UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended June 30, 2018

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 000-55710

NioCorp
SUPERALLOY MATERIALS

NioCorp Developments Ltd.

(Exact name of registrant as specified in its charter)

British Columbia, Canada (State or other jurisdiction of incorporation or organization)	**98-1262185** (I.R.S. Employer Identification No.)
7000 South Yosemite Street, Suite 115 **Centennial, CO** (Address of principal executive offices)	**80112** (Zip Code)

Registrant’s telephone number, including area code: (855) 264-6267

Securities registered pursuant to Section 12(b) of the Act: None.

Securities registered pursuant to section 12(g) of the Act: Common Shares, without par value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant’s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☐	Accelerated Filer ☒
Non-Accelerated Filer ☐ (Do not check if a smaller reporting company)	Small Reporting Company ☐
	Emerging Growth Company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At December 29, 2017, the aggregate market value of the registrant’s voting and non-voting common equity held by non-affiliates of the registrant was C$139,585,035 based on the closing sale price as reported on the Toronto Stock Exchange. There were 214,957,380 common shares outstanding on August 30, 2018.

DOCUMENTS INCORPORATED BY REFERENCE

The registrant incorporates by reference in Part III hereof portions of its definitive proxy statement on Schedule 14A for its 2018 annual general meeting of shareholders.

TABLE OF CONTENTS

Contents

Glossary of Terms

0896800	0896800 B.C. Ltd., a wholly-owned subsidiary of the Company and 100% owner of ECRC
BCSC	British Columbia Securities Commission
CAPEX	Capital expenditures
CIM	Canadian Institute of Mining and Metallurgy
CMC	CMC Cometals, a division of Commercial Metals Company of Fort Lee, New Jersey
CMC Agreement	The Offtake Agreement dated June 2016 by and between the Company and CMC
Common Shares	The Common Shares, without par value, in the capital stock of NioCorp as the same are constituted on the date hereof, as traded on the TSX
cut-off grade	The lowest grade of mineralized material that qualifies as ore in a given deposit, that is, material of the lowest assay value that is included in a resource/reserve estimate
deposit	A mineralized body which has been physically delineated by sufficient drilling, trenching, and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures. Such a deposit does not qualify as a commercially mineable ore body or as containing reserves or ore, unless final legal, technical, and economic factors are resolved.
diamond drilling	A type of rotary drilling in which diamond bits are used as the rock-cutting tool to produce a recoverable drill core sample of rock for observation and analysis
Dodd-Frank Act	The United States Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
ECRC	Elk Creek Resources Corp., a private Nebraska corporation and wholly-owned subsidiary of 0896800
Elk Creek Project	NioCorp's niobium, scandium, and titanium project located on the Elk Creek Property
Elk Creek Property	NioCorp's Carbonatite property located in Southeast Nebraska, USA on which the Elk Creek Project is conducted
EPA	The United States Environmental Protection Agency
Exchange Act	United States Securities Exchange Act of 1934, as amended
Ferroniobium	An iron-niobium alloy, with a niobium content of 60-70%
feasibility study	A comprehensive study of a mineral deposit in which all geological, engineering, legal, operating, economic, social, environmental, and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production

First Tranche Increase	NioCorp's right to call an additional \$1.0 million under the Lind Agreement
First Tranche Increase Warrants	Warrants issued to Lind upon funding of the First Tranche Increase
grade	A particular quantity of ore or mineral, relative to other constituents, in a specified quantity of rock
host	A rock or mineral that is older than rocks or minerals introduced into it or formed within it
host rock	A body of rock serving as a host for other rocks or for mineral deposits, or any rock in which ore deposits occur
HSLA steel	High-strength low-alloy steel
JOBS Act	United States Jumpstart Our Business Startups Act of 2012
Lind	Lind Asset Management IV, an entity managed by The Lind Partners, a New York based asset management firm
Lind Agreement	NioCorp's definitive convertible security funding agreement with Lind dated December 14, 2015
Mackie	Mackie Research Capital Corporation
Mark Smith	Chief Executive Officer, President, and Executive Chairman of NioCorp
mineral reserve	The economically and legally mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study under NI 43-101 standards or a bankable feasibility study under SEC Industry Guide 7 Standards. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined and processed.
mineral resource	A concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics, and continuity of a mineral resource are known, estimated, or interpreted from specific geological evidence and knowledge. The term "mineral resource" covers mineralization and natural material of intrinsic economic interest which has been identified and estimated through exploration and sampling and within which mineral reserves may subsequently be defined by the consideration and application of technical, economic, legal, environmental, socio-economic, and governmental factors. The phrase "reasonable prospects for economic extraction" implies a judgment by a qualified person (as that term is defined in NI 43-101) in respect of the technical and economic factors likely to influence the prospect of economic extraction. A mineral resource is an inventory of mineralization that, under realistically assumed and justifiable technical and economic conditions, might become economically extractable.

	inferred mineral resource: Under CIM standards, an Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes. **indicated mineral resource:** Under CIM standards, an Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed. **measured mineral resource:** Under CIM standards, a Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling, and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes that are spaced closely enough to confirm both geological and grade continuity. **SEC Industry Guide 7 does not define "mineral resources" and typically mineral resources may not be disclosed in reports filed with the SEC. See "Cautionary Note to U.S. Investors Regarding Estimates of Mineral Reserves and Mineral Resources" below.**
NI 43-101	National Instrument 43-101 of the Canadian Securities Administrators entitled "Standards of Disclosure for Mineral Projects"
Nb or niobium	The element niobium (atomic number 41), a transition metal primarily used in the production of HSLA steel
NioCorp, we, us, our or the Company	NioCorp Developments Ltd.
NSR	Net Smelter Return, the net revenue that the owner of a mining property receives from the sale of the mine's products less transportation and refining costs
Nordmin	The Nordmin Group of Companies
Nordmin Agreement	An agreement with Nordmin to complete the detailed engineering for the mining infrastructure for the Elk Creek Project
October 2015 PEA	NioCorp's Amended Preliminary Economic Assessment dated October 16, 2015

Offtake Agreement	An offtake agreement is an agreement between NioCorp and a third party for the purchase and sale of products to be produced from the Elk Creek Project
OSC	Ontario Securities and Exchange Commission
OPEX	Operating expenditures
Original Elk Creek Feasibility Study	A CIM-compliant NI 43-101 feasibility study for the Elk Creek Project, filed on SEDAR on August 10, 2017
Original Smith Loan	A loan in the amount of $1.5 million with Mark Smith, dated June 17, 2015
PEA	A Preliminary Economic Assessment, as defined by NI 43-101
Revised Elk Creek Feasibility Study	A revised CIM-compliant NI 43-101 feasibility study for the Elk Creek Project, filed on SEDAR on December 15, 2017
Sc or scandium	The element scandium (atomic number 21), a transition metal used as an alloying agent with aluminum that provides high strength and lower weight for aerospace industry components and other applications that need lightweight metals. It also is used in the electrolyte layer of solid oxide fuel cells.
SEC	United States Securities and Exchange Commission
Securities Act	United States Securities Act of 1933, as amended
SEDAR	System for Electronic Document Analysis and Retrieval, the electronic filing system for the disclosure documents of issuers across Canada
SGS	SGS Canada Inc.
Smith Credit Agreement	A non-revolving credit facility agreement in the amount of $2.0 million with Mark Smith, dated January 16, 2017
SGS facility	A metallurgical testing facility located in Lakefield, Ontario owned and operated by SGS
SRK	SRK Consulting (US) Inc.
Ti or titanium	The element titanium (atomic number 22), a transition metal which in its oxide form is a common pigment in paper, paint, and plastic. In its metallic form, titanium is used in aerospace applications, armor, chemical processing applications, marine hardware applications, medical implants, power generation, and in sporting goods.
TK	ThyssenKrupp Metallurgical Products GmbH
TK Agreement	The Offtake Agreement dated November 10, 2014 by and between the Company and TK
TSX	The Toronto Stock Exchange
USACE	The United States Army Corps of Engineers
US GAAP	United States generally accepted accounting principles

USGS	The United States Geological Service
VWAP	The volume-weighted average price of the Company's Common Shares on the TSX

SEC Industry Guide 7 Definitions

development stage	A mineral project which is undergoing preparation of an established commercially mineable deposit for its extraction but which is not yet in production. This stage occurs after completion of a feasibility study.
exploration stage	A mineral prospect which is not in either the development or production stage
mineralized material	Material that is not included in the reserve as it does not meet all of the criteria for adequate demonstration for economic or legal extraction
probable reserve	Reserves for which quantity and grade and/or quality are computed from information similar to that used for proven (measured) reserves, but the sites for inspection, sampling, and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven reserves, is high enough to assume continuity between points of observation.
production stage	A project which is actively engaged in the process of extraction and beneficiation of mineral reserves to produce a marketable metal or mineral product
proven reserve	Reserves for which (a) quantity is computed from dimensions revealed in outcrops, trenches, workings, or drill holes; grade and/or quality are computed from the results of detailed sampling and (b) the sites for inspection, sampling, and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth, and mineral content of reserves are well-established.
reserve	That part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination. Reserves must be supported by a feasibility study done to bankable standards that demonstrates the economic extraction. "Bankable standards" implies that the confidence attached to the costs and achievements developed in the study is sufficient for a project to be eligible for external debt financing. A reserve includes adjustments to the in-situ tonnes and grade to include diluting materials and allowances for losses that might occur when the material is mined.

Metric Equivalents

For ease of reference, the following factors for converting Imperial measurements into metric equivalents are provided:

To convert from Imperial	To metric	Multiply by
Acres	Hectares	0.4047
Feet ("ft")	Metres ("m")	0.3048
Miles	Kilometres ("km")	1.6093
Tons	Tonnes ("t")	0.9072
Ounces (troy)/ton	Grams/Tonne ("g/t")	34.2857

1 mile = 1.6093 kilometers
1 acre = 0.4047 hectares
2,204.62 pounds = 1 metric tonne = 1 tonne
2000 pounds (1 short ton) = 0.9072 tonnes
1 ounce (troy) = 31.1035 grams
1 ounce (troy)/ton = 34.2857 grams/tonne

Cautionary Note to U.S. Investors Regarding Mineral Reserve and Resource Estimates

The mineral estimates in this Annual Report on Form 10-K (this "Form 10-K") have been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. The terms "mineral reserve," "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms as defined in accordance with NI 43-101 and the CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended. These definitions differ from the definitions in the SEC Industry Guide 7 under the Securities Act. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms "mineral resource," "measured mineral resource," "indicated mineral resource," and "inferred mineral resource" are defined in, and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that all or any part of a mineral deposit in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws and regulations, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Certain disclosures of the results of mining operations contained herein are permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC Industry Guide 7 standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this Form 10-K and the documents incorporated by reference herein contain descriptions of our mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

Currency and Exchange Rates

All dollar amounts in this Form 10-K are expressed in United States dollars unless otherwise indicated. The Company's accounts are maintained in United States dollars and the Company's financial statements are prepared in accordance with US GAAP. Some of the Company's material agreements use Canadian dollars and the Company's Common Shares, as traded on the TSX, are traded in Canadian dollars. As used herein, "C$" represents Canadian dollars.

The following table sets forth the rate of exchange for the Canadian dollar, expressed in United States dollars in effect at the end of the periods indicated, the average of exchange rates in effect during such periods, and the high and low exchange rates during such periods based on the daily rate of exchange as reported by the Bank of Canada for conversion of Canadian dollars into United States dollars.

	Fiscal Year Ended June 30,		
	2018	2017	2016
Canadian Dollars to United States Dollars			
Rate at end of period	0.7594	0.7706	0.7687
Average rate for period	0.7876	0.7538	0.7541
High for period	0.8245	0.7828	0.7972
Low for period	0.7513	0.7276	0.6854

PART I

ITEM 1. BUSINESS

Introduction

NioCorp was incorporated under the laws of the Province of British Columbia under the Business Corporations Act (British Columbia) on February 27, 1987 under the name “IPC International Prospector Corp.” On May 22, 1991, we changed our name to “Kingston Resources Ltd.” On June 29, 2001, we changed our name to “Butler Developments Corp.” On February 12, 2009, we changed our name to “Butler Resource Corp.” On March 4, 2010, we changed our name to “Quantum Rare Earth Developments Corp.” On March 4, 2013, we changed our name to “NioCorp Developments Ltd.”

NioCorp is a reporting issuer in British Columbia, Alberta, Saskatchewan, Ontario, and New Brunswick. Our registered and records office is located at 595 Burrard Street, Suite 2600, Vancouver, British Columbia V7X 1L3 (ATTN: Blake, Cassels & Graydon LLP). Our principal executive office is located at 7000 South Yosemite Street, Suite 115, Centennial, Colorado 80112.

Historical Development of the Business

During 2009 and 2010, the Company commenced mineral exploration activities in the Elk Creek, Nebraska area, including negotiations with local landowners for land access agreements. The acquisition of the Elk Creek Property was closed in December 2010 and involved the purchase of all of the issued and outstanding common shares of 0859404 BC Ltd., a private British Columbia company, which in turn held 100% of the issued and outstanding shares of ECRC and was signatory to the option agreements covering the Elk Creek Property area. A new Canadian company, 0886338 BC Ltd. was formed to merge with 0859404 BC Ltd., and this merged entity was subsequently amalgamated into 0896800.

The Company commenced a field exploration program in 2011, which included verification of previous work which was completed on the Elk Creek Property in the 1970s and 1980s, re-assaying of historic drill core, an airborne geophysical survey and the completion of five new diamond drill holes. The available data for the Elk Creek Property was compiled into an updated NI 43-101 resource estimate for the Elk Creek Project, which was issued in April 2012. Additional drilling and NI 43-101 technical reports, including resource updates and PEAs, were completed and issued by the Company in 2014 and 2015.

During fiscal years 2016 and 2017, the Company focused on feasibility study development and, on June 30, 2017, we announced the completion of the Original Elk Creek Feasibility Study. The related technical report was filed in Canada on SEDAR on August 10, 2017.

In connection with a review by the OSC, on December 15, 2017, the Company filed the Revised Elk Creek Feasibility Study. The Revised Elk Creek Feasibility Study, which is available for download on SEDAR and on the Company’s website at www.niocorp.com, contains no changes to any previously reported numbers or forecasted economic returns of the Elk Creek Project from those contained in the Original Elk Creek Feasibility Study. The related technical report was filed in Canada on SEDAR on August 10, 2017.

During fiscal year 2018, Company efforts were directed at obtaining the financing necessary to advance the Elk Creek Project to construction and operations. In addition, we also conducted permitting, engineering and other related activities for the advancement of the Elk Creek Project. Information regarding the Elk Creek Feasibility Study is discussed below under Item 2. “Properties.”

Emerging Growth Company Status

We qualify as an “emerging growth company” as defined in Section 101 of the JOBS Act as we do not have more than $1.07 billion in annual gross revenue and did not have such amount as of June 30, 2018, this being the last day of our most recently completed fiscal year.

We may lose our status as an emerging growth company on the last day of our fiscal year during which (i) our annual gross revenue exceeds $1.07 billion or (ii) we issue more than $1.07 billion in non-convertible debt in a three-year period. We will lose our status as an emerging growth company if at any time we are deemed to be a large accelerated filer, as defined in Rule 405 under the Exchange Act. We will lose our status as an emerging growth company on the last day of our fiscal year following the fifth anniversary of the date of our first sale of Common Shares pursuant to an effective registration statement.

As an emerging growth company under the JOBS Act, we have elected to opt out of the extended transition period for complying with new or revised standards pursuant to Section 107(b) of the JOBS Act. The election is irrevocable.

As an emerging growth company, we are exempt from Section 404(b) of the Sarbanes-Oxley Act of 2002 and Section 14A(a) and (b) of the Exchange Act. Such sections are described below:

- Section 404(b) of the Sarbanes-Oxley Act of 2002 requires a public company's auditor to attest to, and report on, management's assessment of its internal controls.
- Sections 14A(a) and (b) of the Exchange Act, implemented by Section 951 of the Dodd–Frank Act, require companies to hold shareholder advisory votes on executive compensation and golden parachute compensation.

As long as we qualify as an emerging growth company, we will not be required to comply with the requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002 and Section 14A(a) and (b) of the Exchange Act.

Geographic and Segment Information

We have one reportable segment consisting of evaluation, acquisition, exploration, and development activities which are focused principally in Nebraska, U.S.A. We reported no material revenues during our last three fiscal years. We reported net losses of $8.5 million, $14.6 million and $11.4 million for the fiscal years ended June 30, 2018, 2017 and 2016, respectively. As of June 30, 2018, 2017 and 2016, we had total assets of $11.3 million, $11.4 million and $15.2 million, respectively.

Corporate Structure

The Company's business operations are conducted primarily through ECRC. The below table provides an overview of the Company's current subsidiaries and their activities.

Name	State/Province of Formation	Ownership	Business
0896800 B.C. Ltd.	British Columbia	100% by the Company	The only business of 0896800 is to hold the shares of ECRC
Elk Creek Resources Corp.	Nebraska	100% by 0896800	The business of ECRC is the development of the Elk Creek Project

Business Operations

NioCorp is a mineral exploration company engaged in the acquisition, exploration, and development of mineral properties. NioCorp, through ECRC, is developing a superalloy materials project that, if and when developed, will produce niobium, scandium, and titanium products. Known as the "Elk Creek Project," it is located near Elk Creek, Nebraska, in the southeast portion of the state.

- Niobium is used to produce various superalloys that are extensively used in high performance aircraft and jet turbines. It also is used in HSLA steel, a stronger steel used in automotive, bridges, structural systems, buildings, pipelines, and other applications that generally enables those applications to be stronger and lighter in mass. This "lightweighting" benefit often results in environmental benefits, including reduced fuel consumption and material usage, which can result in fewer air emissions.

- Scandium can be combined with aluminum to make super-high-performance alloys with increased strength and improved corrosion resistance. Scandium also is a critical component of advanced solid oxide fuel cells, an environmentally preferred technology for high-reliability, distributed electricity generation.

- Titanium is a component of various superalloys and other applications that are used for aerospace applications, weapons systems, protective armor, medical implants and many others. It also is used in pigments for paper, paint, and plastics.

Our primary business strategy is to advance our Elk Creek Project to commercial production. We are focused on obtaining additional funds to carry out our near-term planned work programs associated with securing the project financing necessary to complete mine development and construction of the Elk Creek Project.

Competitive Business Conditions

There is aggressive competition within the minerals industry to discover and acquire mineral properties considered to have commercial potential. We compete for the opportunity to participate in promising exploration projects with other entities. In addition, we compete with others in efforts to obtain financing to acquire and explore mineral properties, acquire and utilize mineral exploration equipment, and hire qualified mineral exploration personnel. We may compete with other mining companies for mining claims in regions adjacent to our existing claims, or in other parts of the world should we dedicate resources to doing so in the future. These companies may be better capitalized than us and we may have difficulty in expanding our holdings through the staking or acquisition of additional mining claims or other mineral tenures.

In competing for qualified mineral exploration personnel, we may be required to pay compensation or benefits relatively higher than those paid in the past, and the availability of qualified personnel may be limited in high-demand mining periods, such as was the case in past years when the price of gold and other metals was higher than it is now.

Specialized Skill and Knowledge

The Company's ability to continue to progress the Elk Creek Project will depend on its ability to attract and retain individuals with (among other skills) financial, administrative, engineering, geological and mining skills, and knowledge of our industry and targeted markets. Much of the necessary specialized skills and knowledge required by the Company as a mineral exploration company are available from the Company's current management team and Board of Directors. The Company retains outside consultants if additional specialized skills and knowledge are required.

Cycles

The mining business is subject to mineral price cycles. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles. At the present time, weak demand for some minerals in many countries is suppressing commodity prices, although it is difficult to assess how long such trends may continue. Fluctuations in supply and demand in various regions throughout the world are common.

The following table sets forth commodity prices for the last five calendar years for the ferroniobium, scandium trioxide and titanium dioxide products the Company anticipates extracting from its Elk Creek Project. These pricing surveys may not be representative of the pricing that the Company anticipates achieving for its products once commercial production begins from its Elk Creek Project.

Year	Ferroniobium U.S. Import Price ($/kg-Nb)[1]	Scandium Trioxide U.S. Price ($/kg)[2]	Titanium Dioxide U.S. Price ($/kg)[3]
2017	$ 37	$ 4,600	$ 0.74
2016	41	4,600	0.73
2015	43	5,100	0.84
2014	47	5,000	0.95
2013	49	5,000	1.25

(1) Source: Argus Metal Prices, 2018. Ferro-niobium 65% Niobium content, FOB US warehouse.
(2) Source: USGS Mineral Commodity Summary, 2018. scandium trioxide, 99.99% purity, 5-kilogram lot size.
(3) Source: USGS Mineral Commodity Summary, 2018. Rutile mineral concentrate, bulk, minimum 95% TiO_2, f.o.b. Australia.

As NioCorp's mining and exploration business is in the exploration stage, and NioCorp has not yet generated any revenue from the operation of the Elk Creek Project, it is not currently significantly affected by changes in commodity demand and prices, except to the extent that same impact the availability of capital for mineral exploration and development projects. As it does not carry on production activities, NioCorp's ability to fund ongoing exploration is affected by the availability of financing, which is, in turn, affected by the strength of the economy and other general economic factors.

Seasonality

We are not subject to material restrictions on our operations at the Elk Creek Project due to seasonality.

Economic Dependence

Other than land and mineral right option agreements and the Offtake Agreements, NioCorp's business is not substantially dependent on any contract such as a contract to sell the major part of its product or services or to purchase the major part of its requirements for goods, services or its raw materials, or any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

Government Regulation

The exploration and development of a mining prospect is subject to regulation by a number of federal and state government authorities. These include the EPA and the USACE as well as the various state and local environmental protection agencies. The regulations address many environmental issues relating to air, soil, and water contamination, and apply to many mining related activities including exploration, mine construction, mineral extraction, ore milling, water use, waste disposal, and use of toxic substances. In addition, we are subject to regulations relating to labor standards, occupational health and safety, mine safety, general land use, export of minerals, and taxation. Many of the regulations require permits or licenses to be obtained, the absence of which and/or inability to obtain such permits or licenses will adversely affect our ability to conduct our exploration, development, and operation activities. The failure to comply with the regulations and terms of permits and licenses may result in fines or other penalties or in revocation of a permit or license or loss of a prospect.

General

While none of the lands on which the Elk Creek Project is proposed to be built are owned by the United States Government, mining rights are governed by the General Mining Law of 1872, as amended, which allows for the location of mining claims on certain federal lands upon the discovery of a valuable mineral deposit and compliance with location requirements. The exploration of mining properties and development and operation of mines is governed by both federal and state laws. Federal laws that govern mining claim location and maintenance and mining operations on federal lands are generally administered by the Bureau of Land Management. Additional federal laws, governing mine safety and health, also apply. State laws also require various permits and approvals before exploration, development or production operations can begin. Among other things, a reclamation plan must typically be prepared and approved, with bonding in the amount of projected reclamation costs. The bond is used to ensure that proper reclamation takes place, and the bond will not be released until that time. Local jurisdictions may also impose permitting requirements, such as conditional use permits or zoning approvals.

Environmental Regulation

Our mineral projects are subject to various federal, state and local laws and regulations governing protection of the environment. These laws are continually changing and, in general, are becoming more restrictive. The development, operation, closure, and reclamation of mining projects in the United States requires numerous notifications, permits, authorizations, and public agency decisions. Compliance with environmental and related laws and regulations requires us to obtain permits issued by regulatory agencies and to file various reports and keep records of our operations. Certain of these permits require periodic renewal or review of their conditions and may be subject to a public review process during which opposition to our proposed operations may be encountered. We are currently operating under various permits for activities connected to mineral exploration, reclamation, and environmental considerations. Our policy is to conduct business in a way that safeguards public health and the environment. We believe that our operations are conducted in material compliance with applicable laws and regulations.

Changes to current local, state, or federal laws and regulations in the jurisdictions where we operate could require additional capital expenditures and increased operating and/or reclamation costs. Although we are unable to predict what additional legislation, if any, might be proposed or enacted, additional regulatory requirements could impact the economics of our projects.

Environmental Regulation − U.S. Federal Laws

The Comprehensive Environmental, Response, Compensation, and Liability Act (“CERCLA”), and comparable state statutes, impose strict, joint, and several liability on current and former owners and operators of sites and on persons who disposed of or arranged for the disposal of hazardous substances found at such sites. It is not uncommon for the government to file claims requiring clean-up actions and/or demands for reimbursement for government-incurred clean-up costs or natural resource damages. It is also not uncommon for neighboring landowners and other third parties to file claims for personal injury and property damage allegedly caused by hazardous substances released into the environment. The Federal Resource Conservation and Recovery Act (“RCRA”), and comparable state statutes, govern the disposal of solid waste and hazardous waste and authorize the imposition of substantial fines and penalties for noncompliance, as well as requirements for corrective actions. CERCLA, RCRA, and comparable state statutes can impose liability for clean-up of sites and disposal of substances found on exploration, mining and processing sites long after activities on such sites have been completed.

The Clean Air Act, as amended (“CAA”), restricts the emission of air pollutants from many sources, including mining and processing activities. Any future mining operations by the Company may produce air emissions, including fugitive dust and other air pollutants from stationary equipment, storage facilities, and the use of mobile sources such as trucks and heavy construction equipment, which are subject to review, monitoring and/or control requirements under the CAA and state air quality laws. New facilities may be required to obtain permits before work can begin, and existing facilities may be required to incur capital costs in order to remain in compliance. In addition, permitting rules may impose limitations on our production levels or result in additional capital expenditures in order to comply with the rules.

The National Environmental Policy Act (“NEPA”) requires federal agencies to integrate environmental considerations into their decision-making processes by evaluating the environmental impacts of their proposed actions, including issuance of permits to mining facilities and assessing alternatives to those actions. If a proposed action could significantly affect the environment, the agency must prepare either a detailed statement known as an Environmental Impact Statement (“EIS”) or a less detailed statement known as an Environmental Assessment (“EA”). The EPA, other federal agencies, and any interested third parties can review and comment on the scope of the EIS or EA and the adequacy of any findings set forth in the draft and final EIS or EA. This process can cause delays in issuance of required permits or result in changes to a project to mitigate its potential environmental impacts, which can in turn impact the economic feasibility of a proposed project.

The Clean Water Act (“CWA”), and comparable state statutes, impose restrictions and controls on the discharge of pollutants into waters of the United States. The discharge of pollutants into regulated waters is prohibited, except in accordance with the terms of a permit issued by the EPA or an analogous state agency. The CWA regulates storm water from mining facilities and requires a storm water discharge permit or Stormwater Pollution Prevention Plan for certain activities. Such a permit requires the regulated facility to monitor and sample storm water run-off from its operations. The CWA and regulations implemented thereunder also prohibit discharges of dredged and fill material in wetlands and other waters of the United States unless authorized by an appropriately issued permit. The CWA and comparable state statutes provide for civil, criminal, and administrative penalties for unauthorized discharges of pollutants, and impose liability on parties responsible for those discharges for the costs of cleaning up any environmental damage caused by the release and for natural resource damages resulting from the release.

The Safe Drinking Water Act ("SDWA") and the Underground Injection Control ("UIC") program promulgated thereunder, regulate the drilling and operation of subsurface injection wells. The EPA directly administers the UIC program in some states and in others the responsibility for the program has been delegated to the state. The program requires that a permit be obtained before drilling a disposal or injection well. Violation of these regulations and/or contamination of groundwater by mining-related activities may result in fines, penalties, and remediation costs, among other sanctions and liabilities under the SDWA and state laws. In addition, third-party claims may be filed by landowners and other parties claiming damages for alternative water supplies, property damages, and bodily injury.

Environmental Regulation − Nebraska

Nebraska has a well-developed set of environmental regulations and responsible agencies, but does not have clearly defined regulations with respect to permitting mines. As such, review of the project and the issuance of permits by Nebraska agencies and regulatory bodies could potentially impact the total time to market for our Elk Creek Project. Other Nebraska regulations govern operating and design standards for the construction and operation of any source of air contamination and landfill operations. Any changes to these laws and regulations could have an adverse impact on our financial performance and results of operations by, for example, requiring changes to operating constraints, technical criteria, fees, or surety requirements.

Employees

As of August 30, 2018, we employed nine (9) full-time employees and one (1) part-time employee.

Forward-Looking Statements

Certain statements contained in this Form 10-K (including information incorporated by reference herein) are "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, and are intended to be covered by the safe harbor provided for under these sections. All statements, other than statements of historical facts, included herein concerning, among other things, planned capital expenditures, future cash flows and borrowings, pursuit of potential acquisition opportunities, our financial position, business strategy and other plans and objectives for future operations, future exploration activities, future mineral resource estimates, and future joint venture arrangements are forward-looking statements. These forward-looking statements are identified by their use of terms and phrases such as "may," "expect," "estimate," "project," "plan," "believe," "intend," "achievable," "anticipate," "will," "continue," "potential," "should," "could," and similar terms and phrases.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect," "is expected," "anticipates" or "does not anticipate," "plans," "estimates" or "intends," or stating that certain actions, events or results "may," "could," "would," "might," or "will" be taken, occur, or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks related to our ability to operate as a going concern;
- risks related to our requirement of significant additional capital;
- risks related to our limited operating history;
- risks related to changes in economic valuations of the Elk Creek Project, such as net present value calculations, changes or disruptions in the securities markets;
- risks related to our history of losses;
- risks related to cost increases for our exploration and, if warranted, development projects;
- risks related to feasibility study results;
- risks related to mineral exploration and production activities;

- risks related to our lack of mineral production from our properties;
- risks related to the results of our metallurgical testing;
- risks related to the price volatility of commodities;
- risks related to estimates of mineral resources and reserves;
- risks related to changes in mineral resource and reserve estimates;
- risks related to differences in United States and Canadian reserve and resource reporting;
- risks related to our exploration activities being unsuccessful;
- risks related to our ability to obtain permits and licenses for production;
- risks related to government and environmental regulations that may increase our costs of doing business or restrict our operations;
- risks related to proposed legislation that may significantly affect the mining industry;
- risks related to land reclamation requirements;
- risks related to competition in the mining industry;
- risks related to the difficulties of handling the disposal of mine water at our Elk Creek Project;
- risks related to equipment and supply shortages;
- risks related to current and future joint ventures and partnerships;
- risks related to our ability to attract qualified management;
- risks related to the ability to enforce judgment against certain of our Directors;
- risks related to currency fluctuations;
- risks related to claims on the title to our properties;
- risks related to surface access on our properties;
- risks related to potential future litigation;
- risks related to our lack of insurance covering all our operations;
- risks related to covenants contained in agreements with our secured creditors that may affect our assets;
- risks related to the extent to which our level of indebtedness may impair our ability to obtain additional financing;
- risks related to our status as a "passive foreign investment company" under the United States Internal Revenue Code of 1986, as amended;
- risks related to our Common Shares, including price volatility, lack of dividend payments, dilution and penny stock rules; and
- risks related to our status as an "emerging growth company" and the impact of related reduced reporting requirements on our ability to attract investors.

This list is not exhaustive of the factors that may affect our forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the section heading "Item 1A – Risk Factors," below. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated, or expected. We caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. We disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events, except as required by law.

Available Information

We maintain a website at http://www.niocorp.com. We are not including the information contained on our website as a part of, or incorporating it by reference into, this Form 10-K. Our Common Shares are currently registered under Section 12(g) of the Exchange Act, and we are currently required to file reports on Forms 10-K, 10-Q or 8-K. Our Annual Report on Form 10-K (which includes our audited financial statements), Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Exchange Act, are available on our website, free of charge, as soon as reasonably practicable after we electronically file such reports with, or furnish those reports to, the SEC. You may also read and copy these reports, proxy statements and other information at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You can request copies of these documents by writing to the SEC and paying a fee for the copying cost. Please call the SEC at 1-800-SEC-0330 for more information about the operation of the Public Reference Room. SEC filings are also available at the SEC's website at www.sec.gov. We do not intend to send security holders a printed version of our Annual Report as it will be available online.

We maintain a Code of Business Conduct and Ethics for Directors, Officers and Employees ("Code of Conduct"). A copy of our Code of Conduct may be found on our website in the Corporate Governance section under the main title "Corporate." Our Code of Conduct contains information regarding whistleblower procedures.

ITEM 1A. RISK FACTORS

Our business activities are subject to significant risks, including those described below. You should carefully consider these risks. If any of the described risks actually occurs, our business, financial position and results of operations could be materially adversely affected. Such risks are not the only ones we face and additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business. This report contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described below. See "Forward-Looking Statements" under Item 1., "Business."

Risks Related to Our Business

Our ability to operate as a going concern is in doubt.

The audit opinion and notes that accompany our financial statements for the year ended June 30, 2018, disclose a going concern qualification to our ability to continue in business. The financial statements included in this Form 10-K have been prepared under the assumption that we will continue as a going concern. We are an exploration stage company and we have incurred losses since our inception.

We currently have no historical recurring source of revenue and our ability to continue as a going concern is dependent on our ability to raise capital to fund our future exploration and working capital requirements or our ability to profitably execute our business plan. Our plans for the long-term return to and continuation as a going concern include financing our future operations through sales of our Common Shares and/or debt and the potential profitable exploitation of our Elk Creek Project. Additionally, capital markets and general economic conditions in the United States and Canada may impose significant obstacles to raising the required funds. These factors raise substantial doubt about our ability to continue as a going concern.

We will require significant additional capital to fund our business plan.

We will be required to expend significant funds to develop our existing properties and to identify and acquire additional properties to diversify our property portfolio. We anticipate that we will be required to make substantial capital expenditures for the development of our Elk Creek Project.

As of June 30, 2018, the Company had cash of $0.1 million and a working capital deficit of $3.4 million, compared to cash of $0.2 million and working capital deficit of $5.8 million on June 30, 2017.

As of June 30, 2018, the Company's current planned operation needs were approximately $6.0 million through the end of fiscal 2019. From the date of this Form 10-K, we anticipate that we may need to raise approximately $6.0 million - $7.0 million to continue planned operations for the next twelve months. This represents general overhead costs, expected costs relating to securing financing necessary for the Elk Creek Project, satisfying outstanding accounts payable, and potential retirement of our short-term debt obligations. Access to additional funds will be utilized to further advance the Elk Creek Project through substantive near-term milestones.

We are actively pursuing such additional sources of debt and equity financing, and while we have been successful in doing so in the past, there can be no assurance we will be able to do so in the future.

Our ability to obtain necessary funding for these purposes, in turn, depends upon a number of factors, including the status of the national and worldwide economy and the price of metals. We may not be successful in obtaining the required financing or, if we can obtain such financing, such financing may not be on terms that are favorable to us.

Our inability to access sufficient capital for our operations could have a material adverse effect on our financial condition, results of operations, or prospects. Sales of substantial amounts of securities may have a highly dilutive effect on our ownership or share structure. 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 our ability to raise capital through future sales of Common Shares. We have not yet commenced commercial production at any of our properties and, as such, have not generated positive cash flows to date and have no reasonable prospects of doing so unless successful commercial production can be achieved at our Elk Creek Project. We expect to continue to incur negative investing and operating cash flows until such time as we enter into successful commercial production. This will require us to deploy our working capital to fund such negative cash flow and to seek additional sources of financing. There is no assurance that any such financing sources will be available or sufficient to meet our requirements. There is no assurance that we will be able to continue to raise equity capital or to secure additional debt financing, or that we will not continue to incur losses.

We have a limited operating history on which to base an evaluation of our business and prospects.

Since our inception, we have had no revenue from operations. We have no history of producing products from any of our properties. Our Elk Creek Project is in the exploration stage. Advancing our Elk Creek Project from exploration into the development stage will require significant capital and time, and successful commercial production from the Elk Creek Property will be subject to permitting and construction of the mine, processing plants, roads, and other related works and infrastructure. As a result, we are subject to all of the risks associated with developing and establishing new mining operations and business enterprises including:

- the timing and cost, which can be considerable, of further exploration, preparing feasibility studies, permitting and construction of infrastructure, mining, and processing facilities;
- the availability and costs of drill equipment, exploration personnel, skilled labor, and mining and processing equipment, if required;
- the availability and cost of appropriate smelting and/or refining arrangements, if required;
- compliance with environmental and other governmental approval and permit requirements;
- the availability of funds to finance exploration, development, permitting, and construction activities, as warranted;
- potential opposition from non-governmental organizations, local groups, or local inhabitants that may delay or prevent development activities;
- potential increases in exploration, construction, and operating costs due to changes in the cost of fuel, power, materials, and supplies; and
- potential shortages of mining, mineral processing, construction, and other facilities-related supplies.

The costs, timing, and complexities of exploration, development, and construction activities may be increased by the location of our properties and competition from other mineral exploration and mining companies. It is common in exploration programs to experience unexpected problems and delays during drill programs and, if commenced, development, construction, and mine start-up. Accordingly, our activities may not result in profitable mining operations and we may not succeed in establishing mining operations or profitably producing metals at any of our current or future properties, including our Elk Creek Project.

We have a history of losses and expect to continue to incur losses in the future.

We have incurred losses since inception, have negative cash flow from operating activities, and expect to continue to incur losses in the future. We incurred the following losses from operations during each of the following periods ($000):

- $8,497 for the year ended June 30, 2018;
- $14,630 for the year ended June 30, 2017; and
- $11,408 for the year ended June 30, 2016.

We expect to continue to incur losses unless and until such time as one of our properties enters into commercial production and generates sufficient revenues to fund continuing operations. We recognize that if we are unable to generate significant revenues from mining operations and dispositions of our properties, we will not be able to earn profits or continue operations. At this early stage of our operation, we also expect to face the risks, uncertainties, expenses, and difficulties frequently encountered by companies at the start-up stage of their business development. We cannot be sure that we will be successful in addressing these risks and uncertainties and our failure to do so could have a materially adverse effect on our financial condition.

Increased costs could affect our financial condition.

We anticipate that costs at our projects that we may explore or develop will frequently be subject to variation from one year to the next due to a number of factors, such as changing ore grade, metallurgy, and revisions to mine plans, if any, in response to the physical shape and location of the ore body. In addition, costs are affected by the price of commodities such as fuel, steel, rubber, chemicals, electricity, and government actions such as tariffs. Such commodities are at times subject to volatile price movements, including increases that could make production at certain operations less profitable or not profitable at all. A material increase in costs at any significant location could have a significant effect on our profitability.

Risks Related to Mining and Exploration

Feasibility study results are based on assumptions that are subject to uncertainty and the estimates may not reflect actual capital and operating costs and potential revenues from any potential future production.

Feasibility studies, including the Revised Elk Creek Feasibility Study, are used to determine the economic viability of a mineral deposit, including estimated capital and operating costs. Generally accepted levels of confidence in the mining industry are plus or minus 15% for feasibility studies. These levels reflect the levels of confidence that exist at the time the study is completed. While these studies are based on the best information available to us for the level of study, we cannot be certain that actual costs will not significantly exceed the estimated cost. While we incorporate what we believe is an appropriate contingency factor in cost estimates to account for this uncertainty, there can be no assurance that the contingency factor is adequate.

The nature of mineral exploration and production activities involves a high degree of risk and the possibility of uninsured losses.

Exploration for and the production of minerals is highly speculative and involves much greater risk than many other businesses. Most exploration programs do not result in the discovery of mineralization, and any mineralization discovered may not be of sufficient quantity or quality to be profitably mined. Our operations are, and any future development or mining operations we may conduct will be, subject to all of the operating hazards and risks normally incident to exploring for and developing mineral properties, such as, but not limited to:

- economically insufficient mineralized material;
- fluctuation in production costs that make mining uneconomical;
- labor disputes;
- unanticipated variations in grade and other geologic problems;
- environmental hazards;
- water conditions;
- difficult surface or underground conditions;
- industrial accidents;
- metallurgical, pyrometallurgical, and other processing problems;
- mechanical and equipment performance problems;
- failure of dams, stockpiles, wastewater transportation systems, or impoundments;
- unusual or unexpected rock formations; and
- personal injury, fire, flooding, cave-ins, and landslides.

Any of these risks can materially and adversely affect, among other things, the development of properties, production quantities and rates, costs and expenditures, potential revenues, and production dates. We currently have very limited insurance to guard against some of these risks. If we determine that capitalized costs associated with any of our mineral interests are not likely to be recovered, we would incur a write-down of our investment in these interests. All of these factors may result in losses in relation to amounts spent that are not recoverable, or that result in additional expenses.

We have no history of producing commercial products from our current mineral properties and there can be no assurance that we will successfully establish mining operations or profitably produce minerals.

We have no history of producing commercial products from our current mineral properties. We do not produce commercial products and do not currently generate operating earnings. While we seek to move our Elk Creek Project out of exploration and into development and production, such efforts will be subject to all of the risks associated with establishing new mining operations and business enterprises, including:

- the timing and cost, which are considerable, of the construction of mining and processing facilities;
- the availability and costs of skilled labor and mining equipment;
- compliance with environmental and other governmental approval and permit requirements;
- the availability of funds to finance construction and development activities;
- potential opposition from non-governmental organizations, local groups, or local inhabitants that may delay or prevent development activities; and
- potential increases in construction and operating costs due to changes in the cost of labor, fuel, power, materials, and supplies.

It is common in new mining operations to experience unexpected problems and delays during construction, development and mine start-up. In addition, our management and workforce will need to be expanded, and sufficient housing and other support systems for our workforce will have to be established. This could result in delays in the commencement of mineral production and increased costs of production. Accordingly, we cannot assure you that our activities will result in profitable mining operations or that we will successfully establish mining operations.

Results of metallurgical testing by us may not be favorable to, or as expected by, us.

We have completed significant bench, mini-pilot, and pilot scale metallurgical testing on material from the Elk Creek Project and will continue to complete necessary metallurgical testing at the bench, mini-pilot, and pilot scale as the exploration and, if warranted, development of the Elk Creek Project progresses. There can be no assurance that the results of such metallurgical testing will be favorable to, or will be as expected by, us. Furthermore, there can be no certainty that metallurgical recoveries obtained in bench or pilot scale tests will be achieved in either subsequent testing or commercial operations. The development of a complete metallurgical process to produce a saleable final product from the Elk Creek Project is a complex and resource-intensive undertaking that may result in overall schedule delays and increased project costs for us.

Price volatility could have dramatic effects on our results of operations and our ability to execute our business plan.

The price of commodities varies on a daily basis. Niobium is a specialty metal and not a commonly traded commodity such as copper, zinc, gold, or iron ore. The price of niobium tends to be set through a limited long-term offtake market, contracted between very few suppliers and purchasers. The world’s largest supplier of niobium, Companhia Brasileira de Metalurgia e Mineração, supplies approximately 85% of the world’s niobium. Any attempt to suppress the price of niobium by such supplier, or an increase in production by any supplier in excess of any increased demand, would have negative consequences on the price of niobium and, potentially, on our value. The price of niobium may also be reduced by the discovery of new niobium deposits, which could not only increase the overall supply of niobium (causing downward pressure on its price), but could draw new firms into the niobium industry that would compete with us.

Scandium trioxide is used in solid oxide fuel cells and has the potential to become a valuable alloy with aluminum in the aerospace and automotive industries. Supply of scandium has been sporadic in recent years, and there are no primary scandium mines in the world at present. Production primarily occurs as a byproduct from rare earth, titanium, and to a lesser extent from aluminum plants, primarily in Russia and China. Our management believes the Elk Creek Project would significantly increase the world’s supply of scandium trioxide. Although the Company’s market studies indicate a positive outlook for demand, there is no assurance at present that the Company could sell all of its production. In addition, the sale of scandium represents a significant portion of the Elk Creek Project revenue; achieving the revenue projected in the Company’s studies is subject to market growth in scandium, which is a developing market with a risk of oversupply and/or undersupply disrupting pricing.

Titanium metal is used in various superalloys and other applications for aerospace applications, armor, and medical implants, and in oxide form is a key component of pigments used in paper, paint, and plastics. The Elk Creek Project would produce a small quantity of titanium dioxide relative to other producers. As a small producer, we would be subject to fluctuations in the price of titanium dioxide that would result from normal variations in supply and demand for this commodity.

Estimates of mineralized material and resources are subject to evaluation uncertainties that could result in project failure.

Our exploration and future mining operations, if any, are and would be faced with risks associated with being able to accurately predict the quantity and quality of mineralized material and resources/reserves within the earth using statistical sampling techniques. Estimates of any mineralized material or resource/reserve on any of our properties would be made using samples obtained from appropriately placed trenches, test pits, underground workings, and intelligently designed drilling. There is an inherent variability of assays between check and duplicate samples taken adjacent to each other and between sampling points that cannot be reasonably eliminated. Additionally, there also may be unknown geologic details that have not been identified or correctly appreciated at the current level of accumulated knowledge about our properties. This could result in uncertainties that cannot be reasonably eliminated from the process of estimating mineralized material and resources/reserves. If these estimates were to prove to be unreliable, we could implement an exploitation plan that may not lead to commercially viable operations in the future.

Any material changes in mineral resource/reserve estimates and grades of mineralization will affect the economic viability of placing a property into production and a property's return on capital.

Except for the Revised Elk Creek Feasibility Study, we have not completed feasibility studies on any of our properties and have not commenced actual production. As a result, mineralization resource/reserve estimates may require adjustments or downward revisions. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by our feasibility studies and drill results. Minerals recovered in small scale tests may not be duplicated in large scale tests under on-site conditions or in production scale.

The resource/reserve estimates included in the Revised Elk Creek Feasibility Study and contained in this Form 10-K have been determined based on assumed future prices, cut-off grades, and operating costs that may prove to be inaccurate. Extended declines in market prices for our products may render portions of our mineralization and resource/reserve estimates uneconomic and may result in reduced reported mineralization or may adversely affect any commercial viability determinations we may reach. Any material reductions in estimates of mineralization, or of our ability to extract this mineralization, could have a material adverse effect on our Common Share price and on the value of our properties.

There are differences in U.S. and Canadian practices for reporting reserves and resources.

Our reserve and resource estimates are not directly comparable to those made in filings subject to SEC reporting and disclosure requirements, as we generally report reserves and resources in accordance with Canadian requirements. These requirements are different from the practices used to report reserve and resource estimates in reports and other materials filed with the SEC. It is Canadian practice to report measured, indicated, and inferred mineral resources, which are generally not permitted in disclosure filed with the SEC by United States issuers. In the United States, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Further, "inferred mineral resources" have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. **Readers of this Form 10-K are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into reserves recognized under the SEC's Industry Guide 7 reporting requirements.**

Accordingly, information concerning descriptions of mineralization, reserves and resources contained in this Form 10-K, or in the documents incorporated herein by reference, may not be comparable to information made public by other United States companies subject to the reporting and disclosure requirements of the SEC.

Our exploration activities on our properties may not be commercially successful, which could lead us to abandon our plans to develop our properties and our investments in exploration.

Our long-term success depends on our ability to identify mineral deposits on our existing properties and other properties we may acquire, if any, that we can then develop into commercially viable mining operations. Mineral exploration is highly speculative in nature, involves many risks, and is frequently non-productive. These risks include unusual or unexpected geologic formations, and the inability to obtain suitable or adequate machinery, equipment, or labor. The success of commodity exploration is determined in part by the following factors:

- the identification of potential mineralization based on surficial analysis;
- availability of government-granted exploration permits;
- the quality of our management and our geological and technical expertise; and
- the capital available for exploration and development work.

Substantial expenditures are required to establish proven and probable reserves through drilling and analysis, to develop metallurgical processes to extract metal, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Whether a mineral deposit will be commercially viable depends on a number of factors that include, without limitation, the particular attributes of the deposit, such as size, grade, and proximity to infrastructure; commodity prices, which can fluctuate widely; and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection. We may invest significant capital and resources in exploration activities and may abandon such investments if we are unable to identify commercially exploitable mineral reserves. The decision to abandon a project may have an adverse effect on the market value of our securities and the ability to raise future financing.

We may not be able to obtain or renew all required permits and licenses to place any of our properties into production.

Our current and future operations, including development activities and commencement of production, if warranted, on the Elk Creek Project, require permits from governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. Companies engaged in mineral property exploration and the development or operation of mines and related facilities generally experience increased costs, as well as delays in production and other schedules as a result of the need to comply with applicable laws, regulations, and permits. We cannot predict if all permits that we may require for continued exploration, development, or construction of mining facilities and conduct of mining operations will be obtainable or renewable on reasonable terms, if at all. Costs related to applying for and obtaining permits and licenses may be prohibitive and could delay our planned exploration and development activities. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Facilities associated with the Elk Creek Project, such as the mine, surface plant, tailings facilities, stockpiles and supporting infrastructure, are likely to either temporarily or permanently impact waterbodies and wetlands that are subject to regulation by the USACE as Waters of the United States (“WOUS”). The Company expects the USACE to require us to obtain and maintain a permit for the Elk Creek Project. The duration of this permitting exercise is dictated by the USACE, and would need to be completed before facilities that would impact WOUS could be constructed. We may experience delays or additional costs in relation to obtaining the necessary permit and these delays and additional costs could negatively affect the economics of the Elk Creek Project and our results of operations.

Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations, and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on our operations and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

We are subject to significant governmental regulations that affect our operations and costs of conducting our business.

Our current and future operations, including exploration and, if warranted, development of the Elk Creek Project, are and will be governed by laws and regulations, including:

- laws and regulations governing mineral concession acquisition, prospecting, development, mining, and production;
- laws and regulations related to exports, taxes, and fees;
- labor standards and regulations related to occupational health and mine safety; and
- environmental standards and regulations related to waste disposal, toxic substances, land use reclamation, and environmental protection.

Companies engaged in exploration activities often experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations, and permits. Failure to comply with applicable laws, regulations, and permits may result in enforcement actions, including the forfeiture of mineral claims or other mineral tenures, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or costly remedial actions. We may be required to compensate those suffering loss or damage by reason of our mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations, and permits.

Existing and possible future laws, regulations, and permits governing operations and activities of exploration companies, or more stringent implementation, could have a material adverse impact on our business and cause increases in capital expenditures or require abandonment or delays in exploration. Our Elk Creek Project is located in Nebraska, and Nebraska does not have clearly defined regulations with respect to permitting mines which could potentially impact the total time to market for the project.

Our activities are subject to environmental laws and regulations that may increase our costs of doing business and restrict our operations.

All phases of our operations are subject to environmental regulation in the jurisdictions in which we operate. Environmental legislation is evolving in a manner that may require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors, and employees. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species, and reclamation of lands disturbed by mining operations. Compliance with environmental laws and regulations, and future changes in these laws and regulations, may require significant capital outlays and may cause material changes or delays in our operations and future activities. It is possible that future changes in these laws or regulations could have a significant adverse impact on our properties or some portion of our business, causing us to re-evaluate those activities at that time.

Regulations and pending legislation governing issues involving climate change could result in increased operating costs, which could have a material adverse effect on our business.

A number of governments or governmental bodies have introduced or are contemplating legislative and/or regulatory changes in response to concerns about the potential impact of climate change. Legislation and increased regulation regarding climate change could impose significant costs on us, on our future venture partners, if any, and on our suppliers, including costs related to increased energy requirements, capital equipment, environmental monitoring and reporting, and other costs necessary to comply with such regulations. Any adopted future climate change regulations could also negatively impact our ability to compete with companies situated in areas not subject to such limitations. Given the emotion, political significance, and uncertainty surrounding the impact of climate change and how it should be dealt with, we cannot predict how legislation and regulation will affect our financial condition, operating performance, and ability to compete. Furthermore, even without such regulation, increased awareness and any adverse publicity in the global marketplace about potential impacts on climate change by us or other companies in our industry could harm our reputation. The potential physical impacts of climate change on our operations are highly uncertain, and could be particular to the geographic circumstances in areas in which we operate and may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels, and changing temperatures. These impacts may adversely impact the cost, production, and financial performance of our operations.

Land reclamation requirements for our properties may be burdensome and expensive.

Although variable depending on location and the governing authority, land reclamation requirements are generally imposed on mineral exploration companies (as well as companies with mining operations) in order to minimize long-term effects of land disturbance.

Reclamation may include requirements to:

- control dispersion of potentially deleterious effluents;
- treat ground and surface water to drinking water standards; and
- reasonably re-establish pre-disturbance land forms and vegetation.

In order to carry out reclamation obligations imposed on us in connection with our potential development activities, we must allocate financial resources that might otherwise be spent on further exploration and development programs. We plan to set up a provision for our reclamation obligations on our properties, as appropriate, but this provision may not be adequate. If we are required to carry out unanticipated reclamation work, our financial position could be adversely affected.

We face intense competition in the mining industry.

The mining industry is intensely competitive in all of its phases. As a result of this competition, some of which is with large established mining companies with substantial capabilities and with greater financial and technical resources than ours, we may be unable to acquire additional properties, if any, or financing on terms we consider acceptable. We also compete with other mining companies in the recruitment and retention of qualified managerial and technical employees. If we are unable to successfully compete for qualified employees, our exploration and development programs may be slowed down or suspended. We compete with other companies that produce our planned commercial products for capital. If we are unable to raise sufficient capital, our exploration and development programs may be jeopardized or we may not be able to acquire, develop, or operate additional mining projects.

Difficulties in handling the disposal of waste waters at our Elk Creek Project could negatively affect our potential production and economics at the project.

The Company has conducted three investigations into the hydrogeology of the Elk Creek carbonatite, which is the geologic formation which hosts the mineralized material that would be extracted by the Company's mining operations. The Company expects to encounter significant amounts of water in the carbonatite, which will need to be pumped out of the formation to facilitate a mining operation. Water quality analyses have demonstrated that this water will have elevated temperature and salt content when compared to other water resources in the area. While the Company has developed plans for a waterline to the Missouri River, as well as other alternatives for managing and disposing of the mine water, there is no guarantee that the permits needed for the treatment and/or discharge of the water will be issued by the state of Nebraska and/or the USACE, nor is there any guarantee that such permits will be issued in a timely fashion.

A shortage of equipment and supplies could adversely affect our ability to operate our business.

We are dependent on various supplies and equipment to carry out our mining exploration and, if warranted, development operations. The shortage of such supplies, equipment, and parts could have a material adverse effect on our ability to carry out our operations and could therefore limit, or increase the cost of, production.

Joint ventures and other partnerships, including offtake arrangements, may expose us to risks.

We have entered into offtake agreements related to our Elk Creek Project, and may enter into joint ventures or partnership arrangements, including additional offtake agreements, with other parties in relation to the exploration, development, and production of certain of the properties in which we have an interest. Any failure of such other companies to meet their obligations to us or to third parties, or any disputes with respect to the parties' respective rights and obligations, or price fluctuations and termination provisions related to such agreements, could have a material adverse effect on us, the development and production at our properties, including the Elk Creek Project, the joint ventures, if any, or their properties and therefore could have a material adverse effect on our results of operations, financial performance, cash flows and the price of the Common Shares.

We may experience difficulty attracting and retaining qualified management to meet the needs of our anticipated growth, and the failure to manage our growth effectively could have a material adverse effect on our business and financial condition.

We are dependent on a relatively small number of key employees, including our Chief Executive Officer. The loss of any officer could have an adverse effect on us. We have no life insurance on any individual, and we may be unable to hire a suitable replacement for them on favorable terms, should that become necessary.

It may be difficult to enforce judgments or bring actions outside the United States against us and certain of our directors.

We are a Canadian corporation and, as a result, it may be difficult or impossible for an investor to do the following:

- enforce in courts outside the United States judgments obtained in United States courts based upon the civil liability provisions of United States federal securities laws against these persons and the Company; or
- bring in courts outside the United States an original action to enforce liabilities based upon United States federal securities laws against these persons and the Company.

Our results of operations could be affected by currency fluctuations.

Our properties are all located in the United States and most costs associated with these properties are paid in U.S. dollars. There can be significant swings in the exchange rate between the U.S. and Canadian dollar. There are no plans at this time to hedge against any exchange rate fluctuations in currencies.

Title to our properties may be subject to other claims that could affect our property rights and claims.

There are risks that title to our properties may be challenged or impugned. Our current Elk Creek Project is located in Nebraska and may be subject to prior unrecorded agreements or transfers or native land claims, and title may be affected by undetected defects. Our current leases give us an option to purchase the property in order to construct the Elk Creek Project, but the rights of the current owners to sell the property subject to these options may be subject to prior unrecorded or unknown claims to title. We have investigated our rights to explore and exploit the Elk Creek Project resource and, to the best of our knowledge, our rights in relation to lands covering the Elk Creek Project resource are in good standing. However, there may be valid challenges to the title of our properties that, if successful, could impair development and/or operations. Further, our current land agreements are of fixed duration, and expire between December 2019 and September 2021.

We may be unable to secure surface access or purchase required surface rights.

Although the Company acquires the rights to some or all of the minerals in the ground subject to the mineral tenures that it acquires, or has a right to acquire, in some cases it may not thereby acquire any rights to, or ownership of, the surface to the areas covered by such mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mining activities; however, the enforcement of such rights through the courts can be costly and time consuming. It is necessary to negotiate surface access or to purchase the surface rights if long-term access is required. There can be no guarantee that, despite having the right at law to access the surface and carry on mining activities, we will be able to negotiate satisfactory agreements with any such existing landowners/occupiers for such access or purchase of such surface rights, and therefore we may be unable to carry out planned mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, we may need to rely on the assistance of local officials or the courts in such jurisdiction the outcomes of which cannot be predicted with any certainty. Our inability to secure surface access or purchase required surface rights could materially and adversely affect our timing, cost, or overall ability to develop any mineral deposits we may locate.

Our properties and operations may be subject to litigation or other claims.

From time to time our properties or operations may be subject to disputes that may result in litigation or other legal claims. We may be required to assert or defend against these claims, which will divert resources and management time from operations. The costs of these claims or adverse filings may have a material effect on our business and results of operations.

We do not currently insure against all the risks and hazards of mineral exploration, development, and mining operations.

Exploration, development, and mining operations involve various hazards, including environmental hazards, industrial accidents, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins or slides, flooding, fires, and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities, or other property, personal injury, environmental damage, delays in operations, increased cost of operations, monetary losses, and possible legal liability. We may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. We may elect not to insure where premium costs are disproportionate to our perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Risk Related to Our Debt Securities

In the event of certain breaches with our Secured Creditors, our assets may be affected.

We have, pursuant to the Lind Agreement and in connection with the Smith Credit Agreement and Original Smith Loan (collectively, the "Current Smith Loans"), granted security interests to Lind and Mark Smith (together, the "Secured Creditors") over all of the assets of the Company in consideration of the debt facilities provided by each Secured Creditor. In the event of certain breaches of the Lind Agreement, and the terms of the Current Smith Loans, one or both of the Secured Creditors may be entitled to execute on their security interests and seize or retain our assets, including the shares of 0896800 and ECRC, as well as any assets of either subsidiary. Certain rights of each of the Secured Creditors to execute on their security interests are subject to notice and cure provisions in respect of default by us; however, any such exercise could materially damage our value and our ability to retain or progress development of the Elk Creek Project.

The level of our indebtedness from time to time could impair our ability to obtain additional financing.

From time to time we may enter into transactions to acquire assets or the shares of other companies or to fund development of the Elk Creek Project. These transactions may be financed partially or wholly with debt, which may increase our debt levels above industry standards. Our articles of incorporation do not limit the amount of indebtedness that we may incur. Our indebtedness could impair our ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise. Our ability to service our debt obligations will depend on our future operations, which are subject to prevailing industry conditions and other factors, many of which are beyond our control.

Risks Related to the Common Shares

We believe that we may be a "passive foreign investment company" for the current taxable year and for one or more future taxable years, which may result in materially adverse United States federal income tax consequences for United States investors.

We generally will be designated as a "passive foreign investment company" under the meaning of Section 1297 of the United States Internal Revenue Code of 1986, as amended (a "PFIC") if, for a tax year, (a) 75% or more of our gross income for such year is "passive income" (generally, dividends, interest, rents, royalties, and gains from the disposition of assets producing passive income) or (b) at least 50% or more of the value of our assets produce, or are held for the production of, passive income, based on the quarterly average of the fair market value of such assets. United States shareholders should be aware that we believe we were classified as a PFIC during our tax years ended June 30, 2018 and 2017, and based on current business plans and financial expectations, believe that we may be a PFIC for the current and one or more future taxable years. If we are a PFIC for any taxable year during a U.S. shareholder's holding period, then such U.S. shareholder generally will be required to treat any gain realized upon a disposition of Common Shares or warrants, or any "excess distribution" received on its Common Shares, as ordinary income, and to pay an interest charge on a portion of such gain or distribution. These consequences will be mitigated with respect to the Common Shares, but not the warrants, if the shareholder makes a timely and effective "qualified electing fund" or "QEF" election or a "mark-to-market" election with respect to the Common Shares. A U.S. shareholder who makes a QEF election generally must include in income on a current basis for U.S. federal income tax purposes its share of our net capital gain and ordinary earnings for any taxable year in which we are a PFIC, whether or not we distribute any amount to our shareholders. A U.S. shareholder who makes a mark-to-market election generally must include as ordinary income each year the excess of the fair market value of the Common Shares over the taxpayer's basis therein. Each U.S. shareholder should consult its own tax advisors regarding the PFIC rules and the U.S. federal income tax consequences of the acquisition, ownership, and disposition of Common Shares and warrants.

Our Common Share price may be volatile and as a result you could lose all or part of your investment.

In addition to volatility associated with equity securities in general, the value of your investment could decline due to the impact of any of the following factors upon the market price of the Common Shares:

- Disappointing results from our exploration efforts;
- Decline in demand for Common Shares;
- Downward revisions in securities analysts' estimates or changes in general market conditions;
- Technological innovations by competitors or in competing technologies;
- Investor perception of our industry or our prospects; and
- General economic trends.

In the past fiscal year, the trading price of our stock on the TSX has ranged from a low of C$0.37 to a high of C$0.78. In addition, stock markets in general have experienced extreme price and volume fluctuations, and the market prices of securities have been highly volatile. These fluctuations are often unrelated to operating performance and may adversely affect the market price of the Common Shares. As a result, you may be unable to sell any Common Shares you acquire at a desired price.

We have never paid dividends on the Common Shares.

We have not paid dividends on the Common Shares to date, and we may not be in a position to pay dividends for the foreseeable future. Our ability to pay dividends with respect to the Common Shares will depend on our ability to successfully develop one or more properties and generate earnings from operations. Further, our initial earnings, if any, will likely be retained to finance our operations. Any future dividends on Common Shares will depend upon our earnings, our then-existing financial requirements, and other factors, and will be at the discretion of our Board of Directors.

Investors' interests in the Company will be diluted and investors may suffer dilution in their net book value per Common Share if we issue additional employee/Director/consultant options or if we sell additional Common Shares to finance our operations.

In order to further expand the Company's operations and meet our objectives, any additional growth and/or expanded exploration activity will likely need to be financed through sale of and issuance of additional Common Shares, including, but not limited to, raising funds to explore the Elk Creek Project. Furthermore, to finance any acquisition activity, should that activity be properly approved, and depending on the outcome of our exploration programs, we likely will also need to issue additional Common Shares to finance future acquisitions, growth, and/or additional exploration programs of any or all of our projects or to acquire additional properties. We will also in the future grant to some or all of our Directors, officers, and key employees and/or consultants, options to purchase Common Shares as non-cash incentives. The issuance of any equity securities could, and the issuance of any additional Common Shares will, cause our existing shareholders to experience dilution of their ownership interests.

If we issue additional Common Shares or decide to enter into joint ventures with other parties in order to raise financing through the sale of equity securities, investors' interests in the Company will be diluted and investors may suffer dilution in their net book value per Common Share depending on the price at which such securities are sold.

We are subject to the continued listing criteria of the TSX and our failure to satisfy these criteria may result in delisting of the Common Shares.

The Common Shares are currently listed on the TSX. In order to maintain the listing, we must maintain certain financial and share distribution targets, including maintaining a minimum number of public shareholders. In addition to objective standards, the TSX may delist the securities of any issuer if, in the TSX's opinion, the issuer's financial condition and/or operating results appear unsatisfactory; if it appears that the extent of public distribution or the aggregate market value of the security has become so reduced as to make continued listing on the TSX inadvisable; if the issuer sells or disposes of principal operating assets or ceases to be an operating company; if an issuer fails to comply with the listing requirements of the TSX; or if any other event occurs or any condition exists which makes continued listing on the TSX, in the opinion of the TSX, inadvisable.

If the TSX delists the Common Shares, investors may face material adverse consequences, including, but not limited to, a lack of a trading market for the Common Shares, reduced liquidity, decreased analyst coverage of the Company, and an inability for us to obtain additional financing to fund our operations.

The issuance of additional Common Shares may negatively impact the trading price of our securities.

We have issued Common Shares in the past and will continue to issue Common Shares to finance our activities in the future. In addition, outstanding options, warrants, and broker warrants to purchase Common Shares may be exercised, resulting in the issuance of additional Common Shares. The issuance by us of additional Common Shares would result in dilution to our shareholders, and even the perception that such an issuance may occur could have a negative impact on the trading price of the Common Shares.

We are an "emerging growth company," and we cannot be certain if the reduced reporting requirements applicable to emerging growth companies will make our Common Shares less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. We could be an emerging growth company for up to five years, although circumstances could cause us to lose that status earlier, including if the market value of our Common Shares held by non-affiliates exceeds $700 million as of any December 31 before that time, in which case we would no longer be an emerging growth company as of the following June 30. We cannot predict if investors will find our Common Shares less attractive because we may rely on these exemptions. If some investors find our Common Shares less attractive as a result, there may be a less active trading market for our Common Shares and our Common Share price may be more volatile. Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards and, therefore, will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

Broker-dealers may be discouraged from effecting transactions in Common Shares because they are considered a penny stock and are subject to the penny stock rules.

Our Common Shares are currently considered a "penny stock." The SEC has adopted Rule 15g-9 which generally defines "penny stock" to be any equity security that has a market price (as defined) less than $5.00 per share or an exercise price of less than $5.00 per share, subject to certain exceptions. The Common Shares are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors." The term "accredited investor" refers generally to institutions with assets in excess of $5.0 million or individuals with a net worth in excess of $1.0 million or annual income exceeding $200,000 or $300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC, which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the Common Shares. Consequently, these penny stock rules may affect the ability of broker-dealers to trade in the Common Shares.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Elk Creek Project, Nebraska

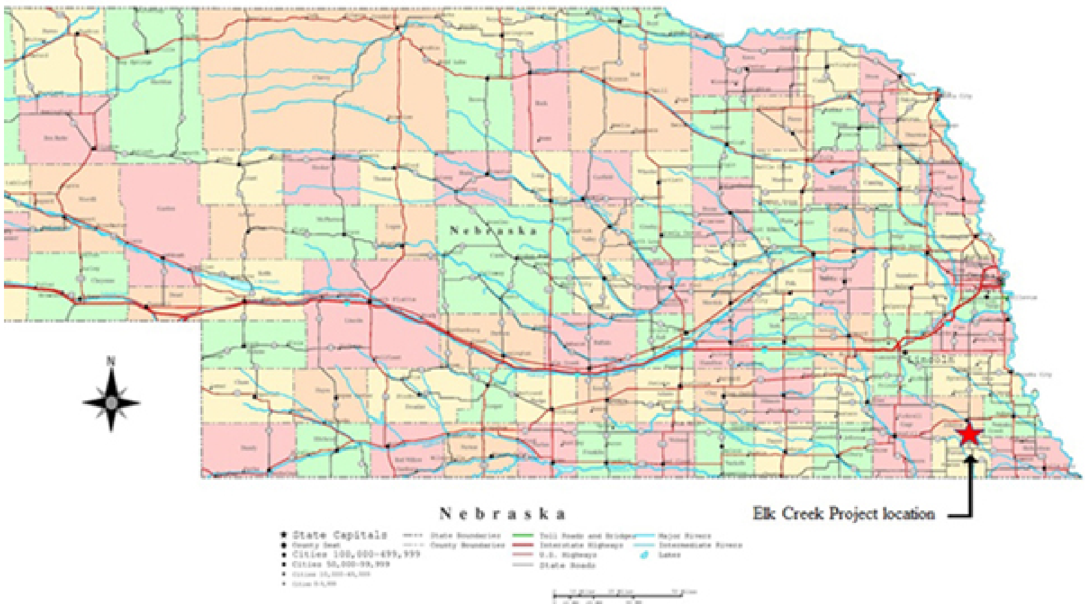
Our principal mineral property is the Elk Creek Property, a niobium, scandium and titanium exploration project. The Elk Creek Project does not have any proven or probable reserves under SEC Industry Guide 7 and the Elk Creek Project is exploratory in nature. The below information is in part summarized or extracted from our NI 43-101 technical report entitled "Revised NI 43-101 Technical Report Feasibility Study Elk Creek Niobium Project Nebraska" with an effective date of June 30, 2017.

Joanna Poeck, B.Eng., SME-RM, MMSA-QP, and Ben Parsons, MSc, MAusIMM (CP), both of whom are independent Qualified Persons as defined in NI 43-101, have reviewed and approved the mineral reserves and mineral resources, respectively, and have verified the data contained in those portions of this feasibility study relevant to their area of responsibility included in this Annual Report on Form 10-K related to the Revised Elk Creek Project Feasibility Study. Scott Honan, M.Sc., SME-RM, a Qualified Person as defined in NI 43-101, has supervised the preparation of the scientific and technical information that forms the basis for the Elk Creek Project disclosure in this Annual Report on Form 10-K and has approved the disclosure in this Annual Report on Form 10-K related thereto. Mr. Honan is not independent of the Company, as he is the Vice President, Business Development for NioCorp.

Property Description and Location

The Elk Creek Property is a niobium-bearing carbonatite deposit located in Johnson County, southeast Nebraska, USA. In addition to niobium, other elements of economic significance include titanium and scandium. The Elk Creek Property is situated as shown in Figure 1 below and is located within the USGS Tecumseh Quadrangle Nebraska SE (7.5 minute series) mapsheet in Sections 1-6, 9-11; Township 3N; Range 11 and Sections 19-23, 25-36; Township 4N, Range 11, at approximately 40°16’ north and 96°11’ west in the State of Nebraska, in central USA. The Elk Creek Property is approximately 45 miles southeast of Lincoln, Nebraska, the state capital of Nebraska.

Figure 1 - Property Map showing Location of Elk Creek Project

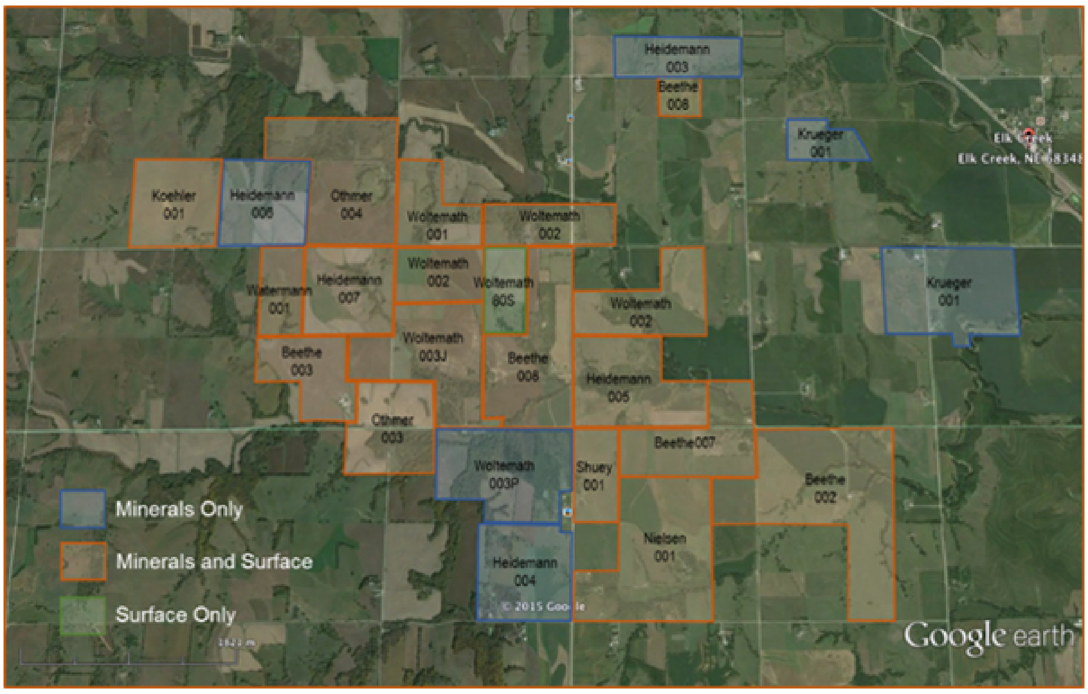


Title and Ownership

The Company currently holds 21 option agreements that are material to the Elk Creek Project and one perpetual easement of a land parcel at the terminus of a proposed waterline to the Missouri River from the Elk Creek Property**,** if required. The current optioned land package covers an area of 4,322 acres.

Option agreements are between NioCorp’s wholly-owned subsidiary ECRC and the individual land owners. Land ownership for the agreements significant to the Elk Creek Project are shown in Figure 2 and listed in Table 1. Significant agreements are those which have been demonstrated to host mineralized material, or which have the potential to be the site of buildings, facilities or other surface infrastructure.

Figure 2 - Land Tenure Map



Source: NioCorp, 2018

Table 1: Active Lease Agreements Covering the Elk Creek Project

Agreement Identifier	Hectares	Acres	Agreement Expiry
Beethe008	107.82	266.43	30-Apr-20
Beethe002	146.56	362.16	19-Feb-21
Beethe003	48.69	120.32	24-Jun-20
Beethe007	66.27	163.75	20-Jan-21
Heidemann003	48.56	120.00	17-Mar-20
Heidemann004	62.96	155.58	15-Mar-20
Heidemann005	79.55	196.57	16-Mar-20
Heidemann006	64.75	160.00	26-Mar-20
Heideman007	64.75	160.00	25-Mar-20
Koehler001	64.75	160.00	12-Jun-20
Krueger001	123.41	304.95	18-Dec-19
Nielsen001	112.81	278.75	25-Jun-20
Othmer003	61.48	151.93	22-Jan-21
Othmer004	113.31	280.00	22-Jan-21
Watermann001	145.69	360.00	6-Sep-21
Woltemath80S	32.37	80.00	4-Dec-19
Woltemath001	48.47	119.77	21-Jan-20
Woltemath002	152.49	376.81	4-Dec-19
Woltemath003J	89.03	220.00	25-Mar-20
Woltemath003P	82.96	205.00	25-Mar-20
Shuey001	32.37	80.00	28-May-20

Source: NioCorp, 2018

The current estimated Mineral Resource is wholly contained within parcels Woltemath003J and Beethe008, and agreements covering both of these properties have been secured. The Company considers these two leases to be the only leases on which the Company's development of the Elk Creek Project is substantially dependent. Negotiations for additional lands to support various configurations of the surface operations have been completed. The Company believes that the surface plant and facilities associated with the Elk Creek Project could be located in any number of places, and would not necessarily need to be sited on lands contiguous with the Beethe008 and Woltemath003 properties.

As part of the exploration option agreements, where required, the Company has also secured surface rights, which allow for access to the land for drilling activities and associated mineral exploration and project development work.

The agreements that involve mineral rights include a 2% NSR royalty attached with the option to purchase ("OTP"). The agreements grant the Company an exclusive right to explore and evaluate the property for a period of 60 months, with an OTP the mineral rights, the surface rights or a combination of the mineral and surface rights at any time during the term. As the Woltemath80S agreement is limited to an OTP for the surface rights only, it does not contain an NSR provision.

Accessibility, Physiography, Climate and Infrastructure

The Elk Creek Property is easily accessible year-round as it is situated approximately 45 miles southeast of Lincoln (State Capital), Nebraska and approximately 68 miles south of Omaha, Nebraska. Access to the site can be completed via road or from one of the regional airports. There are several regular flights to both Lincoln and Omaha; however, the Elk Creek Property is most easily accessible from Lincoln. From Lincoln Municipal Airport, the Elk Creek Property is accessed via paved roads on the main network and a secondary network of gravel roads. The drive from the Lincoln Municipal Airport to the property is typically 1 hour and 15 minutes, and from Omaha's Eppley Airport the drive is approximately 1 hour and 45 minutes.

Geologists can be sourced from local universities. An experienced mining-related workforce can be found in Denver, Colorado (eight hours drive west of the Elk Creek Property).

Southeast Nebraska is situated in a Humid Continental Climate (Dfa) on the Köppen climate classification system. In eastern Nebraska, this climate is generally characterized by hot humid summers and cold winters. Average winter temperatures vary between 13°F to 35°F. Average summer temperatures vary between 64°F to 90°F. Exploration, construction and operational activities may be conducted all year round.

Average monthly precipitation (rain and snowfall) varies between 0.9 and 5.0 inches. Average yearly precipitation is between 31 and 33 inches with an average yearly snowfall of approximately 28 inches. Nebraska is located within an area known for tornadoes which runs through the central U.S. where thunderstorms are common in the spring and summer months. Tornadoes primarily occur during the spring and summer and may occur into the autumn months.

The Company has negotiated surface rights as needed as part of its existing lease agreements. There is sufficient suitable land area available within the Elk Creek Property area for mine waste disposal, for future tailings disposal, a processing plant, and related mine infrastructure.

There are several local communities near the Elk Creek Property including Elk Creek and Tecumseh that will provide local housing for the Elk Creek Project. There are a number of other communities within driving distance and the large cities of Lincoln and Omaha are within reasonable driving distance. Mining activities currently taking place in the area are limited to limestone and aggregate operations to support the local cement manufacturing and construction industries.

The Elk Creek Property site has no existing infrastructure except being adjacent to the Nebraska state highway 50 and County Road 721. The Elk Creek Project will be accessed from County Road 721 through a guard gate into the Elk Creek Property.

The Elk Creek Project is expected to incorporate surface and underground infrastructure, as well as tailings storage facilities. The offsite infrastructure is expected to include a new high voltage transmission line constructed by the local utility company and providing power to an on-site primary sub-station and a natural gas pipeline built by the owner of the interstate pipeline. Water used on site in all capacities will be supplied from mine dewatering. See "*Feasibility Study*" below for additional information regarding proposed infrastructure related to the Elk Creek Project.

The local topography of eastern Nebraska is relatively low-relief with shallow rolling hills intersected by shallow river valleys. Elevation varies from about 1,066 to 1,280 feet above sea level. Bedrock outcrop exposure is nonexistent in the Elk Creek Project area.

The majority of the Elk Creek Project area is used for cultivation of corn and soybeans, along with uses as grazing land. Native vegetation typical of eastern Nebraska is upland tall-grass, prairie and upland deciduous forests.

Geology and Mineralization

Geology

The Nebraska Precambrian basement predominantly comprises granite, diorite, basalt, anorthosite, gneiss, schist and clastic sediments. A series of island arcs sutured onto the Archean continent created the basic framework of the area. This suture left a north-trending intervening boundary zone ancestral to the Nemaha Uplift, providing a pre-existing tectonic framework which controlled the trend of the later Midcontinent Rift System (1.0 to 1.2 billion years ago). The Carbonatite is located at the northeast extremity of the Nemaha Uplift.

The Elk Creek Property includes the Carbonatite that has intruded older Precambrian granitic and low- to medium-grade metamorphic basement rocks. The Carbonatite and Precambrian rocks are believed to be unconformably overlain by approximately 200 m of Paleozoic marine sedimentary rocks of Pennsylvanian age (approximately 299 to 318 million years ago).

As a result of this thick cover, there is no surface outcrop within the Elk Creek Property area of the Carbonatite, which was identified and targeted through magnetic surveys and confirmed through subsequent drilling. The available magnetic data indicates dominant northeast, west-northwest striking lineaments and secondary northwest and north oriented features that mimic the position of regional faults parallel and/or perpendicular to the Nemaha Uplift.

The Elk Creek Carbonatite is an elliptical magmatic body with northwest trending long axis perpendicular to the strike of the 1.1 billion years ago Midcontinent Rift System, near the northern part of the Nemaha uplift. It was first discovered by drilling in 1971 and tentatively identified as a carbonatite on the basis that it resembled rocks of the Fen District of Norway. The definitive confirmation of carbonatite was completed using Rare Earth Element ("REE"), P205 and 87Sr/86Sr isotope analysis. The Carbonatite has also been compared to the Iron Hill carbonatite stock in Gunnison County, Colorado on the basis of similar mineralogy.

The Carbonatite consists predominantly of dolomite, calcite and ankerite, with lesser chlorite, barite, phlogopite, pyrochlore, serpentine, fluorite, sulfides and quartz. It is, however, believed from stratigraphic reconstruction based on drill core observation in the area that the carbonatite is unconformably overlain by approximately 200 m of essentially flat-lying Palaeozoic marine sedimentary rocks, including carbonates, sandstones and shales of Pennsylvanian age (approximately 299 to 318 million years ago).

Current studies suggest that the Carbonatite was emplaced approximately 500 million years ago in response to stress along the Nemaha Uplift boundary predating deposition of the Pennsylvanian sedimentary sequence (approximately 299 to 318 million years ago). However, observations on drill cores from the Elk Creek Project site show that the contact between the Carbonatite body and the Pennsylvanian sediments is a sheared but oxidized contact suggesting that the Carbonatite is intrusive in the Pennsylvanian sequence. Furthermore, both rock types appear to have been affected by at least one main brittle-ductile deformation event resulting in formation of fault structures. Microstructures including sub-vertical and sub-horizontal tension veins, together with related sheared veins and fault planes displaying sub-vertical and sub-horizontal slickensides along drill cores are indications for the presence of extensional and oblique to strike-slip faults. These faults could correspond to the magnetic lineaments present in the area.

Mineralization

The property hosts niobium, titanium, and scandium mineralization as well as rare earth elements and barium mineralization that occurs within the Elk Creek Carbonatite. The current known extents of the Carbonatite unit are approximately 950 m along strike, 300 m wide, and 750 m in dip extent, below the unconformity. Niobium, titanium and scandium are considered the main elements of interest.

The deposit contains significant concentrations of niobium. Based on the metallurgical testwork completed to date at a number of laboratories using QEMSCAN® analysis, the niobium mineralization is known to be fine grained, and that 77% of the niobium occurs in the mineral pyrochlore, while the balance occurs in an iron-titanium-niobium oxide mineral of varying composition.

Within the Elk Creek Carbonatite, a host of other elements exist with varying degrees of concentration. The Company has completed both whole rock analysis and multi-element analysis on all samples for the 2014 drilling program, described below, plus resampling of selected historical core/pulps between 2011 and 2014.

Historical Exploration

Drilling at the Elk Creek Property was conducted in three phases. The first was during the 1970's and 1980's by the Molybdenum Company of America ("Molycorp"), the second in 2011 by Quantum (NioCorp under its former name), and the third and latest program from 2014 to 2016 by NioCorp. To date, 129 diamond core holes have been completed for a total of 64,981 m over the entire geological complex. Of these, a total of 48 holes (33,909 m) have been completed to date in the mineralized area and are used in the current Mineral Resource estimate. Five additional holes with a total length 3,353.1 m, were drilled for hydrogeologic and geotechnical purposes. No sampling has been completed of these holes to date and therefore they have not been considered for the Mineral Resource estimate.

All drilling has been completed using a combination of Tricone, Reverse Circulation ("RC") or Diamond Drilling ("DDH") in the upper portion of the hole within the Pennsylvanian sediments. All drilling within the underlying Carbonatite has been completed using DDH methods.

Table 2: Summary of Drilling Database within Elk Creek Deposit Area

Year	Company	Number of Holes	Average Depth (m)	Sum Length(m)
1970-1980	Molycorp	27	596.6	16,108.2
2011	Quantum	3	772.6	2,317.7
2014-2015	NioCorp	18	845.4	15,482.8
Total		**48**	**700.9**	**33,908.7**

Source: SRK, 2015

Molycorp 1973-1986

Between 1973 and 1974, Molycorp completed six drillholes: EC-1 to EC-4, targeting the Elk Creek anomaly and two other holes outside the Elk Creek anomaly area. Drillholes were typically carried out by RC drilling through the overlying sedimentary rocks and diamond drilling through the Ordovician-Cambrian basement rocks.

Molycorp continued their drill program from 1977 and, in May 1978, Molycorp made its discovery of the current Mineral Resource with drillhole EC-11. EC-11 is located on Section 33, Township 4N, and Range 11. The Carbonatite hosting the Elk Creek Project was intersected at a vertical depth of 203.61 m (668 ft).

Molycorp continued its drilling program through to 1984, which mainly centered on the Elk Creek Project within a radius of roughly 2 km. By 1984, Molycorp had completed 57 drillholes within the Elk Creek gravity anomaly area, which included 25 drillholes over the Elk Creek Project area.

From 1984 to 1986, drilling was focused on the Elk Creek gravity anomaly area. The anomaly area is roughly 7 km in diameter and drilling was conducted on a grid pattern of approximately 610 by 610 m (roughly 2,000 by 2,000 ft.) with some closer spaced drillholes in selected areas.

By 1986, a total of 106 drillholes were completed for a total of approximately 46,797 m (153,532 ft). The deepest hole reached a depth of 1,038 m (3,406 ft) and bottomed in carbonatite.

Quantum, 2010-2011 (NioCorp under its former name)

In April 2011, Quantum conducted a preliminary drill program (three holes) on the Elk Creek deposit and two REE exploration targets (two holes), which have been excluded from the current Mineral Resource estimation, as they do not intersect the Nb_2O_5 anomaly and are located to the east. The objectives of the drill program over the Elk Creek Property were to verify the presence of higher grade niobium mineralization at depth, and to infill drill the known niobium deposit in order to upgrade the resource category of the previous resource estimate and expand the known resource. The drill program was also established to collect sufficient sample material for metallurgical characterization and process development studies of the niobium mineralization.

The 2011 program consisted of five inclined drillholes, totaling 3,420 m of NQ size diameter core. Inclusive of this total, three drillholes, totaling 2,318 m were drilled into the known Elk Creek deposit.

NioCorp 2014 to present

NioCorp commenced drilling on the Elk Creek Property using a three-phased program with the aim of increasing the confidence in the 2012 Mineral Resource Estimate from Inferred to Indicated. The three-phased program was originally based on 14 drillholes for approximately 12,150 m (announced in a press release on April 29, 2014), but was subsequently expanded during the program to 18 drillholes for approximately 15,482 m. Three of the 18 drillholes were drilled for the purpose of metallurgical characterization and process development studies. Two of these drillholes, NEC14-MET-01 and NEC14-MET-02 were not assayed, while NEC14-MET-03 was quarter cored with one quarter being assayed and the remainder used for metallurgical testwork. The drilling has been orientated to intersect the geological model from the southwest and northeast (perpendicular to the strike), with the exception of NEC14-011 and NEC14-012, which were oriented southeast and northwest, respectively.

Revised Elk Creek Feasibility Study

On June 30, 2017, we announced the results of the Original Elk Creek Feasibility Study related to the Elk Creek Project, and the related technical report was completed and filed in Canada on SEDAR on August 10, 2017. In connection with a review by the OSC, on December 15, 2017, the Company filed the Revised Elk Creek Feasibility Study. The Revised Elk Creek Feasibility Study, which is available for download on SEDAR and on the Company’s website at www.niocorp.com, contains no changes to any previously reported numbers or forecasted economic returns of the Elk Creek Project from those contained in the August 2017 Feasibility Study.

At the OSC’s request, the Revised Elk Creek Feasibility Study provides (1) additional information in Section 19.1.3 on the growth forecast for global scandium markets provided by independent scandium market experts and relied upon by the Company in the Original Elk Creek Feasibility Study; (2) an analysis in Section 22.4 showing Net Present Value and Internal Rate of Return sensitivities of the Elk Creek Project at +/- 30% of the Original Elk Creek Feasibility Study’s assumed product pricing, capital expenditures, and operating costs (vs. +/- 20% originally presented in the Original Elk Creek Feasibility Study); (3) disclosure in Section 3 of the reliance on independent scandium market experts; (4) the removal in Section 24 of certain disclosure regarding the Company’s relationship with one of the experts; and (5) inclusion in Section 25 of certain risk factors.

The Elk Creek Project is planned as an underground mining operation using a long-hole stoping mining method and paste backfill, operating with a processing rate of 2,760 tonnes per day. Expected total production over the 32-year mine life includes 143,824 tonnes of payable niobium, 3,237 tonnes of scandium (Sc2O3), and 359,128 tonnes of titanium (TiO2). Estimated up-front direct capital costs are $705 million, in addition to indirect costs of $189 million, pre-production capital costs of $85 million, an overall contingency of $109 million, and pre-production net revenue credit of $79 million.

Mineral Reserves and Resources

The Mineral Reserves and Mineral Resources disclosed below are based on the Revised Elk Creek Feasibility Study in conformity with generally accepted CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines and are reported in accordance with the CIM "Definition Standards – For Mineral Resources and Mineral Reserves, May 10, 2014." Mineral Reserves and Mineral Resources at the Elk Creek Project as of June 30, 2017 are summarized below in Table 3 and Table 4, respectively.

Cautionary Note to U.S. Investors: The terms Proven Reserve, Probable Reserve, Indicated Resource, and Inferred Resource as described in Tables 3 and 4 below are as defined in Canadian National Instrument 43-101. These terms are not defined under SEC Industry Guide 7 and are not SEC Industry Guide 7 proven and probable reserves. In addition, the estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. U.S. investors are cautioned not to assume that estimates of inferred mineral resources exist, are economically minable, or will be upgraded into measured or indicated mineral resources. See "Cautionary Note to U.S. Investors Regarding Mineral Reserve and Resource Estimates" above.

Table 3: Underground Mineral Reserves Estimate for Elk Creek

Classification	Tonnage (000's t)	Grade (Nb2O5%)	Grade (TiO2%)	Grade (Sc g/t)
Proven	—	—	—	—
Probable	31,661	0.79	2.81	71.58
Proven and Probable	31,661	0.79	2.81	71.58

Source: SRK, effective May 15, 2017.

1. The Elk Creek Project is amenable to underground longhole open stoping mining methods. Using results from metallurgical test work, suitable underground mining and processing costs, and forecast product pricing SRK has reported the Mineral Reserve at a NSR cut-off of US$180/t.
2. NSR uses the following factors:
   - Nb_2O_5: 0.699 is conversion from Nb_2O_5 to Nb, 1,000 is kg conversion, 85.8% is the hydromet plant recovery, 96% is the pyromet plant recovery, 100% payability, assuming a US$ 38.5 kg selling price.
   - TiO_2: 1,000 is kg conversion, 40.3% is metallurgical recovery, assuming 100% payability, assuming a US$ 0.88/kg is selling price.
   - Sc: 93.1% is metallurgical recovery, 100% payability, US$ 3,500 kg is selling price per kg of scandium oxide, with a conversion of 0.652 is the amount of Sc in Sc_2O_3.
   - Price assumptions for FeNb, Sc_2O_3, and TiO_2 are based upon independent market analyses for each product.
3. All figures are rounded to reflect the relative accuracy of the estimates. Totals may not sum due to rounding.
4. Ore reserves have been stated on the basis of a mine design, mine plan, and cash-flow model.
5. Mining recovery is applied and ranges from 94% to 100%.
6. Mining dilution (internal and external) is included. External stope dilution is 6%, and a portion of the external stope dilution is applied using grade values based on average surrounding block information. A development dilution of 5% is used at a 0% grade.
7. The Mineral Reserves were estimated by Joanna Poeck, BEng Mining, SME-RM, MMSAQP #01387QP, a Qualified Person.

Table 4: Mineral Resource Statement for Elk Creek

Classification	Cut-off NSR (US$/t)	Tonnage (000's t)	Grade (Nb_2O_5%)	Contained Nb_2O_5 (t)	Grade (TiO_2%)	Contained TiO_2 (t)	Grade (Sc g/t)	Contained Sc (t)
Indicated	180	90,900	0.66	598,400	2.59	2,353,300	70	6,300
Inferred	180	133,600	0.48	643,800	2.23	2,985,300	59	7,800

Source: SRK, effective May 15, 2017. All figures rounded to reflect the relative accuracy of the estimates. Totals may not sum due to rounding.

1. Mineral Resources are reported inclusive of the Mineral Reserve. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. Historical samples have been validated via re-assay programs, and all drilling completed by NioCorp has been subjected to QA/QC. All composites have been capped where appropriate, and estimates completed using Ordinary Kriging. The Concession is wholly owned by and exploration is operated by NioCorp Developments Ltd

2. The reporting standard adopted for the reporting of the MRE uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 10, 2014) as required by NI 43-101.
3. The Elk Creek Project is amenable to Underground longhole open stoping mining methods. Using results from metallurgical test work, suitable underground mining and processing costs, and forecast product pricing SRK has reported the Mineral Resource at a NSR cut-off of US$ 180/t.
4. NSR uses the following factors
   - Nb2O5: 0.699 is conversion from Nb2O5 to Nb, 1000 is kg conversion, 85.8% is the hydromet plant recovery, 0.96 is the pyromet plant recovery, 100% payability, assuming a US$ 38.5 kg selling price.
   - TiO2: 1000 is kg conversion, 40.3% is metallurgical recovery, assuming 100% payability, assuming a US$ 0.88/kg is selling price.
   - Sc: 93.1% is met recovery, 100% payability, US$ 3,500 kg is selling price per kg of scandium oxide, with a conversion of 0.652 is the amount of Sc in Sc2O3
   - Price assumptions for FeNb, Sc_2O_3, and TiO_2 are based upon independent market analyses for each product.
5. SRK completed a site inspection of the deposit by Mr. Martin Pittuck, MSc, CEng, MIMMM, an appropriate "independent qualified person" as this term is defined in NI 43-101.

Financial Analysis Included in the Revised Elk Creek Feasibility Study

The metrics reported in the Revised Elk Creek Feasibility Study are based on the annual cash flow model results. The metrics are on both a pre-tax and after-tax basis, on a 100% equity basis with no Elk Creek Project financing inputs, and are in Q2 2017 U.S. constant dollars. Foreign exchange impacts were deemed negligible as most, if not all costs and revenues are denominated in U.S. dollars.

Key criteria used in the analysis are discussed in detail throughout this section. Principal Project assumptions used are shown summarized below.

Description	Value
Pre-Production Period	4 years
Process Plant Life	32 years
Mine Operating Days per Year	365
Mill Operating Days per Year	365
Discount Rate	EOP @ 8%
Commercial Production Year	2021

Source: SRK, 2017

Summary of Key Evaluation Metrics and Projected Economic Results Included in the Revised Elk Creek Feasibility Study

Description	Value
Ore Mined (kt)	31,661
Waste Mined (kt)	1,484
Total Material Mined (kt)	33,145
Mining Rate (t/d)	2,760
Nb_2O_5 Grade	0.79%
TiO_2 Grade	2.81%
Scandium Grade (g/t)	71.6
Contained Nb_2O_5 (kt)	250
Contained TiO_2 (kt)	891
Contained Sc (t)	2,266
Total Ore Processed (kt)	31,661
Processing Rate (kt/y)	1,009
Average Recovery, Nb_2O_5	82.4%
Average Recovery TiO_2	40.3%
Average Recovery Sc	93.1%
Recovered Nb_2O_5 (kt)	214
Recovered TiO_2 (kt)	359
Recovered Sc (t)	2,111

Description		Value
Realized Market Prices		
Nb ($/kg)	$	39.60
TiO_2 ($/kg)	$	0.88
Sc_2O_3 ($/kg)	$	3,675
Payable Metal		
Nb (t)		143,824
TiO_2 (t)		359,128
Sc_2O_3 (t)		3,237
Total Gross Revenue (in thousands)	**$**	**17,906,337**
Operating Costs (in thousands)		
Mining Cost		(1,244,182)
Process Cost		(3,285,282)
Site G&A Cost		(268,038)
Concentrate Freight Cost		(10,260)
Other Infrastructure Costs		(211,595)
Water Management Cost		(250,839)
Tailings Management Cost		(45,682)
Property Tax		(126,181)
Royalties		(251,809)
Annual Bond Premium		(4,762)
Total Operating Costs (in thousands)		**(5,698,630)**
Operating Margin (EBITDA)(in thousands)		**12,207,706**
Effective Tax Rate		24.1%
Income Tax (in thousands)		(2,779,039)
Total Taxes (in thousands)		**(2,779,039)**
Working Capital(1)		0
Operating Cash Flow (in thousands)	**$**	**9,428,667**

Source: SRK, 2017

(1) Does not include Initial Working Capital (A/R, A/P, & Inv) of $30 million in Years -1 and +1.

Operating Cost Estimates Included in the Revised Elk Creek Feasibility Study

The following unit rates are stated on a Run of Mine ("RoM") basis where the costs are estimated from 2022 through 2051 period and do not include the first or last years of production nor preproduction and post closure Operating Costs. This basis is used in order to give a more representative measurement of anticipated costs during normal operating conditions.

Description		RoM[1] US$/t ore
Mining Cost	$	39.43
Process Cost		111.56
Site G&A Cost		8.37
Tailings Management Cost		1.42
Water Management Cost		7.74
Total RoM Operating Costs	**$**	**168.52**

Source: SRK, 2017

Capital Cost Estimates Included in the Revised Elk Creek Feasibility Study

The following table shows the breakout in initial and sustaining capital estimates which total $1.50 billion. An overall 11.1% contingency factor has been applied to the initial capital estimate while a smaller 1.4% contingency was applied to the sustaining capital estimate. The initial capital estimate of $1,088 million can be partially offset by a Gross Preproduction Revenue Credit of $79 million (generated by preproduction product sales) to net to a cost of $1,008 million.

($000's)			
Description	**Initial**	**Sustaining**	**Total**
Capitalized Preproduction Expenses	$ 70,838	$ —	$ 70,838
Site Preparation and Infrastructure	39,550	17,020	56,570
Processing Plant	367,125	109,365	476,490
Mine Water Management	99,756	19,335	119,091
Mining Infrastructure	178,564	205,722	384,285
Tailings Management	20,194	60,239	80,433
Site Wide Indirects	7,174	—	7,174
Processing Indirects	98,546	—	98,546
Mining Indirects	34,238	—	34,238
Process Commissioning	13,713	—	13,713
Owner's Costs	38,365	—	38,365
Mine Water Management Indirects	10,760	—	10,760
Contingency	108,784	5,773	114,557
Total Capital Costs	**$1,087,608**	**$ 417,453**	**$1,505,061**
Preproduction Revenue Credit	79,312		
Net Project Total	**$1,008,296**		

Source: SRK, 2017. Totals may not sum due to rounding.

Planned Mining Operations

The Elk Creek Project is planned as a high-grade underground mining operation using a long-hole stoping mining method and paste backfill, with shaft access to minimize development through water bearing horizons. The mine will utilize jumbo drills for lateral development and tophammer and down-the-hole drills for vertical development and production stoping. Bolters will be used for ground support. Ore will be remotely mucked from the bottom stope accesses using 14 tonne Load-Haul-Dump units ("LHD"). The LHDs will transport the ore to remuck bays to maximize the efficiency of the stope mucking operations. A second LHD and a fleet of 40 tonne haul trucks will be used to transport ore from the remuck bays to the grizzly feeding the underground material handling system. The ore is fed through the grizzly with a rock breaker into an underground crusher (the "Primary Crusher") and via a material handling system to the surface.

Planned Processing Operations

Planned ore process operations include mineral processing, hydrometallurgical processing ("Hydromet"), and pyrometallurgical processing ("Pyromet") housed in separate buildings.

The mineral processing building will house all of its equipment within a single large building. The primary driver of mineral processing is the dry processing of ore. Ore from the Primary Crusher (located in the underground mine) will be fed to the secondary cone crusher system, operating in closed circuit with a double deck screen. The screen undersize from the cone crusher system will be fed to a high-pressure grinding roll unit ("HPGR"), operating in closed circuit with another double deck screen. The HPGR screen undersize is the comminution product that will report to the Hydromet process.

The Hydromet plant building will be a multi-level engineered steel structure which will house equipment on two levels. Ore from mineral processing will be fed through 12 individual processes required to separate the three recoverable products. The purpose of the Hydromet processing steps is to leach the pay metals into solution using two separate acid leaches (HCl Leach and Sulfuric Acid Bake), remove impurities, separate the three pay metals, and perform precipitation/processing to final solid oxide forms. Outputs from the Hydromet Process include saleable titanium dioxide and scandium trioxide, with niobium pentoxide reporting to the Pyromet plant for final processing. The Hydromet plant will be supported by a Hydrochloric Acid Regeneration plant and a Sulfuric Acid Plant.

The Pyromet building will house most of its equipment within a single building. The purpose of the Pyromet plant is to reduce the niobium pentoxide coming from the Hydromet feed by converting it into a saleable ferroniobium (FeNb) metal. Aluminum shots and iron oxide pellets will be introduced to an electric arc furnace on a continuous basis along with fluxing agents and niobium pentoxide to produce a saleable FeNb metal.

Proposed Production Plan and Schedule

Based on the Revised Elk Creek Feasibility Study, the operating mine life is approximately 32 years with a nominal processing rate of 2,760 tonnes per day. The Elk Creek Project timeline is based on First Metal 42 months after Authorization to Proceed, plus an additional 3 months of Ramp-up to 80% of production capacity for a total of 45 months, and assumes no financing constraints. The NioCorp board must approve a construction program and budget before construction of the Elk Creek Project can begin. This approval, along with the receipt of all required governmental permits and approvals and the completion of project financings, will determine whether and when construction of the Elk Creek Project can begin.

Proposed Tailings Storage

The tailings produced by the process plant will consist of filtered water leach residue, calcined excess oxide, and slag. Four tailings storage facilities ("TSF") will be constructed sequentially to contain the tailings over the life of the Elk Creek Project, and would contain approximately 13.5 million tonnes of tailings. The tailings facilities have been designed to incorporate two independent areas: a composite-lined tailings solids storage area; and an area with double lined containment including a leak collection and recovery system for management of stormwater runoff and drainage from the tailings solids. The TSFs will store predominantly dry (i.e., not in a slurry consistency) tailings from the plant with embankment construction based on a "downstream" construction method. Facility closure is considered in the design.

Proposed Water Management

For the first several years of construction, the advancement of the shaft and underground workings will require subsurface dewatering. The waterline to the Missouri River is a critical element to the Elk Creek Project to allow discharge from the dewatering process that will be required to construct and operate the mine. The waterline to the Missouri will require the installation of a 914 cm (36 inch) diameter pipeline within County Right-of-Way ("ROW") of four counties in southeast Nebraska, the crossing of State Highways as well as railroad crossings. The waterline will also require multiple pump stations and a diffuser structure constructed in the Missouri River. A majority of the waterline and associated facilities will be constructed within ROW while portions will require acquisition of property from private property owners.

The Elk Creek Project will require multiple permits in order to construct and operate the system and to discharge the water to the Missouri River. The process of obtaining the 404 and 408 permits from the USACE and the permit to discharge to the Missouri River from the State of Nebraska are underway. Permits associated with occupying or crossing ROW and railroads as well as the Nebraska Department of Environmental Quality ("NDEQ") construction permit will be prepared during the preliminary and final design phases of the Elk Creek Project. The waterline construction schedule has been evaluated and deemed to be feasible in regard to the overall construction schedule for the mine. Certain activities related to data collection and preliminary design of the waterline should commence in the near future to facilitate the overall Elk Creek Project schedule.

Because the mine dewatering flow will exceed site process water requirements, approximately 25% of the flows will be used as makeup to a Water Treatment Plant. The major feed to the water treatment plant will be the discharge from the process plant. A water treatment plant including Reverse Osmosis treatment will be used to provide up to 300 gpm of potable water for the site, in addition to providing 1,575 gpm to the production process.

Power

The local power utility (Omaha Public Power District) will provide power from nearby transmission lines to the site. This will require that an approximate 18-mile transmission line be installed by the utility to provide the site sub-station with the required site power demand. The local power utility will also design and install the main substation that will be owned and maintained by the utility. This infrastructure will be paid back through rate changes on the electrical usage.

Natural Gas

A total of four interstate pipelines intersect in the region of Beatrice NE which is approximately 28 miles to the West of the plant site. The Revised Elk Creek Feasibility Study contemplates running a lateral from one of the interstate pipelines to the Elk Creek Project site. The interstate gas line owner will install/own/operate the lateral pipeline to the site. The capital cost and the cost of transportation will be assessed in a tariff on the natural gas used. The interstate pipeline owner will obtain the necessary permits, rights of way and land acquisitions as well as the metering and pressure regulation station at the Elk Creek Project site. See “Post-Feasibility Study Activities” below for recent activity regarding the status of a natural gas pipeline.

Markets

Market studies for niobium, titanium dioxide and scandium trioxide are an important part of the proposed Elk Creek operation. These commodities, especially niobium and scandium trioxide (scandium), are thinly traded without an established publicly available price discovery mechanism. Hence, detailed third party market studies provide the basis for assumptions used in the economic analysis.

SRK carried out a Niobium Marketing Study in Q2 2017 at the request of NioCorp. Based on this marketing study, the Revised Elk Creek Feasibility Study used the recommended real 2017 U.S. dollar base price of $40/kg Nb as the forward-looking price for steel grade (65%) ferroniobium. The base price is adjusted to a realized price to account for the discount provisions contained in the two ferroniobium offtake agreements that the Company has concluded.

NioCorp engaged OnG Commodities LLC (OnG) to produce a preliminary market assessment in April 2017 (OnG, 2017). The study examines current scandium production trends (~20 t/y) from existing and emerging producers plus an outlook for supply to 2028. The outlook then reviewed the current and emerging applications for scandium including fuel cells, aerospace, industrial and other uses plus and an outlook for demand to 2028. Based on these inputs, OnG provided pricing forecasts and global demand volumes by year to 2028 based estimated production costs and supply-demand balances.

No formal market study was done for titanium dioxide (TiO_2) during the report period as it only represents 2% of overall revenue in the economic analysis. All market information for titanium and titanium dioxide is derived from USGS Commodity Market Summaries (Bedinger, 2016) and an internal SRK price database.

Taxation Rates Included in the Revised Elk Creek Feasibility Study

Taxes that may be levied on the Elk Creek Project can be summarized as follows:

- Corporate Income Tax (CIT) rates are 35% for Federal and 7.81% for Nebraska
- Federal taxable income is subject to Alternative Minimum Tax (AMT) of 20%

The Elk Creek Project is eligible for federal depletion allowances and credits, as well as various state incentives. The calculated effective income tax rate for the Elk Creek Project is 24.1%.

Environmental and Social

A number of key permits and environmental management requirements have been identified for the Elk Creek Project, some of which need to be implemented as soon as practicable in order to maintain the proposed Elk Creek Project schedule.

- While not necessarily complex, the timing generally required to complete permitting through any federal regulatory agency requires that NioCorp engage key agencies (in this case the USACE and possibly the EPA) early on in Elk Creek Project development and consider the siting and orientation of facilities carefully to minimize the risk of a protracted National Environmental Policy Act analysis of the Elk Creek Project.

- Perhaps one of the most critical approvals likely to be needed by the operation will be a radioactive materials license from the Nebraska Department of Health and Human Services ("NDHHS"), Office of Radiological Health. Because of their limited experience with hard rock mining in the State of Nebraska, much less mining that includes Naturally Occurring Radioactive Material, the NDHHS may require additional information and more time to approve the Elk Creek Project under a Broad Scope License. Early and frequent engagement is a necessity with respect to this regulatory agency.

- Documentation of existing baseline environmental conditions at the Elk Creek Project site was initiated in 2014 and should continue throughout the permitting process. Additional studies will need to be added once regulatory authorities have been given an opportunity to review the current mine plan presented in the Revised Elk Creek Feasibility Study and assess their particular data needs for approval of the Elk Creek Project.

- Surface water monitoring should continue throughout the permitting process and extend into construction and operations as part of the Environmental Management System. The NDEQ Water Quality Division has been engaged in order to discuss the Elk Creek Project and potential data needs for a National Pollutant Discharge Elimination System discharge permit. This would include both local discharges (if needed) as well as discharges to the Missouri River.

- A wetland delineation and potential jurisdictional waters assessment was conducted in late 2014 to identify wetland and drainage features within the proposed Elk Creek Project boundary which resulted in a formal JD being issued by the USACE on September 6, 2016. The entire project has been authorized under the non-notifying provisions of Nationwide Permit 12.

- Closure costs for the Elk Creek Project have been estimated at just over $39 million, including approximately $17 million for reclamation and closure of the tailings disposal facility and $16 million for plant and building removal and reclamation.

- Community engagement has occurred in parallel with Nebraska field operations and has included public meetings, presentations to public agencies, communications with local and state politicians, meetings with environmental groups, and one-on-one meetings with area landowners.

Post-Feasibility Study Activities

Subsequent to the completion and filing of each of the Original and the Revised Elk Creek Feasibility Study, the Company has continued to take steps to advance the overall Elk Creek Project, including initiation of detailed mine engineering, initiation of Engineering, Procurement and Construction ("EPC") contracting arrangements and continuing work on federal, state and local permitting issues. Significant matters addressed are as follows:

On November 8, 2017, we announced the signing of an agreement with Rockies Express Pipeline LLC ("Rockies Express") to construct and operate a 27.8-mile natural gas pipeline that will supply the Elk Creek Project. Under the agreement, following the receipt of financing for the Elk Creek Project, Rockies Express has agreed to design, construct, and operate a natural gas lateral line that will extend from the Rockies Express main line in Marshall County, Kansas to the Elk Creek Project and will deliver at least 27,500 million British Thermal Units of natural gas per day when the Elk Creek Project is fully operational. The value of the contract, to be paid over a period of 11 years, is approximately $63 million. NioCorp expects to contract separately for the purchase of the natural gas to be transported by Rockies Express.

On February 7, 2018, we announced the signing of the Nordmin Agreement, under which Nordmin has been reviewing and updating the Elk Creek Project's mining approach, mine water management systems, and mine infrastructure concepts with an eye toward further design and optimization. On June 28, 2018, we announced Nordmin's analysis of the Elk Creek Project's hydrogeology indicated that significantly less bedrock water may be encountered during mining operations than was estimated in the Revised Elk Creek Feasibility Study. This may lead to schedule improvements in the construction of the mine and supporting infrastructure.

On July 10, 2018, we announced that ongoing work on detailed engineering being conducted by Nordmin shows that the proposed waterline to the Missouri River, as contemplated in the Revised Elk Creek Feasibility Study, is no longer needed. Nordmin's ongoing design engineering of the underground mine, and recently updated hydrogeological findings, show that significantly less bedrock water may be encountered during mining operations than was estimated in the Revised Elk Creek Feasibility Study. This has allowed removal of the waterline, proposed in the Revised Elk Creek Feasibility Study, from the new mine plan. Removing the proposed waterline will eliminate the Elk Creek Project's need for Section 404 and Section 408 federal permits from the USACE.

On August 27, 2018, the Company announced the receipt of a new proposed design for the underground portion of the Elk Creek Project by Nordmin. The new mine design confirms the technical feasibility of several innovative approaches to mining Elk Creek's critical minerals which, if accepted by NioCorp, could further streamline the process of moving the Elk Creek Project to initial construction. In its mine design, Nordmin's top-level recommendations to NioCorp include the following:

- Artificial ground freezing is technically feasible for use when the Company sinks the production and ventilation shafts for the mine. Such technology can assist in controlling the inflow of water encountered during shaft sinking operations. The technology may also improve productivity during shaft sinking operations and eliminate the need for substantial dewatering operations prior to the onset of shaft sinking.

- Bedrock water encountered during mining operations can be handled without the 33-mile waterline to the Missouri River that was included in the Original 2017 Feasibility Study.

- NioCorp has already secured a 404 permit from the USACE under Nationwide Permit 12 for the Elk Creek Project. Removing plans for a waterline to the Missouri River eliminates the Elk Creek Project's need for an additional Section 404 permit from USACE, as well as a Section 408 permit from the USACE. The Section 408 permit would have triggered the need for an Environmental Assessment under NEPA, a process that can take months or more to complete.

- Additionally, removing the waterline eliminates the need for the Elk Creek Project to secure a National Pollutant Discharge Elimination Permit from the Nebraska Department of Environmental Quality.

The mine design recommendations submitted to NioCorp by Nordmin are now being analyzed by NioCorp. If approved, they will then be integrated into the project plan and overall impacts to the economics of the Elk Creek Project can be assessed.

Proposed Activities

As funds become available through the Company's fundraising efforts, we expect to undertake the following activities:

- Completion of the detailed engineering for the underground portion of the Elk Creek Project;
- Acquisition of key land parcels currently subject to the Company's Option to Purchase agreements;
- Construction of natural gas and electrical infrastructure under existing agreements to serve the project site;
- Continuation of the Company's efforts to secure federal, state and local permits;
- Initiation and completion of detailed engineering for surface project facilities;
- Negotiation and completion of engineering, procurement and construction agreements;
- Initiation of mine groundwater control activities; and
- Initiation of long-lead equipment procurement activities.

Corporate Headquarters

We lease our principal executive office space at 7000 South Yosemite Street, Suite 115, Centennial, Colorado.

ITEM 3. LEGAL PROCEEDINGS

As of August 30, 2018, we are not a party to any legal proceedings that could have a material adverse effect on the Company's business, financial condition or operating results. Further, to the Company's knowledge no such proceedings have been threatened against the Company.

ITEM 4. MINE SAFETY DISCLOSURES

Pursuant to Section 1503(a) of the Dodd-Frank Act, issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose specified information about mine health and safety in their periodic reports. These reporting requirements are based on the safety and health requirements applicable to mines under the Federal Mine Safety and Health Act of 1977 (the "Mine Act") which is administered by the U.S. Department of Labor's Mine Safety and Health Administration ("MSHA"). During the fiscal year ended June 30, 2018, the Company and its subsidiaries and their properties or operations were not subject to regulation by MSHA under the Mine Act and thus no disclosure is required under Section 1503(a) of the Dodd-Frank Act.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASE OF EQUITY SECURITIES

Market Information

The Common Shares were first listed and posted for trading on the Vancouver Stock Exchange on December 1, 1987. On March 9, 2015, the Common Shares commenced trading on the TSX under the trading symbol "NB." In addition, the Company trades on the United States Over-the-Counter Bulletin Board ("OTCBB") and the OTCQX under the symbol "NIOBF" and on the Frankfurt Stock Exchange as "BR3**."**

The table below sets forth the high and low sales prices of the Company's Common Shares quoted on the TSX and OTCQX/OTCBB during the periods indicated. The quotations reflect inter-dealer prices without retail mark-up, mark-down or commission and may not reflect actual transactions.

	TSX (prices in Canadian dollars)		**OTCQX/OTCBB** (prices in U.S. dollars)	
	High	*Low*	*High*	*Low*
2018				
Fourth Quarter	0.74	0.52	0.494	0.427
Third Quarter	0.76	0.53	0.610	0.423
Second Quarter	0.78	0.37	0.621	0.293
First Quarter	0.75	0.52	0.598	0.428
2017				
Fourth Quarter	0.87	0.60	0.568	0.475
Third Quarter	0.89	0.66	0.812	0.507
Second Quarter	0.86	0.67	0.646	0.500
First Quarter	1.07	0.79	0.805	0.606

The closing sales price of the Company's Common Shares on August 30, 2018, as reported on the TSX was C$0.61, and on the OTCQX was $0.475 per share.

Holders

As of June 30, 2018, we had 8,150 holders of record of the Common Shares.

Dividends

We have not paid any cash dividends on the Common Shares since our inception and do not anticipate paying any cash dividends in the foreseeable future. We plan to retain our earnings, if any, to provide funds for the expansion of our business.

Securities Authorized for Issuance Under Equity Compensation Plans

See Equity Compensation Plan Information under *Item 12*., "*Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*," for information on plans approved by our shareholders.

Purchases of Equity Securities by the Company

We did not make any repurchases in the quarter ended June 30, 2018.

Exchange Controls

There are no governmental laws, decrees, or regulations in Canada that restrict the export or import of capital, including foreign exchange controls, or that affect the remittance of dividends, interest or other payments to non-resident holders of the securities of NioCorp, other than Canadian withholding tax. See "Certain Canadian Federal Income Tax Considerations for U.S. Residents" below.

Certain Canadian Federal Income Tax Considerations for U.S. Residents

The following summarizes certain Canadian federal income tax consequences generally applicable under the Income Tax Act (Canada) and the regulations enacted thereunder (collectively, the "Canadian Tax Act") and the Canada-United States Income Tax Convention (1980) (the "Convention") to the holding and disposition of Common Shares.

Comment is restricted to holders of Common Shares each of whom, at all material times for the purposes of the Canadian Tax Act and the Convention, (i) is resident solely in the United States, (ii) is entitled to the benefits of the Convention, (iii) holds all Common Shares as capital property, (iii) holds no Common Shares that are "taxable Canadian property" (as defined in the Canadian Tax Act) of the holder, (iv) deals at arm's-length with and is not affiliated with NioCorp, (v) does not and is not deemed to use or hold any Common Shares in a business carried on in Canada, and (vi) is not an insurer that carries on business in Canada and elsewhere (each such holder, a "U.S. Resident Holder").

Certain U.S.-resident entities that are fiscally transparent for United States federal income tax purposes (including limited liability companies) may not in all circumstances be regarded by the Canada Revenue Agency (the "CRA") as entitled to the benefits of the Convention. Members of or holders of an interest in such an entity that holds Common Shares should consult their own tax advisers regarding the extent, if any, to which the CRA will extend the benefits of the Convention to the entity in respect of its Common Shares.

Generally, a holder's Common Shares will be considered to be capital property of the holder provided that the holder is not a trader or dealer in securities, did not acquire, hold, or dispose of the Common Shares in one or more transactions considered to be an adventure or concern in the nature of trade (i.e. speculation), and does not hold the Common Shares in the course of carrying on a business.

Generally, a holder's Common Shares will not constitute "taxable Canadian property" of the holder at a particular time at which the Common Shares are listed on a "designated stock exchange" (which currently includes the TSX) unless both of the following conditions are true:

(i) at any time during the 60-month period that ends at the particular time, 25% or more of the issued shares of any class of the capital stock of NioCorp were owned by or belonged to one or any combination of:

   a. the holder,

   b. persons with whom the holder did not deal at arm's length, and

   c. partnerships in which the holder or a person referred to in clause (B) holds a membership interest directly or indirectly through one or more partnerships, and

(ii) at any time during the 60-month period that ends at the particular time, more than 50% of the fair market value of the Common Shares was derived directly or indirectly from, one or any combination of, real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Canadian Tax Act), "timber resource properties" (as defined in the Canadian Tax Act), or options in respect of, or interests in any of the foregoing, whether or not the property exists.

This summary is based on the current provisions of the Canadian Tax Act and the Convention in effect on the date hereof, all specific proposals to amend the Canadian Tax Act and Convention publicly announced by or on behalf of the Minister of Finance (Canada) on or before the date hereof, and the current published administrative and assessing policies of the CRA. It is assumed that all such amendments will be enacted as currently proposed, and that there will be no other material change to any applicable law or administrative or assessing practice, although no assurance can be given in these respects. Except as otherwise expressly provided, this summary does not take into account any provincial, territorial, or foreign tax considerations, which may differ materially from those set out herein.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations, and is not intended to be and should not be construed as legal or tax advice to any particular U.S. Resident Holder. U.S. Resident Holders are urged to consult their own tax advisers for advice with respect to their particular circumstances. The discussion below is qualified accordingly.

A U.S. Resident Holder who disposes or is deemed to dispose of one or more Common Shares generally should not thereby incur any liability for Canadian federal income tax in respect of any capital gain arising as a consequence of the disposition.

A U.S. Resident Holder to whom NioCorp pays or is deemed to pay a dividend on the holder's Common Shares will be subject to Canadian withholding tax, and NioCorp will be required to withhold the tax from the dividend and remit it to the CRA for the holder's account. The rate of withholding tax under the Canadian Tax Act is 25% of the gross amount of the dividend, but should generally be reduced under the Convention to 15% (or, if the U.S. Resident Holder is a company which is the beneficial owner of at least 10% of the voting stock of NioCorp, 5%) of the gross amount of the dividend. For this purpose, a company that is a resident of the United States for purposes of the Canadian Tax Act and the Convention and is entitled to the benefits of the Convention shall be considered to own the voting stock of NioCorp owned by an entity that is considered fiscally transparent under the laws of the United States and that it is not a resident of Canada, in proportion to the Company's ownership interest in that entity.

ITEM 6. SELECTED FINANCIAL DATA (dollars in thousands, except per share amounts)

	For the year ended June 30,			
	2018	2017	2016	2015
Sales	$ —	$ —	$ —	$ —
Total operating expenses	6,035	13,777	9,518	25,480
Net loss	8,497	14,630	11,408	23,115
Loss per common share, basic and diluted	0.04	0.08	0.07	0.17

	As at June 30,			
	2018	2017	2016	2015
Total assets	$ 11,229	$ 11,351	$ 15,246	$ 11,575
Debt, including current portion	6,350	5,314	7,796	1,500
Shareholders' equity	3,193	2,891	6,194	5,011

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF CONSOLIDATED FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis ("MD&A") provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of NioCorp and subsidiaries (collectively, "NioCorp," the "Company," "our" and "we"). References to "C$" refer to Canadian currency. This item should be read in conjunction with our Consolidated Financial Statements and the notes thereto included in this annual report.

Summary of Consolidated Financial and Operating Performance

	For the year ended June 30, 2018	2017	2016
		($ 000)	
Operating expenses	$ 6,035	$ 13,777	$ 9,518
Net loss	8,497	14,630	11,408
Net loss per share (basic and diluted)	0.04	0.08	0.07

The Company's net loss decreased to $8.5 million for fiscal 2018 from $14.6 million for fiscal 2017. These changes resulted primarily from decreased exploration expenditures as the Company completed substantially all feasibility study related work during fiscal 2017.

The Company's net loss increased to $14.6 million for fiscal 2017 from $11.4 million for fiscal 2016. These changes resulted primarily from increased exploration expenditures as the Company completed substantially all feasibility study related work during fiscal 2017.

During the fiscal years ended June 30, 2018, 2017, and 2016, the Company had no revenues. Operating expenses incurred related primarily to performing exploration and feasibility study related activities, as well as the activities necessary to support corporate and shareholder duties and are detailed in the following table.

Results of Operations

	For the year ended June 30, 2018	2017	2016
		($000)	
Operating expenses:			
Employee related costs	$ 2,133	$ 2,137	$ 1,780
Professional fees	661	1,105	512
Exploration expenditures	2,136	8,927	4,719
Other operating expenses	1,105	1,608	2,507
Total operating expenses	**6,035**	**13,777**	**9,518**
Change in financial instrument fair value	1,902	574	2,719
Other gains	—	—	(587)
Foreign exchange (gain) loss	174	(16)	(528)
Interest expense	375	286	275
Loss (gain) on available for sale securities	11	9	11
Net Loss	**$ 8,497**	**$ 14,630**	**$ 11,408**

Significant items affecting operating expenses are noted below:

Employee related costs for fiscal 2018 remained flat as compared to fiscal 2017, as employee headcount and compensation did not increase during fiscal 2018. These costs increased from $1.8 million in fiscal 2016 to $2.1 million in fiscal 2017, primarily due to a $0.4 million increase in share-based compensation costs reflecting the timing and value of stock option grants between the periods, as well as a $0.2 million increase in employee salaries based on timing of headcount additions and increased workloads.

Professional fees include legal and accounting services. The increase in fees for fiscal 2017, as compared to both fiscal 2018 and fiscal 2016, reflects costs incurred in fiscal 2017 associated with registration statements filed with the SEC, as well as cross-border compliance requirements.

Exploration expenditures decreased from $8.9 million in fiscal 2017 to $2.1 million in fiscal 2018, as substantially all work related to the Original Elk Creek Feasibility Study was completed in fiscal 2017. Fiscal 2018 expenditures primarily related to the final wrap-up and issuance of the Revised Elk Creek Feasibility Study and ongoing permitting and project advancement activities. These costs increased from $4.7 million in fiscal 2016 to $8.9 million in fiscal 2017, reflecting the timing of the Company's efforts to finalize the Original Elk Creek Feasibility Study, as discussed above under Item 2., "Properties."

Other operating expenses include investor relations, general office expenditures, stock and proxy expenditures and other miscellaneous costs. Costs decreased to $1.1 million in fiscal 2018 from $1.6 million in fiscal 2017, primarily due to declines in share-based compensation costs for board members and third-party advisers, as well as decreased investor relations service fees and lower financial services advisory fees. Costs decreased to $1.6 million in fiscal 2017 from $2.5 million in fiscal 2016, primarily due to $0.5 million incurred in fiscal 2016 relating to the fair value of additional shares issued in connection with the Company's early warrant exercise program which closed in June 2016.

Other significant items impacting the change in the Company's net loss are noted below:

Change in financial instrument fair value primarily represents non-cash changes in the periodic market value of the Convertible Security, which is carried at fair value, as well as changes in the market value of the derivative liability component of the Notes. Higher costs in fiscal 2018 and fiscal 2016, as compared to fiscal 2017, reflect the recognition of accrued interest and initial fair market valuations of additional Lind advances in those periods.

Other gains recorded in fiscal 2016 represents the one-time reversal of a Canadian tax-related accrual associated with flow-through capital shares issued in 2010.

Foreign exchange (gain) loss is primarily due to changes in the United States dollar ("USD") against the Canadian dollar ("CAD") and the fiscal 2018 loss primarily reflects the impact of a strengthened USD as applied to USD-denominated debt instruments which are carried on the Canadian parent company books. Foreign exchange loss was minimal during fiscal 2017 as the ending USD:CAD rate remained relatively unchanged from the prior year, while the gain recorded in fiscal 2016 primarily reflects the impacts of a strengthening USD as applied to Canadian dollar denominated accounts payable.

Interest expense increased to $0.4 million in fiscal 2018 from $0.3 million in fiscal 2017 primarily due to the impacts of the effective interest rate methodology applied to the Company's Convertible Notes, as well as the impacts of the additional advances against the Smith Credit Facility during fiscal 2018.

Liquidity and Capital Resources

We have no revenue generating operations from which we can internally generate funds. To date, our ongoing operations have been financed by the sale of our equity securities by way of private placements, convertible securities issuances, and the exercise of incentive stock options and share purchase warrants. We believe that we will be able to secure additional private placement financings in the future, although we cannot predict the size or pricing of any such financings. In addition, we may raise funds through the sale of interests in our mineral properties, although current market conditions have substantially reduced the number of potential buyers/acquirers of any such interests.

As of June 30, 2018, the Company had cash of $0.1 million and a working capital deficit of $3.4 million, compared to cash of $0.2 million and working capital deficit of $5.8 million on June 30, 2017. This change in working capital is the result of two primary factors: a reduction in accounts payable associated with the completion of the Original Elk Creek Feasibility Study, and a decline in the current portion of long-term debt due primarily to the conversion of convertible debt into equity by Lind.

We expect that the Company will operate at a loss for the foreseeable future. The Company's current planned operational needs are approximately $6.0 million until June 30, 2019 net of the recent investment by Lind on the exercise of their right to invest $1.0 million under the Lind Agreement. In addition to outstanding accounts payable and short-term liabilities, our average monthly expenditures are approximately $430,000 per month where approximately $275,000 is for corporate overhead and estimated costs related to securing financing necessary for advancement of the Elk Creek Project. Approximately $155,000 per month is planned for expenditures relating to the advancement of Elk Creek Project by ECRC. The Company's ability to continue operations and fund our current work plan is dependent on management's ability to secure additional financing.

The Company anticipates that it may need to raise $6.0 million - $7.0 million to continue planned operations for the next twelve months focused on financing and detailed engineering efforts related to the Elk Creek Resources Project. Management is actively pursuing such additional sources of debt and equity financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

Elk Creek Property lease commitments are $30,000 until June 30, 2019. To maintain its currently held properties and fund its currently anticipated general and administrative costs and planned exploration and development activities at the Elk Creek Project for the fiscal year ending June 30, 2019, the Company will likely require additional financing during the current fiscal year. Should such financing not be available in that time-frame, we will be required to reduce our activities and will not be able to carry out all our presently planned activities at the Elk Creek Project.

On August 29, 2018, the Company announced that it intends to offer, on a non-brokered private placement basis, up to 3,174,604 units of the Company (the "2018 Units") at a price of C$0.63 per 2018 Unit for gross proceeds to the Company of up to C$2.0 million (the "August 2018 Offering"). There is no minimum offering amount. Each 2018 Unit will consist of one Common Share and one-half of one common share purchase warrant (each whole warrant, a "2018 Offering Warrant"). Each 2018 Offering Warrant will entitle the holder to acquire one Common Share at a price of C$0.75 at any time prior to the date which is two years following completion of the August 2018 Offering. It is anticipated that the Offering will close on or before Friday, September 7, 2018, and proceeds of the August 2018 Offering will be used for working capital and general corporate purposes.

We currently have no further funding commitments or arrangements for additional financing at this time (other than the August 2018 Offering discussed above and the potential exercise of options and warrants) and there is no assurance that we will be able to obtain additional financing on acceptable terms, if at all. There is significant uncertainty that we will be able to secure any additional financing in the current equity or debt markets. The quantity of funds to be raised and the terms of any proposed equity or debt financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Management intends to pursue funding sources of both debt and equity financing, including but not limited to the issuance of equity securities in the form of Common Shares, warrants, subscription receipts, or any combination thereof in units of the Company pursuant to private placements to accredited investors or pursuant to equity lines of credit or public offerings in the form of underwritten/brokered offerings, at-the-market offerings, registered direct offerings, or other forms of equity financing and public or private issuances of debt securities including secured and unsecured convertible debt instruments or secured debt project financing. Management does not currently know the terms pursuant to which such financings may be completed in the future, but any such financings will be negotiated at arm's-length. Future financings involving the issuance of equity securities or derivatives thereof will likely be completed at a discount to the then-current market price of the Company's securities and will likely be dilutive to current shareholders.

The audit opinion and notes that accompany our financial statements for the year ended June 30, 2018 disclose a "going concern" qualification to our ability to continue in business. The financial statements included in this Annual Report on Form 10-K have been prepared under the assumption that we will continue as a going concern. We are an exploration stage company and we have incurred losses since our inception. We do not have sufficient cash to fund normal operations and meet debt obligations for the next twelve months without deferring payment on certain current liabilities and raising additional funds. We believe that the going concern condition cannot be removed with confidence until the Company has entered into a business climate where funding of its planned ongoing operating activities is secured.

We have no exposure to any asset-backed commercial paper. Other than cash held by our subsidiaries for their immediate operating needs in Colorado and Nebraska, all of our cash reserves are on deposit with major United States and Canadian chartered banks. We do not believe that the credit, liquidity, or market risks with respect thereto have increased as a result of the current market conditions. However, in order to achieve greater security for the preservation of our capital, we have, of necessity, been required to accept lower rates of interest, which has also lowered our potential interest income.

Operating Activities

During the year ended June 30, 2018, the Company's operating activities consumed $6.1 million of cash (2017: $10.7 million and 2016: $11.0 million). The cash used in operating activities for fiscal 2018 reflects the Company's funding of losses of $8.5 million, partially offset by minor non-cash adjustments and changes in working capital items. Overall, fiscal 2018 operational outflows were lower than fiscal 2017, due to the timing of completing the Original Elk Creek Feasibility Study work. Operating cash outflows were comparable in fiscal 2017 as compared to fiscal 2016. Going forward, the Company's working capital requirements are expected to increase substantially in connection with the development of the Elk Creek Project.

Financing Activities

Net cash provided by financing activities was $5.7 million in fiscal 2018, compared to $6.8 million and $14.4 million in fiscal 2017 and fiscal 2016, respectively. Year over year changes in financing inflows primarily reflect the timing of individual equity financing events, as discussed in Note 7 to the Consolidated Financial Statements, as well as the timing of Lind Agreement funding.

Cash Flow Considerations

The Company has historically relied upon equity financings, and to a lesser degree, debt financings, to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. The Company may pursue debt financing in the medium term if it is able to procure such financing on terms more favorable than available equity financing; however, there can be no assurance the Company will be able to obtain any required financing in the future on acceptable terms.

The Company has limited financial resources compared to its proposed expenditures, no source of operating income, and no assurance that additional funding will be available to it for current or future projects, although the Company has been successful in the past in financing its activities through the sale of equity securities.

The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and its success in developing the Elk Creek Project. Any quoted market for the Common Shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows, or earnings, and any depression of the trading price of the Company's Common Shares could impact its ability to obtain equity financing on acceptable terms.

Historically, the Company has used net proceeds from issuances of Common Shares to provide sufficient funds to meet its near-term exploration and development plans and other contractual obligations when due. However, further development and construction of the Elk Creek Project will require substantial additional capital resources. This includes near-term funding and, ultimately, long-term funding (including debt and equity financing) for Elk Creek Project construction and other costs.

Debt Covenants

The Convertible Security contains financial and non-financial covenants customary for a facility of this size and nature, and includes a financial covenant defining an event of default as all present and future liabilities of the Company or any of its subsidiaries, exclusive of related party loans, for an amount or amounts exceeding C$2.0 million, and which have not been satisfied on time or within 90 days of invoice, or have become prematurely payable as a result of its default or breach. This covenant became effective after February 1, 2016, and the Company remains in compliance through to the date hereof.

Contractual Obligations

Our contractual obligations at June 30, 2018, are summarized as follows:

	Payments due by period (000s)				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Debt	$ 6,382	$ 2,532[1]	$ 3,850[2]	$ —	$ —
Operating leases	96	30	66	—	—
Total contractual obligations	$ 6,478	$ 2,562	$ 3,916	$ —	$ —

(1) Amounts represent principal of $2,350 and estimated interest payments of $182, assuming no early extinguishment.

(2) Amounts represent principal of $3,208 and estimated interest payments of $642, assuming no early extinguishment.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Environmental

Our mining and exploration activities are subject to various federal and state laws and regulations governing the protection of the environment. We have made, and expect to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures. At each of June 30, 2018 and 2017, we had accrued $83,000 related to estimated environmental obligations.

Forward-Looking Statements

The foregoing discussion and analysis, as well as certain information contained elsewhere in this Annual Report on Form 10-K, contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to be covered by the safe harbor created thereby. See the discussion in "Forward-Looking Statements" in Item 1, "Business."

Accounting Developments

For a discussion of Recently Adopted Accounting Pronouncements and Recently Issued Accounting Pronouncements, see Note 2 to the Consolidated Financial Statements.

Critical Accounting Policies

Listed below are the accounting policies that we believe are critical to our financial statements due to the degree of uncertainty regarding the estimates or assumptions involved and the magnitude of the asset, liability, revenue or expense being reported. Our discussion of financial condition and results of operations is based upon the information reported in our Consolidated Financial Statements. The preparation of these Consolidated Financial Statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires us to make assumptions and estimates that affect the reported amounts of assets, liabilities, revenues, and expenses, as well as the disclosure of contingent assets and liabilities as of the date of our financial statements. We base our assumptions and estimates on historical experience and various other sources that we believe to be reasonable under the circumstances. Actual results may differ from the estimates we calculate due to changes in circumstances, global economics and politics, and general business conditions. A summary of our significant accounting policies is detailed in Note 2 to the Consolidated Financial Statements. We have outlined below those policies identified as being critical to the understanding of our business and results of operations and that require the application of significant management judgment.

Carrying Value of Long-Lived Assets

We review and evaluate our long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. An impairment loss is measured and recorded based on the estimated fair value of the long-lived assets being tested for impairment and their carrying amounts. Fair value is typically determined through the use of an income approach utilizing estimates of discounted pre-tax future cash flows or a market approach utilizing recent transaction activity for comparable properties. These approaches are considered Level 3 measurements. Occasionally, such as when an asset is held for sale, market prices are used. We believe our estimates and models used to determine fair value are similar to what a market participant would use.

Events that could result in additional impairment of our long-lived assets include, but are not limited to, decreases in future metal prices, unfavorable changes in foreign exchange rates, increases in future closure costs, and any event that might otherwise have a material adverse effect on mine site cash flows.

Derivative Instruments

All financial instruments that meet the definition of a derivative are recorded on the balance sheet at fair value. Changes in the fair value of derivatives are recorded in the Statements of Consolidated Operations. Management applies judgment in estimating the fair value of instruments that are highly sensitive to assumptions such as commodity prices, market volatilities, foreign currency exchange rates and interest rates. Variations in these factors could materially affect amounts credited or charged to earnings to reflect the changes in fair value of derivatives.

Income Taxes

We account for income taxes using the liability method, recognizing certain temporary differences between the financial reporting basis of our liabilities and assets and the related income tax basis for such liabilities and assets. This method generates either a net deferred income tax liability or asset for us, as measured by the statutory tax rates in effect. We derive our deferred income tax charge or benefit by recording the change in either the net deferred income tax liability or asset balance for the year. With respect to the earnings that we derive from the operations of our consolidated subsidiaries, in those situations where the earnings are indefinitely reinvested, no deferred taxes have been provided on the unremitted earnings (including the excess of the carrying value of the net equity of such entities for financial reporting purposes over the tax basis of such equity) of our consolidated companies.

We are subject to reviews of our income tax filings and other tax payments, and disputes can arise with the taxing authorities over the interpretation of its contracts or laws. We recognize potential liabilities and record tax liabilities for anticipated tax audit issues in the U.S. and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes will be due. We adjust these reserves in light of changing facts and circumstances; however, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. If our estimate of tax liabilities proves to be less than the ultimate assessment, an additional charge to expense would result. If the estimate of tax liabilities proves to be greater than the ultimate assessment, a tax benefit would result. We recognize interest and penalties, if any, related to unrecognized tax benefits in *Income and mining tax benefit (expense)*. In certain jurisdictions, we must pay a portion of the disputed amount to the local government in order to formally appeal the assessment. Such payment is recorded as a receivable if we believe the amount is ultimately collectible.

Valuation of Deferred Tax Assets

Our deferred income tax assets include certain future tax benefits. We record a valuation allowance against any portion of those deferred income tax assets when we believe, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized. We review the likelihood that we will realize the benefit of our deferred tax assets and therefore the need for valuation allowances on a quarterly basis, or more frequently if events indicate that a review is required. In determining the requirement for a valuation allowance, the historical and projected financial results of the legal entity or consolidated group recording the net deferred tax asset is considered, along with all other available positive and negative evidence.

Other

The Company has one class of shares, being Common Shares. A summary of outstanding shares, share options, warrants, and convertible debt option as of August 30, 2018, is set out below, on a fully-diluted basis.

	Common Shares Outstanding (fully diluted)
Common Shares	214,957,380
Stock options[1]	14,237,409
Warrants[1]	29,683,929
Convertible Notes (excluding the Lind Convertible Security)[2]	1,069,773
Lind Convertible Security[3]:	
Assuming an average market price on conversion of $0.51 per share	10,232,558

1 Each exercisable into one Common Share

2 Represents estimated maximum Common Shares convertible pursuant to the Company's private placement of convertible debentures which closed October 22, 2015. Actual Common Shares issued may be impacted by the USD:CAD exchange rate, accrued interest payable and current trading price of the Company's Common Shares at conversion date.

3 Represents Common Shares issuable on conversion of outstanding principal amount of US$4.4 million as of August 30, 2018.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest rate risk

The Company's exposure to changes in market interest rates, relates primarily to the Company's earned interest income on cash deposits and short-term investments. The Company maintains a balance between the liquidity of cash assets and the interest rate return thereon. The carrying amount of financial assets, net of any provisions for losses, represents the Company's maximum exposure to credit risk.

Foreign currency exchange risk

The company incurs expenditures in both U.S. and Canadian dollars. Canadian dollar expenditures are primarily related to engineering and metallurgical exploration expenses, as well as certain professional services. As a result, currency exchange fluctuations may impact the costs of our operating activities. To reduce this risk, we maintain sufficient cash balances in Canadian dollars to fund expected near-term expenditures.

Commodity price risk

The Company is exposed to commodity price risk related to the elements associated with the Elk Creek Project. A significant decrease in the global demand for these elements may have a material adverse effect on our business. The Elk Creek Project is not in production, and the Company does not currently hold any commodity derivative positions.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Quarterly Results

The following is a summary of selected quarterly financial information (unaudited, amounts in thousands, except per share amounts):

	Fiscal Year Ended June 30, 2018				Fiscal Year Ended June 30, 2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total Operating Expenses	$ 1,932	$ 1,563	$ 1,350	$ 1,190	$ 2,980	$ 3,350	$ 4,075	$ 3,372
Net Loss	$ 1,813	$ 1,960	$ 3,146	$ 1,578	$ 2,775	$ 3,547	$ 4,609	$ 3,699
Loss Per Common Share	$ 0.01	$ 0.01	$ 0.02	$ 0.00	$ 0.02	$ 0.02	$ 0.02	$ 0.02

Report of Independent Registered Public Accounting Firm

Shareholders and Board of Directors
NioCorp Developments Ltd.
Centennial, Colorado

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of NioCorp Developments Ltd. (the “Company”) and subsidiaries as of June 30, 2018 and 2017, the related consolidated statements of operations and comprehensive loss, shareholders’ equity, and cash flows for each of the three years in the period ended June 30, 2018, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company and subsidiaries at June 30, 2018 and 2017, and the results of their operations and their cash flows for each of the three years in the period ended June 30, 2018, in conformity with accounting principles generally accepted in the United States of America.

Going Concern Uncertainty

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 4 to the consolidated financial statements, the Company has suffered recurring losses from operations, has a working capital deficiency, and has an accumulated deficit that raise substantial doubt about its ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 4. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ BDO USA, LLP

We have served as the Company’s auditor since 2015.

Spokane, Washington
August 31, 2018

NioCorp Developments Ltd.
Consolidated Balance Sheets
(expressed in thousands of U.S. dollars, except share data)

	Note	As of June 30, 2018	2017
ASSETS			
Current			
Cash		$ 73	$ 238
Restricted cash		—	265
Prepaid expenses and other		18	152
Other current assets	5	474	—
Total current assets		565	655
Non-current			
Deposits		35	51
Available for sale securities at fair value		12	23
Equipment		—	5
Mineral interests	6	10,617	10,617
Total assets		$ 11,229	$ 11,351
LIABILITIES			
Current			
Accounts payable and accrued liabilities		$ 1,686	$ 3,146
Related party loan	9	1,480	1,175
Convertible debt, current portion	7	756	2,161
Derivative liability, convertible debt	7	8	—
Total current liabilities		3,930	6,482
Convertible debt, net of current portion	7	4,106	1,896
Derivative liability, convertible debt	7	—	82
Total liabilities		8,036	8,460
Commitments and contingencies	14		
SHAREHOLDERS' EQUITY			
Common stock, unlimited shares authorized; shares outstanding: 213,405,372 at June 30, 2018 and 198,776,337 at June 30, 2017	8	74,683	68,029
Additional paid-in capital		12,379	10,320
Accumulated deficit		(83,349)	(74,852)
Accumulated other comprehensive loss		(520)	(606)
Total shareholder equity		3,193	2,891
Total liabilities and equity		$ 11,229	$ 11,351

The accompanying notes are an integral part of these consolidated financial statements

NioCorp Developments Ltd.
Consolidated Statements of Operations and Comprehensive Loss
(expressed in thousands of U.S. dollars, except share and per share data)

	Note	For the year ended June 30, 2018	2017	2016
Operating expenses				
Employee related costs		$ 2,133	$ 2,137	$ 1,780
Professional fees		661	1,105	512
Exploration expenditures	10	2,136	8,927	4,719
Other operating expenses		1,105	1,608	2,507
Total operating expenses		6,035	13,777	9,518
Change in financial instrument fair value	7	1,902	574	2,719
Other gains	11	—	—	(587)
Foreign exchange (gain) loss		174	(16)	(528)
Interest expense		375	286	275
Loss (gain) on available for sale securities		11	9	11
Loss before income taxes		8,497	14,630	11,408
Income tax benefit		—	—	—
Net loss		$ 8,497	$ 14,630	$ 11,408
Other comprehensive (gain) loss:				
Net loss		$ 8,497	$ 14,630	$ 11,408
Other comprehensive loss:				
Reporting currency translation		(86)	(9)	(427)
Total comprehensive loss		$ 8,411	$ 14,621	$ 10,981
Loss per common share, basic and diluted		$ 0.04	$ 0.08	$ 0.07
Weighted average common shares outstanding		207,255,111	187,810,774	164,038,509

The accompanying notes are an integral part of these consolidated financial statements

NioCorp Developments Ltd.
Consolidated Statements of Cash Flows
(expressed in thousands of U.S. dollars)

	For the year ended June 30, 2018	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Total loss for the period	$ (8,497)	$ (14,630)	$ (11,408)
Adjustments for:			
Depreciation	6	9	9
Change in financial instrument fair value	1,902	574	2,719
Warrants expense	—	—	540
Unrealized loss (gain) on available-for-sale investments	11	9	11
Accretion of convertible debt	165	106	81
Foreign exchange (gain) loss	170	41	(247)
Other non-cash items	—	—	(587)
Share-based compensation	1,295	1,471	1,049
	(4,948)	(12,420)	(7,833)
Change in non-cash working capital items:			
Receivables	7	(2)	8
Prepaid expenses	129	(43)	(63)
Accounts payable and accrued liabilities	(1,283)	1,794	(3,086)
Net cash used in operating activities	(6,095)	(10,671)	(10,974)
CASH FLOWS FROM INVESTING ACTIVITIES			
Deposits	15	9	—
Acquisition of equipment	—	—	(4)
Net cash used in investing activities	15	9	(4)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of capital stock	1,545	5,673	9,993
Share issue costs	(189)	(52)	(151)
Issuance of convertible debt	4,500	1,000	5,060
Related party debt draws	305	175	600
Related party debt repayment	—	—	(1,100)
Deferred financing costs	(474)	—	—
Net cash provided by financing activities	5,687	6,796	14,402
Exchange rate effect on cash, cash equivalents and restricted cash	(37)	(43)	235
Change in cash, cash equivalents and restricted cash during period	(430)	(3,909)	3,659
Cash, cash equivalents and restricted cash, beginning of period	503	4,412	753
Cash, cash equivalents and restricted cash, end of period	$ 73	$ 503	$ 4,412
Supplemental cash flow information:			
Amounts paid for interest	$ 240	$ 135	$ 144
Amounts paid for income taxes	$ —	$ —	$ —
Non-cash financing transaction: (Lind conversions)			
Lind conversions	$ 5,130	$ 4,103	$ 638
Debt to equity conversion	207	—	—

The accompanying notes are an integral part of these consolidated financial statements

NioCorp Developments Ltd.
Consolidated Statements of Shareholders' Equity
(expressed in thousands of U.S. dollars, except share data)

	Common Shares Outstanding	Common Stock	Additional paid-in capital	Deficit	Accumulated other comprehensive income	Total
Balance, July 1, 2015	156,420,334	$ 47,617	$ 7,250	$ (48,814)	$ (1,042)	$ 5,011
Exercise of warrants	12,549,309	5,838	—	—	—	5,838
Exercise of options	1,415,000	405	—	—	—	405
Fair value of broker warrants granted	—	—	15	—	—	15
Fair value of Lind Warrants granted	—	—	620	—	—	620
Private placement - January 2016	9,074,835	3,750	—	—	—	3,750
Debt conversions	1,008,512	638				638
Share issuance costs	—	(151)	—	—	—	(151)
Fair value of stock options exercised	—	304	(304)	—	—	—
Share-based payments	—	—	1,049	—	—	1,049
Reporting currency presentation	—	—	—	—	427	427
Loss for the year	—	—	—	(11,408)	—	(11,408)
Balance, June 30, 2016	180,467,990	$ 58,401	$ 8,630	$ (60,222)	$ (615)	$ 6,194
Exercise of warrants	3,447,137	1,675	—	—	—	1,675
Exercise of options	150,000	70	—	—	—	70
Fair value of broker warrants granted	—	—	20	—	—	20
Fair value of Lind Warrants granted	—	—	233	—	—	233
Private placement – February 2017	7,364,789	3,927	—	—	—	3,927
Debt conversions	7,346,421	4,103	—	—	—	4,103
Share issuance costs	—	(181)	—	—	—	(181)
Fair value of stock options exercised	—	34	(34)	—	—	—
Share-based payments	—	—	1,471	—	—	1,471
Reporting currency presentation	—	—	—	—	9	9
Loss for the year	—	—	—	(14,630)	—	(14,630)
Balance, June 30, 2017	198,776,337	$ 68,029	$ 10,320	$ (74,852)	$ (606)	$ 2,891
Exercise of options	10,091	5	—	—	—	5
Fair value of broker warrants granted	—	—	41	—	—	41
Fair value of Lind Warrants granted	—	—	724	—	—	724
Private placement – July 2017	2,962,500	1,540	—	—	—	1,540
Private placement – September 2017	415,747	207				207
Debt conversions	11,240,697	5,130	—	—	—	5,130
Share issuance costs	—	(230)	—	—	—	(230)
Fair value of stock options exercised	—	2	(2)	—	—	—
Share-based payments	—	—	1,296	—	—	1,296
Reporting currency presentation	—	—	—	—	86	86
Loss for the year	—	—	—	(8,497)	—	(8,497)
Balance, June 30, 2018	213,405,372	$ 74,683	$ 12,379	$ (83,349)	$ (520)	$ 3,193

The accompanying notes are an integral part of these consolidated financial statements

(expressed in thousands of U.S. dollars, except share data)

1. DESCRIPTION OF BUSINESS

NioCorp Developments Ltd. (the "Company") was incorporated on February 27, 1987 under the laws of the Province of British Columbia and currently operates in one reportable operating segment consisting of exploration and development of mineral deposits in North America, specifically, the Elk Creek Niobium/Scandium/Titanium property (the "Elk Creek Project") located in Southeastern Nebraska.

These consolidated financial statements have been prepared on a going concern basis that contemplates the realization of assets and discharge of liabilities at their carrying values in the normal course of business for the foreseeable future. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

The Company currently earns no operating revenues and will require additional capital in order to advance the Elk Creek Project. The Company's ability to continue as a going concern is uncertain and is dependent upon the generation of profits from mineral properties, obtaining additional financing and maintaining continued support from its shareholders and creditors.

2. BASIS OF PREPARATION

a) Basis of Preparation and Consolidation
These consolidated financial statements have been prepared in conformity with generally accepted accounting principles of the United States of America ("U.S. GAAP"). Certain transactions include reference to Canadian dollars ("C$") where applicable.

These consolidated financial statements include the accounts of the Company and the subsidiaries listed in the following table. All intercompany transactions and balances have been eliminated.

	Country of incorporation	Ownership at June 30, 2018	2017
0896800 BC Ltd.	Canada	100%	100%
Elk Creek Resources Corp.	USA	100%	100%

Certain prior year amounts have been reclassified to conform to current year presentation and these reclassifications had no effect on the reported results of operations or net equity as previously disclosed.

b) Use of Estimates
The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to the deferred income tax asset valuations and share-based compensation. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between estimates and the actual results, future results of operations will be affected.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Exploration Stage Enterprise
The Company is in the exploration stage of operation and devotes substantially all of its efforts to acquiring and exploring mining interests that management believes should eventually provide sufficient net profits to sustain the Company's existence. Until such interests are engaged in commercial production, the Company will continue to seek additional funding to support the completion of its exploration and development activities. The Company's activities are subject to significant risks and uncertainties, including its ability to secure sufficient funding to continue operations, to obtain proven and probable reserves, to comply with industry regulations and obtain permits necessary for development of the Elk Creek Project, as well as environmental risks and market conditions.

(expressed in thousands of U.S. dollars, except share data)

b) Cash and Cash Equivalents
Cash and cash equivalents includes cash on hand, cash in banks, investments in certificates of deposit with original maturities of 90 days or less, and money market funds. The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statement of financial position that sum to the total of the same such amounts shown in the statement of cash flows.

	As of June 30, 2018	2017
Cash and cash equivalents	$ 73	$ 238
Restricted cash	—	265
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	$ 73	$ 503

Restricted cash represents amounts held in escrow to secure payment of work related to the Company's Elk Creek Project feasibility study. Under the terms of the escrow agreement, the balance of $265 was drawn against outstanding accounts payable during fiscal year 2018 as certain project milestones were met.

c) Foreign Currency Translation
Functional and reporting currency
Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company is the Canadian Dollar. Effective July 1, 2015, the Corporation changed the functional currency for Elk Creek Resources Corp., a wholly-owned subsidiary, from the Canadian Dollar to the U.S. Dollar. This change was made as a greater percentage of expenditures for technical and administrative services, and raised financings are denominated in U.S. Dollars. No other entities in the Group were affected by this change in functional currency. This change in judgment has been accounted for prospectively in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 830.

The reporting currency for these consolidated financial statements is U.S. Dollars.

Transactions in foreign currency
Transactions made in a currency other than Canadian Dollars are translated to the functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date and non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Foreign currency gains and losses arising from translation are included in profit or loss.

Translation to reporting currency
The results and financial position of entities that have a functional currency different from the reporting currency are translated into the reporting currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting date.
- Income and expenses for each statement of income are translated at average exchange rates, unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions.
- All resulting exchange differences are recognized in other comprehensive income.

d) Available for Sale Securities
Available for sale securities are recorded at fair value through the statement of operations pursuant to the fair value option permitted by ASC 825, Financial Instruments.

e) Equipment
Equipment is stated at cost less accumulated depreciation. The residual value, useful life and depreciation method are evaluated every reporting period and changes to the residual value, estimated useful life or depreciation method resulting from such review are accounted for prospectively. Depreciation is provided for using the straight line basis at the following rates per annum:

Computer equipment	three years
Furniture and equipment	five years

f) Mineral Properties
Mineral property acquisition costs, including indirectly related acquisition costs, are capitalized when incurred. Acquisition costs include cash consideration and the fair market value of common shares issued as consideration. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are capitalized as mineral property acquisition costs at such time as the payments are made. Exploration costs are expensed as incurred. When it is determined that a mining deposit can be economically and legally extracted or produced based on established proven and probable reserves under SEC Industry Guide 7, development costs related to such reserves and incurred after such determination will be considered for capitalization. The establishment of proven and probable reserves is based on results of feasibility studies, which indicate whether a property is economically feasible. Upon commencement of commercial production, capitalized costs will be amortized over their estimated useful lives or units of production, whichever is a more reliable measure. Capitalized amounts relating to a property that is abandoned or otherwise considered uneconomic for the foreseeable future are written off.

g) Long Lived Assets
Long-lived assets held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For purposes of evaluating the recoverability of long-lived assets, the recoverability test is performed using undiscounted net cash flows related to the long-lived assets. If such assets are considered to be impaired, the impairment recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

h) Financial Instruments
The Company's financial instruments consist of cash, receivables, available for sale securities, accounts payable and accrued liabilities, convertible debt and the related party loan. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from its financial instruments. The fair values of these instruments approximate their carrying value unless otherwise noted.

i) Concentration of Credit Risk
The financial instrument which potentially subjects the Company to credit risk is cash and cash equivalents, The Company holds invests or maintains available cash primarily in two commercial banks located in Vancouver, British Columbia and Santa Clara, California. As part of its cash management process, the Company regularly monitors the relative credit standing of these institutions.

j) Asset Retirement Obligation
The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The estimated costs associated with environmental remediation obligations are accrued in the period in which the liability is incurred if it is reasonably estimable or known. Until such time that a project life is established, the Company records the corresponding cost as an exploration stage expense and has accrued $83 related to estimated obligations as of June 30, 2018 (2017 - $83).

Future reclamation and environmental-related expenditures are difficult to estimate in many circumstances due to the early stage nature of the Elk Creek Project, the uncertainties associated with defining the nature and extent of environmental disturbance, the application of laws and regulations by regulatory authorities and changes in reclamation or remediation technology. The Company periodically reviews accrued liabilities for such reclamation and remediation costs as evidence indicating that the liabilities have potentially changed becomes available. Changes in estimates are reflected in the consolidated statement of operations in the period an estimate is revised.

k) Income Taxes
Income taxes are provided based upon the liability method of accounting pursuant to ASC 740-10-25, *"Income Taxes – Recognition."* Under the approach, deferred income taxes are recorded to reflect the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. A valuation allowance is recorded against deferred tax assets if management does not believe the Company has met the "more likely than not" standard imposed by ASC 740-10-25-5 to allow recognition of such an asset.

l) Basic and Diluted Per Share Disclosure
Basic earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding. In computing diluted earnings per share, the weighted average number of shares outstanding is adjusted to reflect the effect of potentially dilutive securities. Potentially dilutive shares, such as stock options and warrants, are excluded from the calculation when their inclusion would be anti-dilutive, such as when the exercise price of the instrument exceeds the fair market value of the Company's common stock and when a net loss is reported. The dilutive effect of convertible debt securities is reflected in the diluted earnings (loss) per share calculation using the if-converted method. Conversion of the debt securities is not assumed for purposes of calculating diluted earnings (loss) per share if the effect is anti-dilutive.

m) Stock Based Compensation
The Company grants stock options to directors, officers, and employees. Option terms and vesting conditions are at the discretion of the Board of Directors. The option exercise price is equal to the closing market price on the Toronto Stock Exchange on the Toronto Stock Exchange on the day preceding the date of grant.

The Company estimates the fair value of stock options using the Black-Scholes option pricing model. The Company recognizes forfeitures as they occur.

n) Recent Accounting Standards
Issued and Adopted
In March 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-09, Improvements to Employee Share-Based Payment Accounting. The amendments in this ASU require, among other things, that all income tax effects of awards be recognized in the income statement when the awards vest or are settled. The ASU also allows for an employer to repurchase more of an employee's shares than it can today for tax withholding purposes without triggering liability accounting, and it allows for a policy election to account for forfeitures as they occur. The amendments in this ASU are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. We adopted this guidance during the quarter ended September 30, 2017. The adoption of this ASU had no material impacts on our financial statement results or disclosures.

Issued and Not Effective
From time to time, new accounting pronouncements are issued by the FASB that are adopted by the Company as of the specified effective date. Unless otherwise discussed, management believes that the impact of recently issued standards did not or will not have a material impact on the Company's consolidated financial statements upon adoption.

In June 2018, the FASB issued *ASU 2018-07 "Compensation — Stock compensation — Improvements to Nonemployee Share-Based Payment Accounting"*. This update aims to simplify the accounting for share-based payments awarded to non-employees for goods or services acquired. The update specifies that the measurement date is the grant date and that awards are required to be measured at fair value. The amendments in this update are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company is currently evaluating the potential impact of adopting this guidance on its consolidated financial statements.

In January 2017, the FASB issued *ASU No. 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business*. The update clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The update is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Company will apply the provisions of the update to potential future acquisitions occurring after the effective date.

In February 2016, the FASB issued *ASU 2016-02, Leases*, and in July 2018, issued *ASU 2018-10, Codification Improvements to Topic 842, Leases* and ASU 2018-11, *Leases (ASC Topic 842), Targeted Improvements*. These releases amend a number of aspects of lease accounting, including requiring lessees to recognize operating leases with a term greater than one year on their balance sheet as a right-of-use asset and corresponding lease liability, measured at the present value of the lease payments. The Company is required to adopt this guidance in the first quarter of fiscal year 2020. Early adoption is permitted. The Company is in the process of assessing the impact of these ASUs on its consolidated financial statements.

Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statements.

4. GOING CONCERN ISSUES

The Company incurred a loss of $8,497 for the year ended June 30, 2018 (2017 - $14,630 and 2016 - $11,408) and had a working capital deficit and accumulated deficit of $3,365 and $83,349, respectively, as of June 30, 2018. These factors indicate the existence of a material uncertainty that raises substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to continue operations and fund its expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. These consolidated financial statements do not give effect to any adjustments required to realize the Company's assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

5. OTHER CURRENT ASSETS

Other current assets include legal and other professional fees associated with obtaining project debt financing for the Elk Creek Project. Amounts will be deferred until funding is completed, at which time the balance will become a direct deduction from the related debt liability.

6. MINERAL INTERESTS

During the year ended June 30, 2011, the Company completed the acquisition of the Elk Creek property through a share exchange agreement with 0859404 BC Ltd, a Canadian company, which owned all the issued and outstanding shares of Elk Creek Resources Corp. ("Elk Creek"). The Company issued 18,990,539 Common Shares to acquire all of the issued and outstanding shares of 0859404 BC Ltd. and issued 1,034,348 Common Shares as a finder's fee with respect to the acquisition. The transaction did not meet the definition of a business acquisition, as set forth in ASC 805, and therefore was accounted for as a purchase of assets. The acquisition price was based on the market value of the Company's Common Shares on the closing date and total consideration given was C$13,246, including associated deferred tax impacts of C$4,736.

The property interests of Elk Creek consist of a number of prepaid five-year mineral exploration lease agreements and include a pre-determined buyout for permanent ownership of the mineral rights. During the year ended June 30, 2015, the Company executed 5-year extensions to all landholder agreements covering 100% of the mineralized materials at the Elk Creek Project. Terms of the agreements require no further significant payments, and the Company may negotiate lease extensions or elect to buyout the mineral rights at any time. Certain agreements also contain provisions to purchase surface rights, and several contain provisions whereby the landowners would retain a 2% NSR.

(expressed in thousands of U.S. dollars, except share data)

7. CONVERTIBLE DEBT

	As of June 30, 2018	2017
Current Portion		
Convertible notes	$ 756	$ —
Convertible security	—	2,161
	$ 756	$ 2,161
Convertible notes	$ —	$ 592
Convertible security	4,106	1,304
Total convertible debt, net of current portion	$ 4,106	$ 1,896

Convertible Notes
The Company completed a non-brokered private placement of unsecured convertible promissory notes (the "Notes"), for gross proceeds of $800 (the "Private Placement") in October 2015. The Notes bear interest at a rate of 8%, payable quarterly in arrears, are non-transferable and have a term of three years from the date of issue. Principal under the Notes is convertible by lenders at any time into, and payable by the Company in, Common Shares of the Company at a conversion price of C$0.97 per Common Share, calculated on conversion or repayment using the then-current Bank of Canada noon exchange rate. Accrued but unpaid interest on the Notes will be convertible by the lender into, and payable by the Company in, Common Shares at a price per Common Share equal to the most recent closing price of the Company's Common Shares prior to the delivery to the Company of a request to convert interest, or the due date of interest, as applicable, calculated using the then-current Bank of Canada noon exchange rate. Interest, when due, is payable either in cash or Common Shares, at the election of the Company.

The conversion feature of the debentures meets the definition of a derivative liability instrument because the conversion feature is denominated in a currency other than the Company's Canadian dollar functional currency and the conversion rate is variable and therefore does not meet the "fixed-for-fixed" criteria outlined in ASC 815-40-15. As a result, the conversion feature of the debentures is required to be recorded as a derivative liability recorded at fair value and marked-to-market each period with the changes in fair value each period being charged or credited to income.

The Company incurred transaction costs of $47, which were added to the carrying amount of the financial liability and are amortized as part of the effective interest rate.

Changes in the Notes balance are comprised of the following:

	Convertible Notes
Balance, July 1, 2016	$ 475
Accreted interest, net of interest paid	117
Balance, June 30, 2017	$ 592
Accreted interest, net of interest paid	164
Balance, June 30, 2018	$ 756

The changes in the derivative liability related to the conversion feature are as follows:

	Derivative Liability
Balance, July 1, 2016	$ 330
Change in fair value of derivative liability	(248)
Balance, June 30, 2017	$ 82
Change in fair value of derivative liability	(74)
Balance, June 30, 2018	$ 8

(expressed in thousands of U.S. dollars, except share data)

Lind Partners Convertible Security Funding

	Convertible Security
Balance, July 1, 2016	$ 5,991
Additional debt drawdowns	1,000
Conversions, at fair value	(4,103)
Change in fair market value	577
Balance, June 30, 2017	3,465
Additional debt drawdowns	4,500
Conversions, at fair value	(5,130)
Change in fair market value	1,271
Balance, June 30, 2018	$ 4,106

On December 22, 2015, the Company closed a definitive convertible security funding agreement (the "Lind Agreement") with Lind Asset Management IV, LLC ("Lind"). The Lind Agreement includes a $4,500 principal amount, 10% secured convertible security (the "Convertible Security") and 3,125,000 transferable Common Share purchase warrants (the "Lind Warrants"). The Convertible Security had a term of two years from its date of issuance, and interest was prepaid and added to its principal amount; accordingly, the initial face value of the Convertible Security was $5,400, and the yield of the Convertible Security (if held, unconverted, to maturity) was 10% per annum, or $900. Each Lind Warrant had a term of three years from its date of issuance and entitled the holder to purchase one additional Common Share (a "Lind Warrant Share") at a price of C$0.72 on or before December 22, 2018. Lind could increase the funding under the Convertible Security by an additional $1,000 during its two-year term. Further, provided certain conditions are met, the Company had the right to call an additional $1,000 under the funding agreement (a "First Tranche Increase"). The Agreement also provides for the issuance of a second Convertible Security on mutual agreement of the Company and Lind, in which Lind would fund up to another US$6.0 million (the "Second Tranche"), which can also be increased by US$1.0 million.

The Convertible Security is convertible into common shares of the Company at a conversion price equal to 85% of the volume weighted average trading price of the common shares (in Canadian dollars) for the five consecutive trading days immediately prior to the date on which the Investor provides the Company with notice of its intention to convert an amount of the Convertible Security from time to time. The issuance of the Convertible Security and the Lind Warrants was completed on a non-brokered private placement basis.

The Company has elected to account for the Convertible Security at fair value. Transaction costs of $214, including a 3% closing fee paid to Lind of $135, were expensed at closing. In addition, the Company recognized $620 in change in financial instrument fair value in the consolidated statement of operations related to fair value of the Lind Warrants at closing. The fair value of the Lind Warrants was estimated based on the Black Scholes pricing model using a risk-free interest rate of 1.30%, an expected dividend yield of 0%, a volatility of 86.58%, and an expected life of 3.0 years.

On February 14, 2017, upon satisfaction of the conditions for the First Tranche Increase, the Company provided notice to Lind to demand the advancement of an additional $1,000 in funding under the Convertible Security pursuant to its right to call. This amount was funded by Lind on March 31, 2017, resulting in an increase in the face amount of the Convertible Security of $1,200 ($1,000 in funding and $200 in implied interest).

On August 10, 2017, Lind provided notice to the Company of its election to advance an additional $1,000 in funding under the Convertible Security pursuant to its right under the Lind Agreement. This amount was funded by Lind in four equal installments, and in total the face value of the Convertible Security was increased by $1,200 ($1,000 in additional funding plus implied interest).

All amounts funded by Lind through August 10, 2017, including implied interest, have been converted to Common Shares as of May 22, 2018.

(expressed in thousands of U.S. dollars, except share data)

On January 23, 2018, Lind provided notice to the Company of its election to advance an additional $2,500 in funding under the Convertible Security pursuant to its right under the Lind Agreement. This amount was funded by Lind in three installments, and in total the face value of the Convertible Security was increased by $3,000 ($2,500 in additional funding plus implied interest).

On March 27, 2018, the Company provided notice to Lind of its election to call an additional $1,000 in funding under the Convertible Security pursuant to its right under the Lind Agreement. This amount was funded by Lind on April 5, 2018, and the face amount of the Convertible Security was increased by $1,200 ($1,000 in additional funding and $200 in implied interest).

Additional fundings of the Convertible Security, including the issuance of warrants as provided for under the Lind Agreement, were comprised of the following transactions:

						Black Scholes Pricing Model Inputs			
Funding Date	Funded Value	Face Value[1]	Warrants Issued[2]	Warrant Valuation[3]	Warrant Issue Price[4]	Risk-free Rate	Yield	Volatility	Expected Life
March 31, 2017	$ 1,000	$ 1,200	890,670	$ 234		1.30%	0%	81.0%	3 years
	$ 1,000	$ 1,200	890,670	$ 234					
August 15, 2017	$ 250	$ 300	260,483	$ 33	C$0.73	1.23%	0%	49.6%	3 years
September 28, 2017	250	300	283,413	32	C$0.66	1.23%	0%	47.7%	3 years
October 31, 2017	250	300	308,901	31	C$0.62	1.59%	0%	47.0%	3 years
December 6, 2017	250	300	355,132	31	C$0.54	1.59%	0%	48.9%	3 years
subtotal	1,000	1,200	1,207,929	127					
January 30, 2018	1,500	1,800	1,546,882	261	C$0.72	1.78%	0%	56.5%	3 years
February 5, 2018	500	600	529,344	85	C$0.70	1.78%	0%	56.6%	3 years
February 7, 2018	500	600	541,435	79	C$0.69	1.78%	0%	56.7%	3 years
subtotal	2,500	3,000	2,617,661	425					
April 5, 2018	1,000	1,200	1,058,872	172	C$0.72	1.85%	0%	57.9%	3 years
	$ 4,500	$ 5,400	4,884,462	$ 724					

1 Includes implied interest. Each funding has a term of two years from the funding date.
2 Warrants expire 3 years from issuance date.
3 Based on Black Scholes pricing model inputs. The value of warrants issued is expensed to Change in Financial Instrument Fair Value.
4 The price to convert one warrant into one Common Share.

The Lind Agreement contains financial and non-financial covenants customary for a facility of this size and nature, and includes a financial covenant defining an event of default as all present and future liabilities of the Company or any of its subsidiaries, exclusive of related party loans, for an amount or amounts exceeding $2,000, and which have not been satisfied on time or within 90 days of invoice or have become prematurely payable as a result of its default or breach. This covenant became effective after February 1, 2016 and the Company was in compliance as of June 30, 2018.

8. COMMON STOCK

a) Issuances

2018 Issuances

On July 26, 2017, the Company closed a brokered private placement (the "July 2017 Private Placement") of units ("Units") of the Company. Under the July 2017 Private Placement, a total of 2,962,500 Units were issued at C$0.65 per Unit, for total gross proceeds to the Company of approximately C$1,926. Each Unit issued pursuant to the July 2017 Private Placement consists of one Common Share and one Warrant of the Company. Each Warrant entitles the holder thereof to purchase one additional Common Share at a price of C$0.79 until July 26, 2021.

The July 2017 Private Placement was brokered by Mackie Research Capital Corporation (the "Agent"). The Company paid the Agent an aggregate cash commission of approximately C$125, equal to 6.5% of the gross proceeds raised under the July 2017 Private Placement. The Company also issued to the Agent 192,562 broker warrants (the "Broker Warrants"), equal to 6.5% of the Units sold pursuant to the July 2017 Private Placement. Each Broker Warrant entitles the holder thereof to purchase one Common Share at a price of C$0.79 until July 26, 2021. The fair value of the Broker Warrants of $41 was estimated based on the Black Scholes pricing model using a risk-free interest rate of 1.32%, an expected dividend yield of 0%, a volatility of 60.3%, and an expected life of four years. Total cash issue costs including agents' commission, legal and other fees was $189.

Proceeds of the July 2017 Private Placement were used for general working capital purposes and to continue to advance the Company's Elk Creek Project.

On September 5, 2017, the Company entered into a shares-for-debt agreement with Northcott Capital Limited ("Northcott") whereby NioCorp issued 415,747 Common Shares to settle a debt of C$254 owed to Northcott for past and prospective services through December 2017. Northcott manages NioCorp's current effort to assemble a debt financing package as part of the Company's overall Elk Creek Project financing effort. The shares issued to Northcott were priced at C$0.61 per share, which represents a 10% premium over the five-day Volume Weighted Average Price of the Common Shares of C$0.5571 as of the date of the agreement.

2017 Issuances

On February 14, 2017, the Company completed the first tranche closing (the "First Tranche Closing") of a non-brokered private placement of units (each a "Unit") (the "February 2017 Offering"). The First Tranche Closing consisted of the issuance of 3,860,800 Units at a price of C$0.70 per Unit, for gross proceeds of C$2.7 million. Each Unit consists of one Common Share and one transferable Common Share purchase warrant (each whole such warrant a "Warrant"), with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of C$0.85 for a period of 36 months from their date of issuance.

On February 28, 2017, the Company completed the second and final tranche closing (the "Final Closing") of the February 2017 Offering. The Final Closing consisted of the issuance of 3,503,989 units including 2,964,682 units dated February 21, 2017, and 539,307 units dated February 28, 2017 (collectively, the "Final Closing Units"), at a price of C$0.70 per Unit, for gross aggregate proceeds of C$2.5 million. Each Final Closing Unit consists of one Common Share and one transferable Common Share purchase warrant (a "Warrant"), with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of C$0.85 for a period of three years from Unit issuance. The Company paid cash commissions of C$88 and issued 78,342 broker warrants (having the same terms as the Warrants) in connection with the Final Closing to brokers outside of the United States. The broker warrants were valued at C$26 using a risk-free rate of 0.75%, expected volatility of 81.27% and expected life of three years.

2016 Issuances

On January 19, 2016, the Company closed a private placement and issued 9,074,835 units (each a "Unit") at a price of C$0.57 per Unit, resulting in total gross proceeds of $3,750. Each Unit consisted of one Common Share of the Company and one transferable Common Share purchase warrant (a "Private Placement Warrant"). Each Private Placement Warrant is exercisable to acquire one additional Common Share of the Company for a period of three years at a price of C$0.75 per Common Share. In addition, the Company issued 75,450 broker warrants at closing, under the same terms as a Private Placement Warrant. The fair value of the broker warrants of $15 was estimated based on the Black-Scholes pricing model using a risk-free interest rate of 0.75%, an expected dividend yield of 0%, a volatility of 100.13%, and an expected life of three years.

b) Stock Options

On November 9, 2017, the Company's shareholders voted to approve a new Long-Term Incentive Plan (the "Long-Term Incentive Plan") and the granting of incentive securities thereunder until November 9, 2020. Under the Long-Term Incentive Plan, the Company's Board of Directors (the "Board") may, in its discretion from time to time, grant stock options ("Options") and share units (in the form of RSUs and PSUs) to directors, employees and certain other service providers (as defined in the Long-Term Incentive Plan) of the Company and affiliated entities selected by the Board.

(expressed in thousands of U.S. dollars, except share data)

Subject to adjustment as described in the Long-Term Incentive Plan, the aggregate number of Common Shares that may be reserved for issuance to participants under the Long-Term Incentive Plan, together with all other security-based compensation arrangements of the Company, including with respect to Options outstanding under the Company's 2016 Incentive Stock Option Plan, may not exceed 10% of the issued and outstanding Common Shares from time to time, and the Common Shares reserved for issuance upon settlement of share units shall not exceed 5% of the issued and outstanding Common Shares from time to time. The Long-Term Incentive Plan limits the maximum number of Common Shares issued to insiders (as defined under TSX rules for this purpose) within any one-year period, or issuable to insiders at any time, in the aggregate, under all security-based compensation arrangements (including the Long-Term Incentive Plan) to 10% of the then issued and outstanding Common Shares. The Long-Term Incentive Plan also limits the aggregate number of Common Shares that may be reserved for issuance to any one participant under the Long-Term Incentive Plan, together with all other security-based compensation arrangements of the Company, to 5% of the then issued and outstanding Common Shares (on a non-diluted basis). Under the Long-Term Incentive Plan, Options and share units granted to non-employee directors, together with all other equity awards, are limited to an annual equity award value of C$150 per non-employee director. The total value of Options issuable to a non-employee director in a one-year period is limited to C$100. Further, and subject to the adjustment provisions of the Long-Term Incentive Plan, the aggregate number of Common Shares actually issued or transferred by the Company upon the exercise of incentive stock options will not exceed 20,451,895 Common Shares.

The Board has the exclusive power over the granting, amendment, administration or settlement of any award.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, July 1, 2015	8,105,000	C$0.69
Granted	5,875,000	C$0.62
Exercised	(1,415,000)	C$0.38
Cancelled/expired	(1,100,000)	C$0.75
Balance June 30, 2016	11,465,000	C$0.69
Granted	6,360,000	C$0.78
Exercised	(150,000)	C$0.62
Cancelled/expired	(1,070,000)	C$0.66
Balance June 30, 2017	16,605,000	C$0.73
Granted	3,925,000	C$0.47
Exercised	(10,091)	C$0.62
Cancelled/expired	(4,932,500)	C$0.77
Balance June 30, 2018	15,587,409	C$0.65

The following table summarizes the information and assumptions used to determine option costs:

	Year ended June 30, 2018	2017	2016
Fair value per option granted during the period (C$)	$ 0.16	$ 0.42	$ 0.30
Risk-free interest rate	1.59%	0.75%	0.75%
Expected dividend yield	0%	0%	0%
Expected stock price volatility (historical basis)	47.9%	92.9%	98.2%
Expected option life in years	3.0	2.15	2.15

The following table summarizes information about stock options outstanding at June 30, 2018:

Exercise price	Expiry date	Number outstanding	Aggregate Intrinsic Value	Number exercisable	Aggregate Intrinsic Value
C$0.47	November 9, 2022	3,925,000	C$510	3,925,000	C$510
C$0.62	January 19, 2021	5,264,909	—	5,264,909	—
C$0.76	March 6, 2022	5,587,500	—	4,190,625	—
C$0.94	April 28, 2019	100,000	—	100,000	—
C$0.96	July 21, 2021	710,000	—	710,000	—
Balance June 30, 2018		15,587,409	C$510	14,190,534	C$510

(expressed in thousands of U.S. dollars, except share data)

The aggregate intrinsic value in the preceding table represents the total intrinsic value, based on the Company's closing stock price of C$0.60 as of June 30, 2018, which would have been received by the option holders had all option holders exercised their options as of that date. The total number of in-the-money options vested and exercisable as of June 30, 2018 was 3,925,000. The total intrinsic value of options exercised during the year ended June 30, 2018 was nil.

As of June 30, 2018, there was $41 of unrecognized compensation cost related to unvested share-based compensation arrangements granted. The cost is expected to be recognized over a weighted average period of approximately 2 months.

c) Warrants

Warrant transactions are summarized as follows:

	Warrants	Weighted average exercise price
Balance, July 1, 2015	28,260,666	C$0.73
Granted:		
Lind Warrants	3,125,000	C$0.72
January 2016 Private Placement	9,074,835	C$0.75
Broker warrants: January 2016 Private Placement	75,450	C$0.75
Advisory Warrants*	750,000	C$0.65
Sponsorship warrants**	250,000	C$0.65
Exercised	(11,733,766)	C$0.65
Expired	(7,068,500)	C$0.67
Balance June 30, 2016	22,733,685	C$0.74
Granted:		
Lind First Tranche Warrants	890,670	C$0.90
February 2017 Private Placements	7,364,789	C$0.85
Broker Warrants: February 2017 Private Placement	78,342	C$0.85
Exercised	(3,447,137)	C$0.65
Expired	(7,011,263)	C$0.79
Balance June 30, 2017	20,609,086	C$0.79
Granted:		
Lind Warrants	4,884,462	C$0.69
July 2017 Private Placements	2,962,500	C$0.79
Broker Warrants: July 2017 Private Placement	192,562	C$0.79
Balance June 30, 2018	28,648,610	C$0.77

* Pursuant to a financial services advisory agreement with Mackie Research Capital Corporation ("MRCC") the Company issued 500,000 advisory warrants on December 4, 2014 and 250,000 advisory warrants on January 14, 2015. Each advisory warrant entitled MRCC to purchase a unit of the Company at a price of C$0.55 each, on or before December 4, 2016. Each such unit consisted of one Common Share and one warrant exercisable at a price of C$0.65 per share until December 4, 2016. These units were exercised during the year ended June 30, 2016, resulting in the granting of an additional 750,000 warrants.

** Pursuant to a sponsorship agreement between MRCC and the Company in connection with the Company's graduation to the Toronto Stock Exchange, the Company issued 250,000 sponsorship warrants on January 14, 2015, entitling MRCC to purchase units of the Company at C$0.60 per unit until January 14, 2017. Each such unit consisted of one Common Share and one warrant exercisable at C$0.65 per share until January 14, 2017. These units were exercised during the year ended June 30, 2016, resulting in the granting of an additional 250,000 warrants.

(expressed in thousands of U.S. dollars, except share data)

At June 30, 2018, the Company has outstanding exercisable warrants, as follows:

Number	Exercise Price (C$)	Expiry Date
355,132	0.54	December 6, 2020
308,901	0.62	October 31, 2020
283,413	0.66	September 28, 2020
541,435	0.69	February 7, 2021
529,344	0.70	February 5, 2021
3,125,000	0.72	December 22, 2018
1,546,882	0.72	January 30, 2021
1,058,872	0.72	April 5, 2021
260,483	0.73	August 15, 2020
9,150,285	0.75	January 19, 2019
3,155,062	0.79	July 26, 2021
3,860,800	0.85	February 14, 2020
3,043,024	0.85	February 21, 2020
539,307	0.85	February 28, 2020
890,670	0.90	March 31, 2020
28,648,610		

On April 20, 2016, the Company announced an early warrant exercise program (the "Program") designed to encourage the early exercise of (unlisted) share purchase warrants exercisable at C$0.65 that otherwise expire on November 10, 2016 (the "November 2016 Warrants"). The Program and its commencement were approved at a Special Meeting of Shareholders held on Tuesday May 17, 2016.

The warrant exercise program closed on June 17, 2016, resulting in gross proceeds of C$4,807. A total of 7,394,822 C$0.65 share purchase warrants expiring November 10, 2016 were exercised during the incentive period, representing about 47.6% of all C$0.65 Warrants outstanding and 66% of warrant holders eligible to participate. Each holder who exercised one warrant during the program received 1.11029 Common Shares, representing one warrant share and 0.11029 of a Common Share, as the incentive portion. A total of 8,210,394 Common Shares were issued under the program, which was previously approved by our shareholders on May 17, 2016. The Company recognized a warrant expense of $535 in other operating expenses in the consolidated statement of operations related to the fair market value of the incentive shares issued.

9. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has a loan with Mark Smith, President, Chief Executive Officer ("CEO") and Executive Chairman of NioCorp (the "Original Smith Loan"), that bears an interest rate of 10%, is secured by the Company's assets pursuant to a concurrently executed general security agreement (the "General Security Agreement") and is subject to both a 2.5% establishment fee and 2.5% prepayment fee. The principal amount outstanding under the Original Smith Loan is $1,000.

The Company also has a non-revolving credit facility agreement (the "Credit Facility") in the amount of $2,000 with Mr. Smith. The Credit Facility bears an interest rate of 10% and drawdowns from the Credit Facility are subject to a 2.5% establishment fee. Amounts outstanding under the Credit Facility are secured by all of the Company's assets pursuant to the General Security Agreement. The Credit Facility contains financial and non-financial covenants customary for a facility of its size and nature. During the year ended June 30, 2018, Mr. Smith advanced an additional $305 to the Company under the Credit Facility, and as of June 30, 2018, the principal amount outstanding under the Credit Facility was $480.

Accounts payable and accrued liabilities included interest payable to Mr. Smith under the Original Smith Loan and the Credit Facility of $70.

On April 6, 2018, the Company and Mr. Smith entered into amending agreements extending the maturity dates of the Original Smith Loan and the Credit Facility to June 17, 2019 and June 16, 2019, respectively.

(expressed in thousands of U.S. dollars, except share data)

On June 20, 2016, the Company announced a joint development agreement (the "Development Agreement") with IBC Advanced Alloys Corp. ("IBC") to investigate and develop applications for scandium-containing alloys for multiple downstream markets. In addition to his management duties at NioCorp, Mark Smith is also the Chairman of the IBC Board of Directors. Under the terms of the Development Agreement, each party bears its own costs incurred in development efforts. During the quarter ended December 31, 2017 the Company supplied IBC with a small quantity of Scandium Trioxide which was used to manufacture several aluminum-scandium alloy ingots. Development of various alloys materials and potential commercial products is ongoing.

10. EXPLORATION EXPENDITURES

	For the year ended June 30, 2018	2017	2016
Feasibility study and engineering	$ 1,105	$ 5,797	$ 2,671
Field management and other	671	811	940
Drilling	—	—	197
Metallurgical	264	2,209	844
Geologists and field staff	96	110	67
Total	$ 2,136	$ 8,927	$ 4,719

11. OTHER GAINS

During the year ended June 30, 2016, the Company reversed a Canadian tax-related accrual associated with flow-through capital shares issued in 2010 and recorded a corresponding gain of $587 in 'other gains'.

12. INCOME TAXES

Domestic and foreign components of loss before income taxes for the years ended June 30, 2018, 2017 and 2016 are as follows:

	For the year ended June 30, 2018	2017	2016
Canada	$ 5,667	$ 4,897	$ 4,542
United States	2,830	9,733	6,866
Total	$ 8,497	$ 14,630	$ 11,408

On December 22, 2017, the Tax Cuts and Jobs Act (the "U.S. Tax Act") was signed into law making significant changes to the U.S. tax code, including a reduction of the U.S. federal corporate tax rate from 35 percent to 21 percent. During the year ended June 30, 2018, the Canadian statutory tax rate also increased from 26 percent to 27 percent related to provincial law changes in British Columbia. The primary impact of these changes to the Company was a reduction in the deferred tax asset related to mineral interests and net operating loss carryforwards. This reduction was offset by a corresponding reduction of the related valuation allowance.

The following table is a reconciliation of income taxes at statutory rates:

	For the year ended June 30, 2018	2017	2016
Loss before income taxes	$ 8,497	$ 14,630	$ 11,408
Combined federal and provincial statutory income tax rate	27%	26%	26%
Income tax benefit at statutory tax rates	2,294	3,804	2,966
Foreign rate differential	(49)	1,218	893
Warrant expense	(195)	(66)	(399)
Share based compensation	(350)	(383)	(270)
Change in estimates related to prior years	218	(471)	(635)
Effect of legislative changes	(3,591)	—	—
Change in valuation allowance	2,051	(4,028)	(2,169)
Other	(378)	(74)	(386)
Income tax benefit	$ —	$ —	$ —

(expressed in thousands of U.S. dollars, except share data)

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The significant components of deferred taxes are as follows:

	As of June 30, 2018	2017
Deferred tax assets		
Mineral interest	$ 7,307	$ 10,232
Net operating losses available for future periods	5,103	4,230
Other	217	216
Total deferred tax assets	12,627	14,678
Valuation allowance	(12,627)	(14,678)
Net deferred tax assets	$ —	$ —

Changes in the valuation allowance are as follows:

	For the year ended June 30, 2018	2017
Valuation allowance, beginning of year	$ (14,678)	$ (10,650)
Current year additions	(1,647)	(4,028)
Decrease resulting from the revaluation related to changes in tax rate	3,698	—
Valuation allowance, end of year	(12,627)	(14,678)

The Company's net deferred tax asset balance as of June 30, 2018 and the corresponding valuation allowance for the year then ended reflects a decrease of $3,698 resulting from the re-measurement of the Company's tax position due to a reduction of the U.S. federal corporate tax rate from 35 percent to 21 percent under the U.S. Tax Act.

The Company establishes a valuation allowance against future income tax assets if, based on available information, it is more likely than not that all of the assets will not be realized. The valuation allowance of $12,627 at June 30, 2018 relates mainly to net operating loss carryforwards in Canada and mineral interest due to deferred exploration expenditures in the United States, where the utilization of such attributes is not more likely than not.

The Company had cumulative net operating losses of $19,052 as of June 30, 2018 (2017 - $15,865) for federal income tax purposes and these carryforwards will expire between 2027 and 2038.

The Company had no unrecognized tax benefits as of June 30, 2018 or 2017. The Company recognizes interest accrued related to unrecognized tax benefits and penalties in its income tax provision. The Company has not recognized any interest or penalties in the fiscal years presented in these financial statements. The Company is subject to income tax in the U.S. federal jurisdiction and Canada. Certain years remain subject to examination but there are currently no ongoing exams in any taxing jurisdictions.

13. FAIR VALUE MEASUREMENTS

The Company measures the fair value of financial assets and liabilities based on US GAAP guidance which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities depending on their nature. Financial assets and financial liabilities are recognized at fair value on their initial recognition.

Financial assets and liabilities classified as held-for-trading are measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are measured at amortized cost, using the effective interest method of amortization. Financial assets classified as available-for-sale are measured at fair value, with unrealized gains and losses being recognized in income.

(expressed in thousands of U.S. dollars, except share data)

Financial instruments, including receivables, accounts payable and accrued liabilities, and related party loans are carried at amortized cost, which management believes approximates fair value due to the short-term nature of these instruments.

The following table presents information about the assets and liabilities that are measured at fair value on a recurring basis as at June 30, 2018 and 2017 and indicates the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical instruments. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates, and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the financial instrument, and included situations where there is little, if any, market activity for the instrument:

	As of June 30, 2018			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	$ 73	$ 73	$ —	$ —
Available for sale securities	12	12	—	—
Total	$ 85	$ 85	$ —	$ —
Liabilities:				
Convertible debt	$ 4,106	$ —	$ —	$ 4,106
Derivative liability, convertible debt	8	—	—	8
Total	$ 4,114	$ —	$ —	$ 4,114

	As of June 30, 2017			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	$ 238	$ 238	$ —	$ —
Restricted cash	$ 265	265	—	—
Available for sale securities	23	23	—	—
Total	$ 526	$ 526	$ —	$ —
Liabilities:				
Convertible debt	$ 3,465	$ —	$ —	$ 3,465
Derivative liability, convertible debt	82	—	—	82
Total	$ 3,547	$ —	$ —	$ 3,547

The Company measures the fair market value of the Level 3 components using the Black-Scholes model and discounted cash flows, as appropriate. These models were initially prepared by a third party and take into account management's best estimate of the conversion price of the stock, an estimate of the expected time to conversion, an estimate of the stock's volatility, and the risk-free rate of return expected for an instrument with a term equal to the duration of the convertible debt.

The significant unobservable valuation inputs for the Convertible Debt includes an expected return of 51.06%. A 15% decrease (increase) in the expected return would result in an increase (decrease) to fair value of $94, or approximately 2%.

The derivative liability was valued using a Black-Scholes pricing model with the following inputs:

	2018	2017
Risk-free interest rate	1.25%	1.25%
Expected dividend yield	0%	0%
Expected stock price volatility	73.97%	51.14%
Expected option life in years	0.25	1.25

(expressed in thousands of U.S. dollars, except share data)

The following table sets forth a reconciliation of changes in the fair value of the Company's convertible debt components classified as Level 3 in the fair value hierarchy:

	As of June 30, 2018	2017
Beginning balance	$ 3,547	$ 6,321
Convertible securities closings	4,500	1,000
Conversions to equity	(5,130)	(4,103)
Realized and unrealized losses	1,197	329
Ending balance	$ 4,114	$ 3,547

14. COMMITMENTS AND CONTINGENCIES

NioCorp has the following land, office, facility and equipment lease commitments in place as of June 30, 2018:

		Payments due by period			
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Debt	$ 6,382	$ 2,532	$ 3,850	$ —	$ —
Operating leases	96	30	66	—	—
Total contractual obligations	$ 6,478	$ 2,562	$ 3,916	$ —	$ —

15. SUBSEQUENT EVENTS

On June 27, 2018, the Company signed a definitive convertible security funding agreement (the "Subsequent Lind Agreement") with Lind. A total of $1.0 million was funded pursuant to the issuance of a convertible security (the "Subsequent Convertible Security"), which occurred on July 9, 2018. The Subsequent Lind Agreement replaces the Lind Agreement in respect of the remaining $1.0 million funding amount available under the Lind Agreement and accordingly, no further funding will be provided by Lind to the Company under the Lind Agreement. The terms of the Subsequent Convertible Security are substantially similar to the terms governing like securities under the Original Agreement. On July 9, 2018, in connection with the funding of the Subsequent Convertible Security, the Company also issued to Lind 1,035,319 Warrants, with a term of 36 months from issuance, and an exercise price $C0.77 per Warrant.

On August 29, 2018, the Company announced that it intends to offer, on a non-brokered private placement basis, up to 3,174,604 units of the Company (the "2018 Units") at a price of C$0.63 per 2018 Unit for gross proceeds to the Company of up to C$2.0 million (the "August 2018 Offering"). There is no minimum offering amount. Each 2018 Unit will consist of one Common Share and one-half of one common share purchase warrant (each whole warrant, a "2018 Offering Warrant"). Each 2018 Offering Warrant will entitle the holder to acquire one Common Share at a price of C$0.75 at any time prior to the date which is two years following completion of the August 2018 Offering. It is anticipated that the Offering will close on or before Friday, September 7, 2018, and proceeds of the August 2018 Offering will be used for working capital and general corporate purposes.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The management of NioCorp Developments Ltd. has evaluated, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, the effectiveness of our disclosure controls and procedures as of June 30, 2018.

Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2018, our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), were effective and designed to provide reasonable assurance that (i) information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (ii) information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

The management of NioCorp Developments Ltd., including the Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Our management assessed the effectiveness of our internal control over financial reporting as of June 30, 2018. In making this assessment, our management used the criteria set forth in the Internal Control -Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on our management assessment, we have concluded that, as of June 30, 2018, our internal control over financial reporting was effective.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting during the year ended June 30, 2018 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Incorporated by reference from the information in our proxy statement for the 2018 Annual Meeting of Stockholders or amendment to this annual report on Form 10-K, which we will file with the SEC within 120 days of the end of the fiscal year to which this report relates.

ITEM 11. EXECUTIVE COMPENSATION

Incorporated by reference from the information in our proxy statement for the 2018 Annual Meeting of Stockholders or amendment to this annual report on Form 10-K, which we will file with the SEC within 120 days of the end of the fiscal year to which this report relates.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Incorporated by reference from the information in our proxy statement for the 2018 Annual Meeting of Stockholders or amendment to this annual report on Form 10-K, which we will file with the SEC within 120 days of the end of the fiscal year to which this report relates.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Incorporated by reference from the information in our proxy statement for the 2018 Annual Meeting of Stockholders or amendment to this annual report on Form 10-K, which we will file with the SEC within 120 days of the end of the fiscal year to which this report relates.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Incorporated by reference from the information in our proxy statement for the 2018 Annual Meeting of Stockholders or amendment to this annual report on Form 10-K, which we will file with the SEC within 120 days of the end of the fiscal year to which this report relates.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The following documents are filed as a part of this report:

(a) ***Financial Statements***

(1) The Consolidated Financial Statements, together with the reports thereon of BDO USA, LLP dated August 31, 2018 are included as part of Item 8, "Financial Statements and Supplementary Data," commencing on page 44 above.

(b) ***Exhibits***

Exhibit No.	Title
3.1(1)	Notice of Articles dated April 5, 2016
3.2(1)	Articles, as amended, effective as of January 27, 2015
4.1(1)	Special Warrant Indenture, dated November 10, 2014, between the Company and Computershare Trust Company of Canada
4.2(1)	Special Warrant Indenture, dated February 27, 2015, between the Company and Computershare Trust Company of Canada
4.3(1)	Warrant Indenture, dated November 10, 2014, between the Company and Computershare Trust Company of Canada
4.4(1)	Warrant Indenture, dated February 27, 2015, between the Company and Computershare Trust Company of Canada
4.5(4)	Warrant Indenture, dated February 14, 2017, between the Company and Computershare Trust Company of Canada
4.6(4)	Form of Subscription Agreement in respect of units of the Company issued in February 2017
4.7(6)	Warrant Certificate, dated March 31, 2017, in respect of warrants issued to Lind
4.8(8)	Agency Agreement, dated July 26, 2017, between the Company and Mackie
4.9(8)	Form of Subscription Agreement in respect of units of the Company issued in July 2017
4.10(8)	Non-Transferable Broker Warrant Certificate, dated July 26, 2017, in respect of non-transferable broker warrants issued to Mackie
4.11(8)	Warrant Indenture, dated July 26, 2017, between the Company and Computershare Trust Company of Canada
4.12 (1)	Convertible Security Funding Agreement, dated December 14, 2015, between the Company and Lind
4.13(9)	Amendment #1 to Lind Agreement, dated September 26, 2016, between the Company and Lind
4.14(9)	Amendment #2 to Lind Agreement, dated December 29, 2016, between the Company and Lind
4.15(5)	Amendment #3 to Lind Agreement, dated March 2017, between the Company and Lind
4.16(9)	Amendment #4 to Lind Agreement, dated April 21, 2017, between the Company and Lind
4.17(9)	Amendment #5 to Lind Agreement, dated June 1, 2017, between the Company and Lind
4.18(9)	Amendment #6 to Lind Agreement, dated August 10, 2017, between the Company and Lind

4.19(11)	Amendment #7 to Lind Agreement, dated August 28, 2017, between the Company and Lind
4.20(11)	Amendment #8 to Lind Agreement, dated January 23, 2018, between the Company and Lind
4.21(13)	Convertible Security Funding Agreement, dated June 27, 2018, between the Company and Lind
10.1#(10)	NioCorp Developments Ltd. Long Term Incentive Plan, effective as of November 9, 2017
10.2#(1)	Consulting Agreement, dated May 13, 2014, between the Company and KMSmith, LLC
10.3(2)**	Offtake Agreement, dated June 13, 2006, between the Company and CMC Cometals, a division of Commercial Metals Company
10.4(9)	Offtake agreement with ThyssenKrupp Metallurgical Products GmbH
10.5(2)**	Beethe008 Extension to Option to Purchase, dated April 27, 2015, among ECRC and Elda E. Beethe and Beverly J. Beethe
10.6(2)**	Woltemath 003 Extension to Option to Purchase, dated December 30, 2014, among ECRC and Victor L. and Juanita E. Woltemath
10.7(3)	Smith Credit Agreement
10.8(5)	Amending Agreement to Smith Credit Agreement, dated March 20, 2017, between the Company and Mark Smith
10.9(12)	Amending Agreement to Smith Credit Agreement, dated April 6, 2018, between the Company and Mark Smith
10.10(9)	Original Smith Loan
10.11(5)	Amending Agreement to Original Smith Loan, dated March 20, 2017, between the Company and Mark Smith
10.12(12)	Amending Agreement to Original Smith Loan, dated April 6, 2018, between the Company and Mark Smith
10.13 (7)	Security Agreement, dated June 17, 2015, from the Company to Mark Smith
21.1(1)	Subsidiaries of NioCorp Developments Ltd.
23.1	Consent of BDO USA.
23.2	Consent of Joanna Poeck, BEng Mining, SME-RM, MMSAQP #01387QP
23.3	Consent of Ben Parsons, MSc, MAusIMM (CP)
31.1	Certification of the Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS(14)	XBRL Instance Document
101.SCH(14)	XBRL Taxonomy Extension – Schema
101.CAL(14)	XBRL Taxonomy Extension – Calculations
101.DEF(14)	XBRL Taxonomy Extension – Definitions
101.LAB(14)	XBRL Taxonomy Extension – Labels
101.PRE(14)	XBRL Taxonomy Extension – Presentations

Management compensation plan, arrangement or agreement.

** Certain portions of this exhibit have been redacted pursuant to a confidential treatment request filed with the SEC on September 20, 2016.

(1) Previously filed as an exhibit to the Company's Draft Registration Statement on Form S-1 (Registration No. 377-01354) submitted to the SEC on July 26, 2016 and incorporated herein by reference.

(2) Previously filed as an exhibit to the Company's Registration Statement on Form S-1 (Registration No. 333-213451) filed with the SEC on September 2, 2016 and incorporated herein by reference.

(3) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on January 20, 2017 and incorporated herein by reference.

(4) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on February 21, 2017 and incorporated herein by reference.

(5) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on March 24, 2017 and incorporated herein by reference.

(6) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on April 5, 2017 and incorporated herein by reference.

(7) Previously filed as an exhibit to the Company's Registration Statement on Form S-1 (Registration No. 333-217272) filed with the SEC on April 12, 2017 and incorporated herein by reference.

(8) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on August 1, 2017 and incorporated herein by reference

(9) Previously filed as an exhibit to the Company's Annual Report on Form 10-K (File No. 000-55710) filed with the SEC on August 29, 2017 and incorporated herein by reference

(10) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on November 13, 2017 and incorporated herein by reference

(11) Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q (File No. 000-55710) filed with the SEC on February 9, 2018 and incorporated herein by reference

(12) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on April 9, 2018 and incorporated herein by reference

(13) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on July 2, 2018 and incorporated herein by reference

(14) Submitted Electronically Herewith. Attached as Exhibit 101 to this report are the following formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets at June 30, 2018 and June 30, 2017, (ii) the Consolidated Statements of Operations and Comprehensive Loss for the years ended June 30, 2018, 2017 and 2016, (iii) the Consolidated Statements of Cash Flows for the years ended June 30, 2018, 2017 and 2016, (iv) the Consolidated Statements of Changes in Equity for the years ended June 30, 2018, 2017 and 2016, (v) the Notes to the Consolidated Financial Statements.

ITEM 16. FORM 10–K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NIOCORP DEVELOPMENTS LTD.

By: /s/Neal Shah
Neal Shah
Chief Financial Officer

August 31, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on August 31, 2018.

Signature	Title
/s/ Mark A. Smith Mark A. Smith	President, Chief Executive Officer (Principal Executive Officer and Authorized U.S. Representative) and Chairman of the Board of Directors
/s/ Neal Shah Neal Shah	Chief Financial Officer (Principal Financial and Accounting Officer)
/s/ Joseph A. Carrabba Joseph A. Carrabba	Director
/s/ Michael Morris Michael Morris	Director
/s/ David C. Beling David C. Beling	Director
/s/ Anna Castner Wightman Anna Castner Wightman	Director
/s/ Nilsa Guerrero-Mahon Nilsa Guerrero-Mahon	Director

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

NioCorp Developments Ltd.
Centennial, Colorado

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-224222) and Form S-8 (Nos. 333-215253 and 333-222313) of NioCorp Developments Ltd. of our report dated August 31, 2018, relating to the consolidated financial statements which appear in the Annual Report to Shareholders, which is incorporated by reference in this Annual Report on Form 10-K. Our report contains an explanatory paragraph regarding the Company’s ability to continue as a going concern.

/s/ BDO USA, LLP
Spokane, Washington

August 31, 2018

Exhibit 23.2

CONSENT OF QUALIFIED PERSON

The undersigned, Joanna Poeck, hereby states as follows:

I, Joanna Poeck, assisted with the preparation of the "NI 43-101 Technical Report Feasibility Study Elk Creek Niobium Project Nebraska" dated December 15, 2017, with an effective date of June 30, 2017 (the "Technical Report"), portions of which are extracted or summarized (the "Summary Material") in this Annual Report on Form 10-K.

I hereby consent to the reference to the Technical Report, the Summary Material and the reference to my name and the name of SRK Consulting (U.S.), Inc. in the Form 10-K concerning the Technical Report.

Date: August 31, 2018

By: /s/Joanna Poeck

Name: Joanna Poeck, B.Eng., SME-RM, MMSA-QP
Title: Senior Mining Engineer, SRK Consulting (U.S.), Inc.

Exhibit 23.3

CONSENT OF QUALIFIED PERSON

The undersigned, Ben Parsons, hereby states as follows:

I, Ben Parsons, assisted with the preparation of the “NI 43-101 Technical Report Feasibility Study Elk Creek Niobium Project Nebraska” dated December 15, 2017, with an effective date of June 30, 2017 (the “Technical Report”), portions of which are extracted or summarized (the “Summary Material”) in this Annual Report on Form 10-K.

I hereby consent to the reference to the Technical Report, the Summary Material and the reference to my name and the name of SRK Consulting (U.S.), Inc. in the Form 10-K concerning the Technical Report.

Date: August 31, 2018

By: /s/ Ben Parsons

Name: Ben Parsons, MSc, MAusIMM (CP)
Title: Principal Consultant – Resource Geology, SRK Consulting (U.S.), Inc.

EXHIBIT 31.1

CERTIFICATION

I, Mark Smith, certify that:

1. I have reviewed this Annual Report on Form 10-K of NioCorp Developments Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 31, 2018

By: /s/Mark Smith
Mark Smith
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Neal Shah, certify that:

1. I have reviewed this Annual Report on Form 10-K of NioCorp Developments Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 31, 2018

By: /s/ Neal Shah
Neal Shah
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of NioCorp Developments Ltd. (the “Company”), for the year ended June 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mark Smith, Chief Executive Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: August 31, 2018

By: /s/Mark Smith
Mark Smith
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of NioCorp Developments Ltd. (the “Company”), for the year ended June 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Neal Shah, Chief Financial Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Date: August 31, 2018

By: /s/ Neal Shah
Neal Shah
Chief Financial Officer
(Principal Financial and Accounting Officer)