	Erbium	Europium	Gadolinium
UNITS	Ppm	Ppm	Ppm	ppm	ppm
09_RD_01*	29,300	560	349	130	634
09_RD_02**	31,200	429	173	210	772

ELEMENTS	La	Nd	Pr	Y	Yb
Name	Lanthanum	Neodymium	Praseodymium	Yttrium	Ytterbium
UNITS	Ppm	Ppm	ppm	ppm	ppm
09_RD_01	12,700	6,630	2,120	3,550	292
09_RD_02	26,800	14,600	4,990	2,010	129

*Sample obtained from an observed dyke within floor of trench. The true width of the dyke could not be determined.

**Soil sampling from excavated trench (true width unknown).

Based on the data compilation, the project presents the Company with a drill ready target. However, it is the Company's intention to carry out ground geophysical surveys to define the strike extent and delineate further targets before drilling programmes are carried out. The Laverton Project is hosted within exploration licence application EL 38/2374 and located 45km north of the Mt. Weld deposit. The tenement covers over 9,600 hectares and contains a magnetic feature that the Company believes warrants field evaluations.

The 2011 exploration program at Jungle Well, included the re-evaluation of an ultramafic dyke, to confirm historic REO values for samples collected in 2007 and 2009. The Jungle Well project is located about 40 km west of the town of Leonora, Western Australia and approximately 160 km southwest of Lynas Corporation's Mt. Weld Rare Earth Element Mine.

A total of nine grab samples were taken along the length of the dyke, and all showed highly elevated Total Rare Earth Oxides* ("TREO") values of 0.93% to 12.80% (see Table below). The samples showed variable REE distribution, with persistent enrichment in Neodymium and Heavy Rare Earth Oxides. Absolute concentrations of Neodymium (Nd_2O_3) ranged from 0.12 to 1.76%. As a percentage of TREO, the MHREO component ranged from 6.3 to 13.1%.

The Mt. Weld deposit, of Lynas Corp Ltd., contains a resource of 17.49 million tonnes at an average grade of 8.1% TREO, with a cut-off grade of 2.5% TREO. Given the high grades of the Jungle Well samples, in combination with large circular magnetic features on the property, NioCorp's management is encouraged with the recent results.

Table 2011 Sampling Results, Jungle Well Project

	53790	53791	53794	53795	53796	53797	53798	53800	53801	53802

La2O3 (%)	0.68	1.83	3.42	1.33	0.50	0.43	0.42	0.27	0.36	4.23
Ce2O3 (%)	4.05	3.16	4.66	1.92	0.50	0.51	1.71	0.39	1.15	4.74
Pr2O3 (%)	0.12	0.32	0.59	0.22	0.08	0.07	0.07	0.04	0.06	0.71
Nd2O3 (%)	0.36	0.95	1.76	0.69	0.25	0.21	0.21	0.12	0.19	2.06
Sm2O3 (ppm)	657.50	1120.18	2203.25	847.67	309.62	218.01	321.21	171.62	287.58	2411.98
Eu2O3 (ppm)	106.76	137.79	260.53	106.76	39.83	23.85	47.94	26.40	40.53	267.48
Gd2O3 (ppm)	544.03	613.19	1187.19	516.37	202.86	92.21	223.61	140.62	207.47	1233.30
Tb2O3 (ppm)	106.12	81.49	161.14	67.22	25.32	11.28	35.91	17.96	35.91	150.78
Dy2O3 (ppm)	727.63	463.66	795.34	364.96	129.69	54.51	223.80	98.13	230.68	799.94
Ho2O3 (ppm)	134.02	83.85	143.19	68.50	24.74	9.39	43.07	19.02	46.05	122.57
Er2O3 (ppm)	395.64	241.27	394.50	195.54	68.04	24.01	131.50	48.03	142.94	316.74
Tm2O3 (ppm)	59.39	35.18	54.59	26.50	8.68	3.20	19.19	6.40	21.93	40.66
Yb2O3 (ppm)	384.87	215.21	324.52	149.17	47.26	19.36	120.70	34.16	133.23	219.77
Lu2O3 (ppm)	50.94	28.20	44.12	21.15	6.60	2.50	15.69	5.00	17.74	27.52
Y2O3 (%)	0.38	0.28	0.49	0.27	0.10	0.04	0.14	0.05	0.15	0.49
TREO (%)	**5.91**	**6.83**	**11.48**	**4.66**	**1.52**	**1.30**	**2.68**	**0.93**	**2.02**	**12.80**
LREO (%)	5.22	6.26	10.43	4.16	1.34	1.22	2.42	0.82	1.75	11.75
MREO (%)	0.13	0.19	0.37	0.15	0.06	0.03	0.06	0.03	0.05	0.39
HREO (%)	0.56	0.39	0.68	0.36	0.13	0.05	0.20	0.07	0.21	0.66
LREO/TREO	88.3	91.5	90.9	89.1	87.8	93.7	90.3	88.4	86.9	91.8
MHREO/TREO	11.7	8.5	9.1	10.9	12.2	6.3	9.7	11.6	13.1	8.2

The mineralized dyke was traced for approximately 70 meters through a series of pits, trending northwest to southeast. The maximum sampled thickness was 0.5 metres. In addition, a historic drill log for hole RED3/4, drilled in1997 by Western Diamond Corp., recorded an intersection of an ultramafic unit below the sample pits. The drill hole, with a dip of -60 was collared 17 metres away from the dyke and intersected a 5 metre thick ultramafic unit at 25 to 30 metres depth. The hole was ended at 31.4 m, after encountering drill problems. It is interpreted that the ultramafic unit intersected within the drill hole is the same REE- bearing unit at depth.

It is anticipated that a follow-up exploration will include a high-resolution radiometric and magnetic airborne survey, additional sampling of the known ultramafic, with sampling of other mafic- or ultramafic dykes located within the immediate vicinity.

*Total Rare Earth Oxides (TREO) include: La2O3, Ce2O3, Pr2O3, Nd2O3, Sm2O3, Eu2O3, Gd2O3, Tb2O3, Dy2O3, Ho2O3, Er2O3, Tm2O3, Yb2O3, Lu2O3 and Y2O3.
Light Rare Earth Oxides (LREO) include: La2O3, Ce2O3, Pr2O3 and Nd2O3.
Middle Rare Earth Oxides (MREO) include: Sm2O3, Eu2O3 and Gd2O3.
Heavy Rare Earth Oxides (HREO) include: Tb2O3, Dy2O3, Ho2O3, Er2O3, Tm2O3, Yb2O3, Lu2O3 and Y2O3.
Middle to Heavy Rare Earth Oxides (MHREO) is the sum of MREO and HREO.

Financial Statement Presentation

The financial statements have been prepared in accordance with International Accounting Reporting Standards on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. The outcome of these matters cannot be predicted at this time. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

Selected Annual Information

Selected annual information from the consolidated audited financial statements for the three years ended are summarized as follows

	June 30, 2013	June 30, 2012	June 30, 2011
Expense (net)	$2,937,277	$1,591,568	$7,775,375
Other(income)/expense	(37,500)	611,313	(81,182)
Net loss before taxes	2,899,777	2,202,881	7,694,193
Current income taxes	85,000	-	-
Net loss for the year	2,984,777	2,202,881	7,694,193
Net loss per share	0.03	0.03	0.13
Total assets	12,527,923	14,569,675	15,486,792
Total Liabilities	1,656,067	1,399,052	1,096,775

Summary of Quarterly Results

Results for the eight most recently completed quarters are summarized as follows:

	Total revenues	Net loss for the period	Net loss per share (basic and diluted)
September 30, 2013	$ Nil	$ 132,403	$ 0.00
June 30, 2013	Nil	2,250,835	0.02
March 31, 2013	Nil	430,760	0.01
December 31, 2012	Nil	65,888	0.00
September 30, 2012	Nil	237,294	0.00
June 30, 2012	Nil	962,330	0.01
March 31, 2012	Nil	495,075	0.01
December 31, 2011	Nil	233,187	0.00

Results of Operations

The Company incurred a loss of $132,403 for the three months ended September 30, 2013 as compared to the previous comparable period for a loss of $237,294. The largest difference is in shareholder communication for a decrease of $38,764. In a poor stock market, it is not expected to improve market penetration but to maintain shareholder confidence.

Liquidity and Capital Resources

At September 30, 2013, the Company had cash in the bank of $58,364 and working capital deficiency of $1,724,107. A director and officer of the Company advanced a further $100,000 during the current quarter for total advances to the Company of $250,000 at September 30, 2013 on a non-interest basis to assist the Company. The Company has been actively working on private placements and in October 2013 closed the first tranche of 6,186,612 shares at US $0.15 per share.

Year ended June 30, 2013

In December 2012 the Company closed a private placement of 2,984,160 units at $0.125 per unit for total gross proceeds of $373,020. Each unit consists of one common share and one transferable share purchase warrant, each warrant entitling the holder to purchase one additional common share for a period of two years at a price of $0.25 per share. The Company paid a total of $12,600 in cash and issued 100,800 share purchase warrants to finders for their efforts in finding certain placees. Each finder's warrant is exercisable into one common share of the Company for two years at a price of $0.125 per share. The warrants have two expiry dates, 2,756,160 warrants expire on November 13, 2014 and 228,000 warrants expire on December 20, 2014.The finder's warrants expire on November 13, 2014 for 92,800 warrants and on December 20, 2014 for 8,000 warrants. The finder's warrants have a total value of $6,548 which was calculated using the Black-Scholes option pricing model using a risk-free interest rate of 1.25%, an expected life of 2 years, an expected volatility of 93.7% and a dividend rate of 0.00%. Other issue costs amount to $2,473.

Commitments

The Company has jointly entered into an agreement with a public company with a director in common to lease office space until May 30, 2014. The Company's share requires monthly payment of $3,354 for a total annual rent of $40,248.

Risks and Uncertainties

An investment in natural resource companies involves a significant degree of risk. The degree of risk increases substantially where the Company's properties are in the exploration as opposed to the development stage. Investment in the securities of the Company should be considered as highly speculative due to the nature of the Company's business. The following risk factors should be given special consideration.

Exploration and Development Risks

Exploring and developing natural resource projects bears a high potential for all manner of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. Natural resource exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of natural resources, any of which could result in work stoppages, damage to property, and possible environmental damage. If any of the Company's exploration programs are successful, there is a degree of uncertainty attributable to the calculation of resources and corresponding grades being

mined or dedicated to future production. Until actually mined and processed, the quantity of reserves and grade must be considered as estimates only. In addition, the quantity of reserves may vary depending on commodity prices. Any material change in quantity of reserves, grade or recovery ratio, may affect the economic viability of the Company's properties. In addition, there can be no assurance that results obtained in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. The Company closely monitors its activities and those factors which could impact them, and employs experienced consulting, engineering, and legal advisors to assist in its risk management reviews where it is deemed necessary.

Economic and Financial Market Instability

There is no assurance that the Company will be able to continue to raise equity capital or that the Company will not continue to incur losses. Numerous factors, including declining metal prices, lower than expected ore grades or higher than expected operating costs (including increased commodity prices), and write-offs of property and/or exploration property costs, could cause the Company to continue to be unprofitable in the future.

Current global financial conditions have been subject to increased volatility and numerous financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Access to public financing has been negatively impacted by both sub-prime mortgages and the liquidity crisis affecting the asset-backed commercial paper market. In the short term, these factors, combined with the Company's financial position, may impact the Company's ability to obtain equity or debt financing in the future and, if obtained, on terms that are favorable to the Company. In the longer term these factors, combined with the Company's financial position could have important consequences, including the following:

(i) Increasing the Company's vulnerability to general adverse economic and industry conditions;
(ii) Limiting the Company's ability to obtain additional financing to fund future working capital, capital expenditures, operating and exploration costs and other general corporate requirements;
(iii) Limiting the Company's flexibility in planning for, or reacting to, changes in the Company's business and the industry; and
(iv) Placing the Company at a disadvantage when compared to competitors that have less debt relative to their market capitalization.

Substantial Capital Requirements; Liquidity

The Company anticipates that it will make substantial capital expenditures for the acquisition, exploration, and development of precious and base metal projects in the future. The Company currently has no significant revenue and may have limited ability to expend the capital necessary to undertake or complete future drilling programs. There can be no assurance that debt or equity financing, or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial condition, results of operations or prospects. Sales of substantial amounts of securities may have a highly dilutive effect on the ownership or share structure of the company. Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Company's ability to raise capital through future sales of common shares.

Volatility of the Market Price of the Company's Common Shares

The Company's common shares are listed on the TSX Venture Exchange under the symbol NB, on the Frankfurt Stock Exchange ("FWB" – Frankfurter Wertpapierboerse) in Germany under the trading symbol "BR3", and on the OTCQX in the United States, under the symbol "NIOBF". Securities of "small-cap" companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. Our share price is also likely to be significantly affected by short-term changes in metal prices or in our financial condition or results of operations as reflected in our quarterly financial statements. Other factors unrelated to our performance that could have an effect on the price of our common shares include the following:

(i) The trading volume and general market interest in our securities could affect an investor's ability to trade significant numbers of common shares; and
(ii) The size of the public float in our common shares may limit the ability of some institutions to invest in the Company's securities.

As a result of any of these factors, the market price of the Company's common shares at any given point in time might not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company could in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Dividends

We have never paid cash dividends on our common shares. As a result, investors will have to rely on capital appreciation, if any, to earn a return on their investment in our common shares in the foreseeable future.

Environmental Risks

All phases of mineral exploration and development businesses present environmental risks and hazards and are subject to environmental regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances used and or produced in association natural resource exploration and production operations. The legislation also requires that facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material.

Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of pollutants into the air, soil or water may give rise to liabilities to foreign governments and third parties and may require the Company to incur costs to remedy such discharge. No assurance can be given that the application of environmental laws to the business and operations of the Company will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects.

Issuance of Debt

From time to time the Company may enter into transactions to acquire assets or the shares of other Companies. These transactions may be financed partially or wholly with debt, which may increase the

Company's debt levels above industry standards. Neither the Company's articles nor its by-laws limit the amount of indebtedness that the Company may incur. The level of the Company's indebtedness from time to time could impair the Company's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise. The Company's ability to service its debt obligations will depend on the Company's future operations, which are subject to prevailing industry conditions and other factors, many of which are beyond the control of the Company.

Government Regulation

The natural resource exploration industry is subject to extensive controls and regulations imposed by various levels of government. It is not expected that any of these controls or regulations will affect the operations of the Company in a manner materially different than they would affect other natural resource exploration companies of similar size. The current legislation is a matter of public record and the Company is unable to predict what additional legislation or amendments may be enacted.

Related Party Transactions

The following expenses were incurred with directors and officers of the Company:

Key management personnel remuneration	Three months ended September 30, 2013	Three months ended September 30, 2012
Management fees	$ 45,000	$ 45,000
Professional fees	9,000	22,500
Total key management personnel remuneration	54,000	67,500
Rent (to a company with a common director)	10,061	10,061
Total	$ 64,061	$ 77,561

As at September 30, 2013 accounts payable included $170,603 (June 30, 2013 - $227,854) owing to officers and directors.

The Company received advances from an officer and director of the Company for a total of $250,000. The advances are non-interest bearing and there are no terms of repayment..

Standards, Amendments and Interpretations Adopted

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting years beginning on or after January 1, 2013 or later years. The following standards and interpretations have been issued:

IAS 1 - Presentation of Financial Statements

In June 2011, the IASB and the Financial Accounting Standards Board (FASB) issued amendments to standards to align the presentation requirements for other comprehensive income (OCI). The IASB issued amendments to IAS - Presentation of Financial Statements to require companies preparing financial statements under IFRS to group items within OCI that may be reclassified to the profit or loss. The amendments also reaffirm existing requirements that items in OCI and profit or loss should be presented as either a single statement or two consecutive statements. The amendments to IAS 1 set out in Presentation of Items of Other Comprehensive Income have been implemented. The adoption of this standard did not have a significant impact on the Company’s financial statements.

IFRS 10 Consolidated Financial Statements

IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Company has adopted this standard. The adoption of this standard did not have a significant impact on the Company's financial statements.

IFRS 11 Joint Arrangements

IFRS 11 describes the accounting for arrangements in which there is joint control; proportionate consolidation is not permitted for joint ventures (as newly defined). IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC 13 Jointly Controlled Entities — Non-Monetary Contributions by Venturers. The Company has adopted this standard. The adoption of this standard did not have a significant impact on the Company's financial statements.

IFRS 12 Disclosures of Interests in Other Entities

IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Company has adopted this standard. The adoption of this standard did not have a significant impact on the Company's financial statements.

IFRS 13 Fair Value Measurement

IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRS and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS or US GAAP. The Company has adopted this standard. The adoption of this standard did not have a significant impact on the Company's financial statements.

Standards, Amendments and Interpretations Not Yet Adopted

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2015.

IAS 28 Investments in Associates and Joint Ventures

As a consequence of the issue of IFRS 10, IFRS 11 and IFRS 12, IAS 28 has been amended and will provided the accounting guidance for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The amended IAS 28 will be applied by all entities that are investors with joint control of, or significant influence over, an investee. The adoption of this standard will not have a significant impact on the Company's financial statements.

Financial Instruments and Risk

The Company's financial instruments consist of cash, receivables, marketable securities, accounts payable and accrued liabilities and advances from a related party. The carrying value of receivables, accounts payable and accrued liabilities and advances from a related party approximates their fair values due to their immediate or short-term maturity. Cash and marketable securities are carried at fair value using a level 1 fair value measurement.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company manages credit risk by investing its cash with a large Canadian chartered bank. The Company's receivables consist primarily of sales tax receivables due from the federal government. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's receivables and cash.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to interest rate risk with respect to its cash flow. The Company does not have any interest bearing financial instruments.

iii) Currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company's operations and financial results. The Company does not have significant exposure to foreign currency rate fluctuations.

iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required through future equity financings, asset sales or exploration option agreements, or a combination thereof. The Company has no regular cash flow from its operating activities. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration and corporate activities and anticipating investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of annual budgets and significant expenditures and commitments. Failure to realize additional funding, as required, could result in the delay or indefinite postponement of further exploration and development of the Company's properties.

v) Equity market risk

The Company is exposed to equity price risk arising from its dependence on equity financings for working capital.

(vi) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Other Information

The Company has not entered into any off-balance sheet arrangements.

As at November 29, 2013 the Company had the following securities issued and outstanding:

The current outstanding share capital of the Company is:

Balance, September 30, 2013	89,373,716
Issued	6,186,612
Balance, November 29, 2013	95,560,328

Stock options:

Balance, September 30, 2013	6,625,000
Issued	Nil
Balance, November 29, 2013	6,625,000

Warrants:

Balance, September 30, 2013	19,059,771
Warrants expired	(13,196,378)
Balance, November 29, 2013	5,863,393

Additional information relating to the Company, is on SEDAR at www.sedar.com

Events Occurring after Reporting Date

In October 2013 the Company completed a private placement of 6,186,612 shares at US $0.15 per share for gross proceeds of $927,992.

On November 5, 2013, 13,196,378 warrants expired unexercised

Trends

The Company's area of business is the identification, acquisition, evaluation and exploration of mineral properties, especially those with the potential to host rare earth metals, niobium, gold, silver and base metals. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new well

developments and improved production methods. The effect of these factors on the price of gold, silver and base metals and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

The industries the Company operates in are intensely competitive in all of their phases, and the Company competes with many companies possessing greater financial resources and technical facilities than it. Competition in the natural resource exploration business could adversely affect the Company's ability to acquire suitable producing properties or prospects for exploration in the future.

Management Responsibility

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which is it was made, with respect to the period covered by these filings, and these financial statements together with the other financial information included in these filings. The Board of Directors' approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.