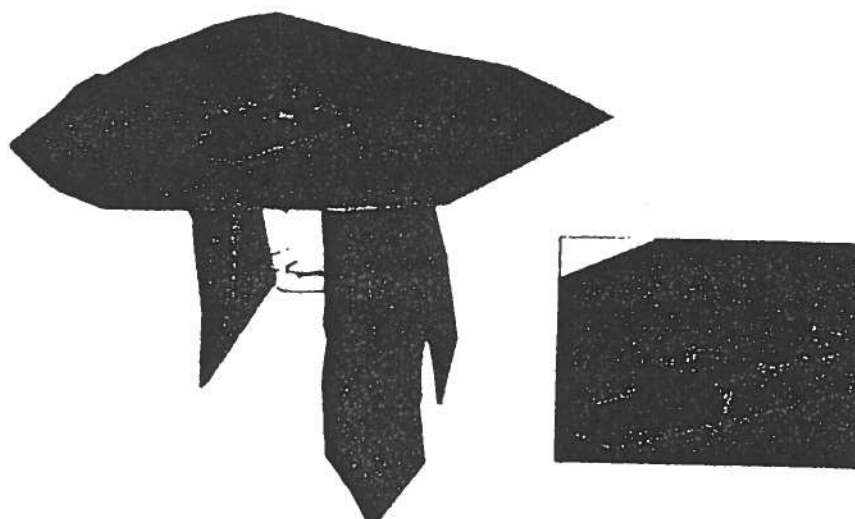


Niocan inc.
NIOBUM / CANADA

**Niocan Project
Oka, Québec**

**Revised Feasibility Study Report
Executive Summary**



January 2000

MET-CHEM
Canada Inc.

Project No. 99017-2


SNC-LAVALIN

Project No. 013669

The HWM-1 zone is observed over a distance of 300 metres with an average width of 15 metres. The resources of the zone have not been estimated.

St. Lawrence Columbium and Metals Corporation Property

Niocan holds the mineral rights of property which it acquired from SLC, but the Project does not require the exploitation of these additional resources which therefore are not evaluated in the Report. However, Niocan's ownership of part of the property is important as it is proposed that the two old open pits be used for the disposal of tailings

Resource Estimation

The resources in the central portions of the S-60 and HWM-2 zones were estimated by two methods: section and geostatistical for S-60 and section only for HWM-2. The results are summarized in the following table:

Estimate of Nb₂O₅ Resources made by Niocan

		Proven Resource		Probable Resource		Possible Resource		Total Resource	
Method	Zone	Million Tonnes	% Nb ₂ O ₅	Million Tonnes	% Nb ₂ O ₅	Million Tonnes	% Nb ₂ O ₅	Million Tonnes	% Nb ₂ O ₅
Section	S-60	7.63	0.69	3.11	0.62	3.63	0.62	14.37	0.66
Section	HWM-2	1.32	0.57	2.22	0.57	2.41	0.55	5.95	0.56
Geostat.*	S-60	6.77	0.69	3.42	0.65	3.56	0.60	13.76	0.66

Note: * Geostatistical method, with cut off grade of 0.5 % Nb₂O₅

Resource Verification

Based on its evaluation of the exploration campaign results presented in the geological reports, on its recalculation of four randomly selected sections and on a visit its personnel to the site of Niocan's property, it appeared to MCP that the work carried out by Niocan and the interpretation of the results by others appeared to be adequate and in conformity with the norms and standards of the industry. The opinion of MCP was that the evaluation of the available resource presented in the geological report is adequate. MCSL concurs with the conclusions drawn by MCP.

Based on an evaluation by section and plan view, MCP confirmed that the ore body has good continuity and that the assessments made by Niocan may even be conservative. The projection criteria used for the categorization of the resources were considered to be appropriate given the apparent continuity and configuration of the mineralized zone. MCSL again concurs with the conclusions drawn by MCP.

Mining Method

The mining method and stope design proposed by MCSL are based on the following studies of the deposit commissioned by Niocan:

- A geotechnical report by Messrs. André J. Rancourt and Serge Lavoie, which describes the rock mass classification and the geotechnical properties of the ore body and surrounding rock.
- A stope stability evaluation made by Professor Michel Aubertin from Ecole Polytechnique.
- A study prepared by Golder Associates Ltd. of the stability of the crown pillar over level 00, made as required by the Quebec mining regulations because, in mining the S-60 ore body, mine openings will be less than 100 metres below the rock surface and under the water table.
- A paste backfill suitability test performed by Golder Paste Technology Ltd. using tailings from CRM milling tests.

Standard stopes will be 24 m wide, 40 m long and 75 m high. All stopes will be mined using the large diameter blasthole method with delayed backfill. In-The Hole (ITH) drills and a twin-boom hydraulic Jumbo drill will be used. LHDs will be used to muck and haul broken ore from the stopes to the main ore pass system. Primary crushing will be done underground with a jaw crusher prior to material being hoisted to surface. Paste backfill will be used to fill empty stopes, thereby reducing tailings pond requirements and providing support for pillar extraction.

ORE PROCESSING - BENEFICIATION

Overall, the process developed for the concentration of Niocan ore continues to consist of SAG and ball mill grinding, desliming, magnetic separation, flotation, polishing, leaching, gravity separation, filtration and drying. However, during the first half of 1999, additional, new test work was carried out for Niocan at the CRM pilot plant and scientific complex with a view to optimizing the flowsheet developed for the 1998 Feasibility Study Report and to improving the level of Nb₂O₅ recovery. The tests were planned and supervised by Protec under the direction of Mr. Jean-Claude Caron, who is well known as a niobium specialist and who is very familiar with the mineralization of the Niocan deposits having worked at the original SLC mines. Reports by CRM and Protec were reviewed by M^CS^L metallurgists who had followed the development of the test work program and assured themselves as to the quality and accuracy of the work. The data from the reports were used to modify the flowsheet, the process plant design and equipment sizing.

Other test work recommended by M^CS^L to Niocan was also carried out in order to validate assumptions made in the 1998 Feasibility Study, and a second