

NioCorp  
Critical Mineral Security



# 2023 ANNUAL REPORT

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, 2023**

**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 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: (720) 334-7066

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, without par value	NB	The Nasdaq Stock Market LLC
Warrants, each exercisable for 1.11829212 Common Shares	NIOBW	The Nasdaq Stock Market LLC

Securities registered pursuant to section 12(g) of the Act: None.

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 every Interactive Data File required to be submitted 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 such files).

Yes ☒ No ☐

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	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input checked="" type="checkbox"/>	Smaller Reporting Company	<input checked="" type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

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 has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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 31, 2022, the aggregate market value of the registrant’s voting and non-voting common equity held by non-affiliates of the registrant was \$190.7 million based on the closing sale price as reported on the Toronto Stock Exchange and the daily exchange rate as reported by the Bank of Canada for conversion of Canadian dollars into United States dollars. There were 32,913,419 common shares outstanding on October 6, 2023.

**DOCUMENTS INCORPORATED BY REFERENCE**

Not applicable.

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## Select Mining Definitions

<b>carbonatite</b>	A type of intrusive or extrusive igneous rock defined by mineralogic composition consisting of greater than 50% carbonate minerals.
<b>cut-off grade</b>	The grade (i.e., the concentration of metal or mineral in rock) that determines the destination of the material during mining. For purposes of establishing “prospects of economic extraction,” the cut-off grade is the grade that distinguishes material deemed to have no economic value (it will not be mined in underground mining or if mined in surface mining, its destination will be the waste dump) from material deemed to have economic value (its ultimate destination during mining will be a processing facility). Other terms used in similar fashion as cut-off grade include net smelter return, pay limit, and break-even stripping ratio.
<b>deposit</b>	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.
<b>development stage issuer</b>	An issuer that is engaged in the preparation of mineral reserves for extraction on at least one material property
<b>development stage property</b>	A property that has mineral reserves disclosed, pursuant to Regulation S-K 1300, but no material extraction
<b>diamond drilling</b>	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
<b>dysprosium or Dy</b>	The chemical element with an atomic number 66. It is a rare-earth element in the lanthanide series.
<b>dysprosium oxide</b>	The chemical compound composed of dysprosium and oxygen with the formula Dy <sub>2</sub> O <sub>3</sub>
<b>economically viable</b>	When used in the context of mineral reserve determination, means that the qualified person has determined, using a discounted cash flow analysis, or has otherwise analytically determined, that extraction of the mineral reserve is economically viable under reasonable investment and market assumptions
<b>feasibility study</b>	<p>A comprehensive technical and economic study of the selected development option for a mineral project, which includes detailed assessments of all applicable modifying factors, as defined under S-K 1300, together with any other relevant operational factors, and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is economically viable. The results of the study may serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project.</p> <p>(1) A feasibility study is more comprehensive, and with a higher degree of accuracy, than a pre-feasibility study. It must contain mining, infrastructure, and process designs completed with sufficient rigor to serve as the basis for an investment decision or to support project financing.</p> <p>(2) The confidence level in the results of a feasibility study is higher than the confidence level in the results of a pre-feasibility study. Terms such as <i>full</i>, <i>final</i>,</p>

*comprehensive, bankable, or definitive* feasibility study are equivalent to feasibility study.

**ferroniobium or FeNb**

An iron-niobium alloy, with a niobium content of 60-70%

**indicated mineral resource**

That part of a mineral resource for which quantity and grade or quality are estimated on the basis of adequate geological evidence and sampling. The level of geological certainty associated with an indicated mineral resource is sufficient to allow a qualified person to apply modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Because an indicated mineral resource has a lower level of confidence than the level of confidence of a measured mineral resource, an indicated mineral resource may only be converted to a probable mineral reserve.

**inferred mineral resource**

That part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. The level of geological uncertainty associated with an inferred mineral resource is too high to apply relevant technical and economic factors likely to influence the prospects of economic extraction in a manner useful for evaluation of economic viability. Because an inferred mineral resource has the lowest level of geological confidence of all mineral resources, which prevents the application of the modifying factors in a manner useful for evaluation of economic viability, an inferred mineral resource may not be considered when assessing the economic viability of a mining project, and may not be converted to a mineral reserve.

**LoM**

Life of Mine, the period from the beginning of construction to the end of mine life

**measured mineral resource**

That part of a mineral resource for which quantity and grade or quality are estimated on the basis of conclusive geological evidence and sampling. The level of geological certainty associated with a measured mineral resource is sufficient to allow a qualified person to apply modifying factors, as defined in this section, in sufficient detail to support detailed mine planning and final evaluation of the economic viability of the deposit. Because a measured mineral resource has a higher level of confidence than the level of confidence of either an indicated mineral resource or an inferred mineral resource, a measured mineral resource may be converted to a proven mineral reserve or to a probable mineral reserve.

**mineral reserve**

An estimate of tonnage and grade or quality of indicated and measured mineral resources that, in the opinion of the qualified person, can be the basis of an economically viable project. More specifically, it is the economically mineable part of a measured or indicated mineral resource, which includes diluting materials and allowances for losses that may occur when the material is mined or extracted.

**mineral resource**

A concentration or occurrence of material of economic interest in or on the Earth's crust in such form, grade or quality, and quantity that there are reasonable prospects for economic extraction. A mineral resource is a reasonable estimate of mineralization, taking into account relevant factors such as cut-off grade, likely mining dimensions, location or continuity, that, with the assumed and justifiable technical and economic conditions, is likely to, in whole or in part, become economically extractable. It is not merely an inventory of all mineralization drilled or sampled.

**modifying factors**

The factors that a qualified person must apply to indicated and measured mineral resources and then evaluate in order to establish the economic viability of mineral reserves. A qualified person must apply and evaluate modifying factors to convert

measured and indicated mineral resources to proven and probable mineral reserves. These factors include, but are not restricted to: mining; processing; metallurgical; infrastructure; economic; marketing; legal; environmental compliance; plans, negotiations, or agreements with local individuals or groups; and governmental factors. The number, type and specific characteristics of the modifying factors applied will necessarily be a function of and depend upon the mineral, mine, property, or project.

<b>niobium or Nb</b>	The element niobium (atomic number 41), a transition metal primarily used in the production of high-strength, low-alloy steel
<b>Nb<sub>2</sub>O<sub>5</sub></b>	Niobium pentoxide, a commercial form of refined niobium
<b>neodymium oxide</b>	The chemical compound composed of neodymium and oxygen with the formula Nd <sub>2</sub> O <sub>3</sub>
<b>NSR</b>	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
<b>praseodymium oxide</b>	The chemical compound composed of praseodymium and oxygen with the formula Pr <sub>2</sub> O <sub>3</sub>
<b>probable mineral reserve</b>	The economically mineable part of an indicated and, in some cases, a measured mineral resource
<b>production stage property</b>	A property with material extraction of mineral reserves
<b>proven mineral reserve</b>	The economically mineable part of a measured mineral resource and can only result from conversion of a measured mineral resource
<b>qualified person</b>	<p>An individual who is:</p> <ol style="list-style-type: none"> <li>(1) A mineral industry professional with at least five years of relevant experience in the type of mineralization and type of deposit under consideration and in the specific type of activity that person is undertaking on behalf of the registrant; and</li> <li>(2) An eligible member or licensee in good standing of a recognized professional organization at the time the technical report is prepared. For an organization to be a recognized professional organization, it must: <ol style="list-style-type: none"> <li>(i) Be either: <ol style="list-style-type: none"> <li>(A) An organization recognized within the mining industry as a reputable professional association; or</li> <li>(B) A board authorized by United States federal, state, or foreign statute to regulate professionals in the mining, geoscience, or related field;</li> </ol> </li> <li>(ii) Admit eligible members primarily on the basis of their academic qualifications and experience;</li> <li>(iii) Establish and require compliance with professional standards of competence and ethics;</li> <li>(iv) Require or encourage continuing professional development;</li> <li>(v) Have and apply disciplinary powers, including the power to suspend or expel a member regardless of where the member practices or resides; and</li> </ol> </li> </ol>



- (vi) Provide a public list of members in good standing.

**rare earth elements, rare earths or REEs**

A group of 15 elements referred to as the lanthanide series in the periodic table of elements. Scandium and yttrium, while not true REEs, are also included in this categorization because they exhibit similar properties to the lanthanides and are found in the same ore bodies. Individual mineral deposits may not contain all REEs in economically recoverable quantities.

**rare earth products**

Commercial rare earth products currently being examined for production by the Company, including neodymium-praseodymium oxide (sometimes referred to as didymium oxide), dysprosium oxide, and terbium oxide. These are the primary rare earths compounds used to manufacture the world's most powerful permanent magnets.

**relevant experience**

For purposes of determining whether a party is a qualified person, that the party has experience in the specific type of activity that the person is undertaking on behalf of the registrant. If the qualified person is preparing or supervising the preparation of a technical report concerning exploration results, the relevant experience must be in exploration. If the qualified person is estimating, or supervising the estimation of mineral resources, the relevant experience must be in the estimation, assessment and evaluation of mineral resources and associated technical and economic factors likely to influence the prospect of economic extraction. If the qualified person is estimating, or supervising the estimation of mineral reserves, the relevant experience must be in engineering and other disciplines required for the estimation, assessment, evaluation, and economic extraction of mineral reserves.

- (1) Relevant experience also means, for purposes of determining whether a party is a qualified person, that the party has experience evaluating the specific type of mineral deposit under consideration (e.g., coal, metal, base metal, industrial mineral, or mineral brine). The type of experience necessary to qualify as relevant is a facts and circumstances determination. For example, experience in a high-nugget, vein-type mineralization such as tin or tungsten would likely be relevant experience for estimating mineral resources for vein-gold mineralization, whereas experience in a low grade disseminated gold deposit likely would not be relevant.

*Note 1 to Paragraph (1) of the Definition of Relevant Experience:* It is not always necessary for a person to have five years' experience in each and every type of deposit in order to be an eligible qualified person if that person has relevant experience in similar deposit types. For example, a person with 20 years' experience in estimating mineral resources for a variety of metalliferous hard-rock deposit types may not require as much as five years of specific experience in porphyry-copper deposits to act as a qualified person. Relevant experience in the other deposit types could count towards the experience in relation to porphyry-copper deposits.

- (2) For a qualified person providing a technical report for exploration results or mineral resource estimates, relevant experience also requires, in addition to experience in the type of mineralization, sufficient experience with the sampling and analytical techniques, as well as extraction and processing techniques, relevant to the mineral deposit under consideration. Sufficient experience means that level of experience necessary to be able to identify, with substantial confidence, problems that could affect the reliability of data and issues associated with processing.

(3) For a qualified person applying the modifying factors, as defined by this section, to convert mineral resources to mineral reserves, relevant experience also requires:

- (i) Sufficient knowledge and experience in the application of these factors to the mineral deposit under consideration; and
- (ii) Experience with the geology, geostatistics, mining, extraction, and processing that is applicable to the type of mineral and mining under consideration.

#### S-K 1300

Subpart 1300 of Regulation S-K promulgated by the SEC

#### S-K 1300 Elk Creek Technical Report Summary

A technical report summary for the Elk Creek Project that conforms to S-K 1300 reporting standards, with an effective date of June 30, 2022, originally filed as Exhibit 96.1 to the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2022, and incorporated by reference into this Annual Report on Form 10-K

#### scandium or Sc

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.

#### Sc<sub>2</sub>O<sub>3</sub>

Scandium trioxide, the primary form of refined scandium

#### terbium oxide

The chemical compound composed of terbium and oxygen with the formula Tb<sub>2</sub>O<sub>3</sub>

#### titanium or Ti

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.

#### TiO<sub>2</sub>

Titanium dioxide, a commercial form of refined titanium

#### 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")	Meters ("m")	0.3048
Miles	Kilometers ("km")	1.6093
Tons	Tonnes ("t")	0.9072

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

## Mineral Reserves and Resources

Information concerning our mining property in this Annual Report on Form 10-K has been prepared in accordance with the requirements of S-K 1300, which first became applicable to us for the fiscal year ended June 30, 2022. All mineral resource and mineral reserve estimates included in this Annual Report on Form 10-K have been prepared in accordance with S-K 1300. Previously, we prepared our estimates of mineral resources and mineral reserves following only National Instrument 43-101 of the Canadian Securities Administrators entitled “Standards of Disclosure for Mineral Projects” (“NI 43-101”) and the Canadian Institute of Mining and Metallurgy (“CIM”) “Definition Standards – For Mineral Resources and Mineral Reserves, May 10, 2014.” The CIM-compliant NI 43-101 technical report (the “NI 43-101 Elk Creek Technical Report”) for the Company’s niobium, scandium, and titanium project (the “Elk Creek Project”) and S-K 1300 Elk Creek Technical Report Summary, filed as Exhibit 96.1 to the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2022 and incorporated by reference into this Annual Report on Form 10-K, are based on a feasibility study prepared by qualified persons (the “2022 Elk Creek Feasibility Study”) and are substantively identical to one another except for internal references to the regulations under which the report is made, and certain organizational differences. In addition, S-K 1300 requires us to disclose our mineral resources, in addition to our mineral reserves, as of the end of our most recently completed fiscal year. You are cautioned that mineral resources are subject to further exploration and development and are subject to additional risks and no assurance can be given that they will eventually convert to future reserves. Inferred resources, in particular, have a great amount of uncertainty as to their existence and their economic and legal feasibility. Investors are cautioned not to assume that any part or all of the inferred resource exists or is economically or legally mineable. See Item 1A, Risk Factors.

## Currency and Exchange Rates

All dollar amounts in this Annual Report on Form 10-K are expressed in United States (“U.S.”) dollars unless otherwise indicated. The Company’s accounts are maintained in U.S. dollars and the Company’s consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”). Some of the Company’s significant agreements, as well as certain vendors, use Canadian dollars. As used herein, “C\$” represents Canadian dollars.

The following table sets forth the rate of exchange for the Canadian dollar, expressed in U.S. 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 U.S. dollars.

	Fiscal Year Ended June 30,		
	2023	2022	2021
<b>Canadian Dollars to U.S. Dollars</b>			
Rate at end of period	0.7553	0.7760	0.8068
Average rate for period	0.7467	0.7900	0.7807
High for period	0.7841	0.8111	0.8306
Low for period	0.7217	0.7669	0.7344

## **PART I**

### **ITEM 1. BUSINESS**

#### **Introduction**

NioCorp Developments Ltd. (“NioCorp,” “we,” “us,” “our,” or “the Company”) 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 carbonatite property located in Southeast Nebraska, USA (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 Elk Creek Resources Corp., a Nebraska corporation (“Old 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 B.C. Ltd., a private British Columbia company and a wholly owned subsidiary of the Company (“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 drillholes. 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 preliminary economic assessments, 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 a NI 43-101 technical report for the Elk Creek Project (the “2017 NI 43-101 Elk Creek Technical Report”). In connection with a review by the Ontario Securities and Exchange Commission, on December 15, 2017, the Company filed a revised 2017 NI 43-101 Elk Creek Technical Report. This revised report contained no changes to any previously reported numbers or forecasted economic returns of the Elk Creek Project from those contained in the originally filed 2017 NI 43-101 Elk Creek Technical Report.

During fiscal year 2019, we received a new mine design based on detailed underground engineering conducted by The Nordmin Group of Companies (“Nordmin”) along with an updated mineral resource and mineral reserve. On April 16, 2019, we announced the results of the updated underground mine design and supporting infrastructure, the results of an update to the Elk Creek Project, and the filing of an NI 43-101 technical report for the Elk Creek Project based on the new mine design. During fiscal year 2020, the Company focused efforts on advancing detailed engineering of the surface and underground facilities and negotiating the follow-on contracts associated with the planned construction of the surface and underground features of the project, as well as obtaining a State of Nebraska permit which describes all the prospective air emissions from a facility (the “Air Permit”). The Air Permit required the completion of an air quality model that demonstrates compliance with the U.S. National Ambient Air Quality Standards limits on atmospheric concentration of six pollutants that cause smog, acid rain, and other health hazards, as established by the EPA (“NAAQS”). The final Air Permit was issued by the State of Nebraska on June 2, 2020, for the Elk Creek Project.

During fiscal year 2021, we obtained funding which allowed us to purchase land and mineral rights at the Elk Creek Property and continue early project execution activities. With the acquisition of the land and mineral rights, the Company now owns the surface land on which the Elk Creek Project's mine infrastructure and supporting operations will be located once sufficient project financing is obtained, along with ownership of the mineral rights to more than 90% of the Elk Creek Project's mineral resources and mineral reserves.

During fiscal year 2022, we focused efforts towards refining our Elk Creek Project mineral resource and mineral reserve estimates with respect to REEs. This work included additional assays of historical drill core to fill data gaps in the existing resource database and re-modeling. Based on this re-interpretation of the geologic data, an update to the mine plan was also completed. Based on this work, we issued the 2022 NI 43-101 Elk Creek Technical Report on June 28, 2022, and filed the S-K 1300 Elk Creek Technical Report Summary as an exhibit to our Annual Report on Form 10-K for the year ended June 30, 2022.

During fiscal year 2022, we also advanced our efforts to optimize our process design to contemplate the recovery and production of REEs, including completion of bench and pilot scale testing on elements of the current metallurgical flowsheet. This work illustrated that NioCorp could recover and produce high purity, fully separated magnetic rare earth products, such as neodymium-praseodymium oxide, dysprosium oxide, and terbium oxide in addition to the niobium, scandium, and titanium products already planned for production by the Company, once Project financing is secured and additional work has been completed on the technical and economic feasibility of adding REEs to the Elk Creek Project's existing planned product suite. Following the success of this testing, the Company advanced the construction of a demonstration-scale processing plant located in Trois-Rivieres, Quebec built by the Company and L3 Process Development ("L3") and operated by L3 (the "Demonstration Plant").

During fiscal year 2023, we completed construction and operated the Demonstration Plant. The Demonstration Plant results showed higher recoveries for our primary niobium product, much higher recoveries and a higher value titanium product in the form of titanium tetrachloride, and a high recovery rate for the three planned rare earth oxides of consequence: neodymium/praseodymium oxide, dysprosium oxide and terbium oxide. In addition, we completed initial site preparation work at the Elk Creek Project, which consisted of tree and brush clearing. A geotechnical investigation at the project site was also completed, which involved excavated test pits, geotechnical borings and the installation of shallow groundwater piezometers. The geotechnical program generated valuable data for the firms that are working on the detailed design of the facilities and infrastructure associated with the Elk Creek Project.

Information regarding the Elk Creek Project is discussed below under Item 2., "Properties."

## Corporate Structure

The Company's business operations are conducted primarily through ECRC (as defined below). The table below 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 Class A common stock of ECRC
Elk Creek Resources Corp.	Delaware	100% of the Class A common stock through 0896800	The business of ECRC is the development of the Elk Creek Project

## Recent Corporate Events

### The Transactions

On March 17, 2023 (the "Closing Date"), the Company closed a series of transactions (the "GXII Transaction") pursuant to the Business Combination Agreement, dated as of September 25, 2022 (the "Business Combination Agreement"), by and among the Company, GX Acquisition Corp. II, a Delaware corporation ("GXII"), and Big Red Merger Sub Ltd., a Delaware corporation and a direct, wholly owned subsidiary of the Company ("Merger Sub"). Pursuant to the Business Combination Agreement, the GXII Transaction was accounted for as an equity raise

transaction in accordance with U.S. GAAP. At the Closing of the GXII Transaction (the “Closing”), the following transactions occurred:

- As a result of a series of transactions, including, without limitation, the mergers of Merger Sub and Old ECRC with and into GXII, with GXII surviving such mergers, GXII became an indirect, majority-owned subsidiary of NioCorp and changed its name to “Elk Creek Resources Corp”, which we refer to as “ECRC”.
- As the parent company of the merged entity, NioCorp issued 1,753,821 post-Reverse Stock Split common shares of the Corporation (the “Common Shares”) in exchange for all of the Class A shares of GXII issued and outstanding immediately prior to the Closing, including 83,770 Common Shares issued to BTIG, LLC in exchange for Class A shares of GXII that it received as partial payment for advisory services.
- All of the Class B shares of GXII issued and outstanding immediately prior to the Closing (after giving effect to the surrender of certain Class B shares of GXII in accordance with the Sponsor Support Agreement, dated September 25, 2022 (the “Sponsor Support Agreement”), among GX Sponsor II LLC (the “Sponsor”), GXII, the Company, and the other persons party thereto, were converted into 7,957,404 shares of Class B common stock of GXII (now known as ECRC) as the surviving entity of the mergers that occurred on the Closing Date as part of the GXII Transaction. Pursuant to the Business Combination Agreement, the Sponsor Support Agreement and the Exchange Agreement, dated as of March 17, 2023 (as amended, supplemented or otherwise modified, the “Exchange Agreement”), by and among NioCorp, ECRC and the Sponsor, after the Closing, the shares of Class B common stock of ECRC are exchangeable into Common Shares on a one-for-one basis, subject to certain equitable adjustments, under certain conditions. Of the issued and outstanding shares of Class B common stock of ECRC, 4,565,808 shares (the “Vested Shares”) were vested as of the Closing Date and are exchangeable at any time, and from time to time, until the tenth anniversary of the Closing Date (the “Ten-Year Anniversary”) and 3,391,596 shares (the “Earnout Shares”) are exchangeable until the Ten-Year Anniversary, subject to certain vesting conditions. See Note 10 to the consolidated financial statements included in Part II, Item 8 hereof for additional information regarding the Class B common stock of ECRC.
- NioCorp assumed GXII’s obligations under the agreement governing the GXII share purchase warrants (the “GXII Warrants”) and issued an aggregate of 15,666,626 warrants (the “NioCorp Assumed Warrants”) to purchase up to an aggregate of 17,519,864 Common Shares. The NioCorp Assumed Warrants issued at the Closing consisted of (a) 9,999,959 public NioCorp Assumed Warrants (the “Public Warrants”) that were issued in respect of the GXII Warrants that were publicly traded prior to the Closing and (b) 5,666,667 NioCorp Assumed Warrants (the “Private Warrants”) that were issued to the Sponsor in respect of the GXII Warrants that it held prior to the Closing, which NioCorp Assumed Warrants were subsequently distributed by the Sponsor to its members in connection with the Closing. See Note 11b to the consolidated financial statements included in Part II, Item 8 hereof for additional information regarding the NioCorp Assumed Warrants.

On the Closing Date, the Company also effected a reverse stock split (the “Reverse Stock Split”) based on one (1) post-Reverse Stock Split Common Share for every ten (10) pre-Reverse Stock Split Common Shares issued and outstanding effectuated by the Company on the Closing Date. Any fractional shares resulting from the Reverse Stock Split were rounded down to the nearest whole Common Share.

As part of the GXII Transaction, on January 26, 2023, the Company entered into definitive agreements with respect to two separate financing packages with YA II PN, Ltd., an investment fund managed by Yorkville Advisors Global, LP (“Yorkville”), including:

- A Securities Purchase Agreement, dated January 26, 2023 (as amended, the “Yorkville Convertible Debt Financing Agreement”), between the Company and Yorkville, under which the Company issued to Yorkville unsecured convertible debentures in the original aggregate principal amount of \$16.0 million (the “Convertible Debentures”) and Common Share purchase warrants, exercisable for up to 1,789,267 Common Shares for cash or, if at any time there is no effective registration statement registering, or no current prospectus available for, the resale of the underlying Common Shares, on a cashless basis, at the option of the holder, at a price per Common Share of approximately \$8.9422, subject to adjustment to give effect to any stock dividend, stock split, reverse stock split or similar transaction (the “Financing Warrants”), on the

Closing Date, for gross proceeds of \$15.36 million (the “Yorkville Convertible Debt Facility Financing”); and.

- A Standby Equity Purchase Agreement, dated January 26, 2023 (the “Yorkville Equity Facility Financing Agreement”), between the Company and Yorkville, under which Yorkville agreed to purchase up to \$65.0 million of Common Shares over the next three years, at NioCorp’s direction and subject to certain restrictions (the “Yorkville Equity Facility Financing”).

These financing packages are further discussed below under “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Financing Activities.*”

The transactions contemplated by the Business Combination Agreement, including the GXII Transaction, the Yorkville Convertible Debt Facility Financing, the Yorkville Equity Facility Financing, and the Reverse Stock Split are referred to, collectively, as the “Transactions.”

The number of Common Shares issued and outstanding immediately following the consummation of the Transactions were as follows:

	Common Shares	Percentage
Legacy NioCorp Shareholders	28,246,621	93.90%
Former GXII Class A Shareholders <sup>1</sup>	1,753,821	5.83%
Other <sup>2</sup>	81,213	0.27%
Total Common Shares Outstanding Upon Completion of Transactions	30,081,655	100%

1 Includes 83,770 Common Shares issued to BTIG, LLC in exchange for Class A shares of GXII that it received as partial payment for advisory services.

2 Represents Commitment Shares (as defined below) issued under the Yorkville Equity Facility Financing Agreement.

After consideration of GXII expenses incurred in connection with the Transactions, the Company acquired net cash of approximately \$2.2 million and assumed net liabilities of approximately \$0.4 million. We also assumed Private Warrant liabilities and the Earnout Shares liability, which were initially recorded at their non-cash fair market value of approximately \$3.0 million and approximately \$13.2 million, respectively. The Company incurred expenses related to the Transactions of approximately \$6.8 million, all of which were recorded as other operating expenses.

In addition, in connection with the Transactions, the Common Shares and the NioCorp Assumed Warrants were listed for trading on The Nasdaq Stock Market LLC (“Nasdaq”). The Common Shares and the NioCorp Assumed Warrants began trading on the Nasdaq Global Market and the Nasdaq Capital Market, respectively, on March 21, 2023, under the symbols “NB” and “NIOBW,” respectively. The Common Shares continued to trade on the Toronto Stock Exchange (the “TSX”) under the symbol “NB,” and began trading on the Nasdaq on a post-Reverse Stock Split basis on March 21, 2023. The Common Shares ceased being quoted on the U.S. over the counter markets in connection with the commencement of trading on the Nasdaq Global Market.

## 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, titanium, and potentially, rare earth 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 high-strength, low-alloy steel, a stronger steel used in automobiles, 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.

During fiscal year 2023, the Company completed work at its Demonstration Plant that confirmed metallurgical recoveries for magnetic rare earth products. Additional work is needed to modify the design of the proposed surface plant to make these products and to determine the capital cost of these modifications.

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 detailed design, development, and construction of the Elk Creek Project.

### Competitive Business Conditions

There is significant 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.

### 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, strong demand for some minerals in many countries is lifting 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. Price (\$/kg-Nb) <sup>(1)</sup>	Sc <sub>2</sub> O <sub>3</sub> U.S. Price (\$/kg) <sup>(2)</sup>	TiO <sub>2</sub> U.S. Price (\$/kg) <sup>(3)</sup>
2022	\$46	\$2,100	\$1.50
2021	44	2,200	1.45
2020	37	3,800	1.18
2019	39	3,900	1.15
2018	38	4,600	1.03

(1) Source: Argus Metal Prices, average annual ending price, 2022. Ferroniobium 65% niobium content, FOB U.S. warehouse.

(2) Source: United States Geological Service (“USGS”) Mineral Commodity Summary, 2022. Sc<sub>2</sub>O<sub>3</sub>, 99.99% purity, 5-kilogram (“kg”) lot size.

(3) Source: USGS Mineral Commodity Summary, 2022. Rutile mineral concentrate, bulk, minimum 95% TiO<sub>2</sub>, f.o.b. Australia.

Based on results of the Company’s Demonstration Plant, a higher value titanium tetrachloride product can be produced with a substantially higher metallurgical recovery than TiO<sub>2</sub>. The Company is in the process of completing feasibility level cost estimates to replace the previous TiO<sub>2</sub> production equipment with new equipment that would produce titanium tetrachloride.



As NioCorp is a development stage issuer and 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.

### **Economic Dependence**

Other than land and mineral right option agreements and agreements between NioCorp and third parties for the purchase and sale of products to be produced from the Elk Creek Project ("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 United States Environmental Protection Agency (the "EPA") and the United States Army Corps of Engineers (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, taxation, data protection, and data security. 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 U.S. Government, mining rights on public lands 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 financial assurance provided in the amount of projected reclamation costs. The financial assurance is used to ensure that proper reclamation takes place and 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 U.S. 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 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 U.S. 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 U.S. 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.

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 emissions 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 conditions, technical criteria, fees, or surety requirements. The most stringent permit related to air quality is known as a Prevention of Significant Deterioration (“PSD”) permit, which requires the applicant to demonstrate compliance with NAAQS and Best Available Control Technology (“BACT”) for the control of air emissions. If the facility exceeds the potential to emit thresholds for such a permit and is thus subject to PSD requirements, permanent construction at the project site may not begin until the responsible agency issues the PSD permit. For facilities in Nebraska with potential emissions below PSD thresholds, a state air construction permit is needed. The state permit also requires a demonstration of compliance with NAAQS but does not require a BACT demonstration and further allows construction at a subject facility to proceed ahead of permit issuance through an established variance process.

### **Human Capital**

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.

As of June 30, 2023, we had seven full-time employees as well as one contract employee. In addition, we use consultants with specific skills to assist with various aspects of our corporate affairs, project evaluation, due diligence, corporate governance and property management.

Our compensation programs are designed to align compensation of our employees with the Company’s performance and to provide the proper incentives to attract, retain and motivate employees to achieve superior results. The structure of our compensation programs balances competitive wages and benefits and incentive earnings for both short-term and long-term performance.

Our priority to maintain a culture of ethical performance as a core value is reflected in the Company’s Code of Business Conduct and Ethics (the “Code of Conduct”) and other related policies. Oversight is provided by the Company’s Board of Directors and, for specific areas of performance, by committees of the Board of Directors. Employees are required to review the Code of Conduct on a periodic basis. Our compensation programs also include consideration of ethical performance in determining incentive awards.

The Company also provides a robust suite of benefits to our employees, including 401(k) participation, medical-insurance options, and programs to encourage and support the whole person.

### **Forward-Looking Statements**

This Annual Report on Form 10-K and the exhibits attached hereto contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and “forward-looking information” within the meaning of applicable Canadian securities legislation (collectively, “forward-looking statements”).

Forward-looking statements have been based upon our current business and operating plans, as approved by the Company’s Board of Directors, and may include statements regarding the anticipated benefits of the Transactions, including NioCorp’s ability to access the full amount of the expected net proceeds of the Yorkville Equity Facility Financing Agreement over the next three years; NioCorp’s ability to receive a final commitment of financing from the Export-Import Bank of the United States (“EXIM”); anticipated benefits of the listing of the Common Shares on Nasdaq; the financial and business performance of NioCorp; NioCorp’s anticipated results and developments in the

operations of NioCorp in future periods; NioCorp's planned exploration activities; the adequacy of NioCorp's financial resources; NioCorp's ability to secure sufficient project financing to complete construction and commence operation of the Elk Creek Project; NioCorp's expectation and ability to produce niobium, scandium, and titanium at the Elk Creek Project; NioCorp's plans to produce and supply specific products and market demand for those products; the outcome of current recovery process improvement testing, and NioCorp's expectation that such process improvements could lead to greater efficiencies and cost savings in the Elk Creek Project; the Elk Creek Project's ability to produce multiple critical metals; the Elk Creek Project's projected ore production and mining operations over its expected mine life; the completion of technical and economic analyses on the potential addition of magnetic rare earth oxides to NioCorp's planned product suite; the exercise of options to purchase additional land parcels; the execution of contracts with engineering, procurement and construction companies; NioCorp's ongoing evaluation of the impact of inflation, supply chain issues and geopolitical unrest on the Elk Creek Project's economic model; and the creation of full time and contract construction jobs over the construction period of the Elk Creek Project.

Forward-looking statements are frequently, but not always, identified by words such as "expects," "anticipates," "believes," "intends," "estimates," "potential," "possible," and similar expressions, or statements that events, conditions, or results "will," "may," "could," or "should" (or the negative and grammatical variations of any of these terms) occur or be achieved. 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. Such forward-looking statements reflect the Company's current views with respect to future events and are subject to certain known and unknown risks, uncertainties, and assumptions. Many factors could cause actual results, performance, or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements, including, among others, risks related to the following: NioCorp's ability to recognize the anticipated benefits of the Transactions, including NioCorp's ability to access the full amount of the expected net proceeds under the Yorkville Equity Facility Financing Agreement over the next three years; unexpected costs related to the Transactions; the outcome of any legal proceedings that may be instituted against NioCorp following closing of the Transactions; NioCorp's ability to receive a final commitment of financing from EXIM on the anticipated timeline, on acceptable terms, or at all; NioCorp's ability to continue to meet Nasdaq listing standards; NioCorp's ability to operate as a going concern; risks relating to the Common Shares, including price volatility, lack of dividend payments and dilution or the perception of the likelihood any of the foregoing; NioCorp's requirement of significant additional capital; the extent to which NioCorp's level of indebtedness and/or the terms contained in agreements governing NioCorp's indebtedness or the Yorkville Equity Facility Financing Agreement may impair NioCorp's ability to obtain additional financing; covenants contained in agreements with NioCorp's secured creditors that may affect its assets; NioCorp's limited operating history; NioCorp's history of losses; the restatement of NioCorp's consolidated financial statements as of and for the fiscal years ended June 30, 2022 and 2021 and the interim periods ended September 30, 2021, December 31, 2021, March 31, 2022, September 30, 2022 and December 31, 2022 and the impact of such restatement on NioCorp's future financial statements and other financial measures; the material weaknesses in NioCorp's internal control over financial reporting, NioCorp's efforts to remediate such material weaknesses and the timing of remediation; the possibility that NioCorp may qualify as a PFIC under the Code; the potential that the Transactions could result in NioCorp becoming subject to materially adverse U.S. federal income tax consequences as a result of the application of Section 7874 and related sections of the Code; cost increases for NioCorp's exploration and, if warranted, development projects; a disruption in, or failure of, NioCorp's information technology systems, including those related to cybersecurity; equipment and supply shortages; variations in the market demand for, and prices of, niobium, scandium, titanium and rare earth products; current and future offtake agreements, joint ventures, and partnerships; NioCorp's ability to attract qualified management; the effects of global health crises on NioCorp's business plans, financial condition and liquidity; estimates of mineral resources and reserves; mineral exploration and production activities; feasibility study results; the results of metallurgical testing; changes in demand for and price of commodities (such as fuel and electricity) and currencies; competition in the mining industry; changes or disruptions in the securities markets; legislative, political or economic developments, including changes in federal and/or state laws that may significantly affect the mining industry; the impacts of climate change, as well as actions taken or required by governments related to strengthening resilience in the face of potential impacts from climate change; the need to obtain permits and comply with laws and regulations and other regulatory requirements; the timing and reliability of sampling and assay data; the possibility that actual results of work may differ from

projections/expectations or may not realize the perceived potential of NioCorp's projects; risks of accidents, equipment breakdowns, and labor disputes or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in development programs; operating or technical difficulties in connection with exploration, mining, or development activities; the management of the water balance at the Elk Creek Project site; land reclamation requirements related to the Elk Creek Project; the speculative nature of mineral exploration and development, including the risks of diminishing quantities of grades of reserves and resources; claims on the title to NioCorp's properties; potential future litigation; and NioCorp's lack of insurance covering all of NioCorp's operations.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties, and other factors, including without limitation those discussed under Item 1A. "Risk Factors" below.

The Company's forward-looking statements contained in this Annual Report on Form 10-K are based on the beliefs, expectations, and opinions of management as of the date of this Annual Report on Form 10-K. The Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations, or opinions should change, except as required by law. For the reasons set forth above, investors should not attribute undue certainty to, or place undue reliance on, forward-looking statements.

#### **Available Information**

We maintain a website at <http://www.niocorp.com>. Our Common Shares are currently registered under Section 12(b) 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 consolidated 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 United States Securities and Exchange Commission (the "SEC"). The SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC (<http://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 Conduct, a copy of which may be found on our website in the "About Us" section under the main title "Corporate Governance." Our Code of Conduct contains information regarding whistleblower procedures.

We are not including the information contained on or accessible through our website or the SEC's website as a part of, or incorporating it by reference into, this Annual Report on Form 10-K.

#### **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 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 notes that accompany our consolidated financial statements for the year ended June 30, 2023, disclose that substantial doubt exists as to our ability to continue as a going concern. The consolidated 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 a development stage issuer 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 U.S. and Canada may impose significant obstacles to raising the required funds. As discussed further below, while we have been successful in doing so in the past, there can be no assurance we will be able to raise funds in the future. 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, 2023, the Company had cash of \$2.3 million and working capital of \$0.2 million, compared to cash of \$5.3 million and working capital of \$0.6 million on June 30, 2022.

As of June 30, 2023, the Company's current planned operational needs are approximately \$11.8 million through the end of fiscal 2024. From the date of this Annual Report on Form 10-K, the Company anticipates that it does not have sufficient cash to continue to fund basic operations for the next twelve months. This includes 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 fund basic operations as well as to further advance the Elk Creek Project through substantive near-term milestones.

Except for the net funds of \$1.5 million received from financing transactions closed in September 2023, the potential funding under the Yorkville Equity Facility Financing, discussed below under "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Financing Activities*," and the potential exercise of Options and Warrants, we currently have no further funding commitments or arrangements for additional financing at this time, and there is no assurance that we will be able to obtain any such additional financing on acceptable terms, if at all. In addition, pursuant to the Exchange Agreement, NioCorp is restricted from issuing equity or equity-linked securities (other than Common Shares) or any preferred equity or non-voting equity if such issuance would adversely impact the rights of the holders of the shares of Class B common stock of ECRC, without the consent of the holders of a majority of the shares of Class B common stock of ECRC. The Yorkville Convertible Debt Financing Agreement also contains certain covenants that, among other things, limit NioCorp's ability to use the proceeds from the Yorkville Convertible Debt Financing to repay related party debt or to enter into any variable rate transaction, including issuances of equity or debt securities that are convertible into Common Shares at variable rates and any equity line of credit, ATM agreement or other continuous offering of Common Shares, other than with Yorkville, subject to certain exceptions. Notwithstanding the restrictions set forth in the Exchange Agreement and the Yorkville Convertible Debt Financing Agreement, there is significant uncertainty that we would be able to secure any additional financing in the current equity or debt markets.

We are actively pursuing 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 the products we intend to produce. 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.

In addition, the EXIM Financing discussed below under "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources*" is subject to, among other matters, the satisfactory completion of due diligence, the negotiation and settlement of final terms, and the negotiation of definitive

documentation. There can be no assurance that the EXIM Financing will be completed on the terms described herein or at all.

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 a development stage property. Advancing our Elk Creek Project from a development stage property to a production stage property 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, engineering and construction of infrastructure, mining, and processing facilities;
- the availability and costs of drilling 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 residents 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, hydrometallurgical, pyrometallurgical, construction, and other facilities-related supplies.

The costs, timing, and complexities of exploration, development, engineering, and construction activities may be increased by the location of our properties and competition from other mineral exploration and mining companies. It is common for exploration companies to experience unexpected problems and delays during development, if commenced, including engineering, procurement, construction, commissioning, and ramp-up. Accordingly, our activities may not result in profitable operations and we may not succeed in establishing operations or profitably producing products 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 net losses attributable to the Company during each of the following periods:

- \$40.1 million for the year ended June 30, 2023;
- \$10.9 million for the year ended June 30, 2022; and
- \$4.8 million for the year ended June 30, 2021.

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 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, metallurgical performance, 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, aluminum, iron, chemicals, natural gas, fresh water, and electricity, as well as by 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.

***A disruption in, or failure of our third-party service providers' IT systems, including those related to cybersecurity, could adversely affect our business operations and financial performance.***

We rely on the accuracy, capacity, and security of our third-party service providers' IT systems for the operations of many of our business processes and to comply with regulatory, legal, and tax requirements. We are dependent on third parties to provide important IT services relating to, among other things, operational technology at our facilities, human resources, electronic communications, and certain finance functions. Despite the security measures that our third-party service providers have implemented, including those related to cybersecurity, their systems could be breached or damaged by computer viruses, natural or man-made incidents or disasters, or unauthorized physical or electronic access. Though our third-party service providers have controls in place, we cannot provide assurance that a cyber-attack will not occur. Furthermore, we may have little or no oversight with respect to security measures employed by third-party service providers, which may ultimately prove to be ineffective at countering threats. Failures of our third-party service providers' IT systems, whether caused maliciously or inadvertently, may result in the disruption of our business processes, or in the unauthorized release of sensitive, confidential, or otherwise protected information or result in the corruption of data, which could adversely affect our business operations and financial performance. In addition, we may be required to incur significant costs to protect against and, if required, remediate the damage caused by such disruptions or system failures in the future.

***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, project 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. Ongoing disruptions to the world's economy, including issues related to supply chains, inflation, and increased raw material and labor costs, may delay our ability to secure supplies and equipment for the Elk Creek Project on a timely basis.

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

We have entered into three offtake agreements and one letter of intent related to our Elk Creek Project as well as agreements related to the supply of natural gas and electricity to the project site, 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 our 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.

*The effect on the capital markets and the economy of recent global events, including inflation, volatility in commodity prices, supply chain uncertainty, and increases in raw material and labor costs, could have an adverse effect on NioCorp's business plans, financial condition, and liquidity.*

Certain events have effected, and continue to effect, the global and United States economies, including increased inflation, volatility in commodity prices, supply chain uncertainty, and increases in raw material and labor costs. In addition, in the U.S., the Federal Reserve has begun raising interest rates sharply, the continuation of which could lead to a recession with uncertain and potentially severe impacts upon most operating sectors. We cannot predict how this will affect our business, but the impact may be adverse.

Although it is not possible to predict the ultimate impact of these factors on NioCorp's business plans, financial position, or liquidity, such impacts that may be material include, but are not limited to: (i) delays in the completion of the mine and surface engineering designs and uncertainty regarding our ability to finalize necessary Engineering, Procurement, and Construction ("EPC") agreements as a result of disruptions in the businesses of our engineering consultants and key contractors for the Elk Creek Project, (ii) reduced availability and increased costs of employees, (iii) a negative impact on our liquidity position, and (iv) increased costs and less ability to access funds in the capital markets. The full extent to which these factors may continue to impact our business will depend on future developments, which continue to be highly uncertain and cannot be predicted at this time.

In addition, we cannot predict the impact that recent global events, including inflation, volatility in commodity prices, supply chain uncertainty, and increases in raw material and labor costs will have on our customers, suppliers, vendors, and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us.

*It may be difficult to enforce judgments or bring actions outside the U.S. 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 U.S. judgments obtained in U.S. courts based upon the civil liability provisions of U.S. federal securities laws against these persons and the Company; or
- bring in courts outside the U.S. an original action to enforce liabilities based upon U.S. federal securities laws against these persons and the Company.

*The Company may not realize all or any of the anticipated benefits expected as a result of the Transactions.*

The listing of the Common Shares on Nasdaq may not provide the anticipated benefits of broader access to capital and financing alternatives or otherwise enhance NioCorp's public profile. If the Company is not successful in realizing these anticipated benefits, including the anticipated benefits of listing the Common Shares on the Nasdaq and the anticipated acceleration of financing efforts to advance, complete construction, and commence operation of the Elk Creek Project, such consequences may adversely affect the Company's results of operations, cash flows, financial position, and the price of our Common Shares.

*We may not recognize the full value of the Yorkville Equity Facility Financing Agreement and may not receive any proceeds from the exercise of the Financing Warrants, the NioCorp Assumed Warrants, and our other outstanding Warrants, and the potential adverse effect on the prevailing market prices for our Common Shares as a result of sales, or the perception of future sales, of Common Shares could adversely affect our ability to raise additional capital.*

Although we have entered into the Yorkville Equity Facility Financing Agreement, we may not recognize the full value thereof. Specifically, our ability to sell Common Shares to Yorkville pursuant to the Yorkville Equity Facility Financing Agreement is subject to certain restrictions and limitations, which may prevent us from selling the full Commitment Amount prior to the expiration of the Commitment Period. Our ability to recognize the full value of the Yorkville Equity Facility Financing Agreement may be further impeded by the potential negative pressure on the market price of our Common Shares as a result of sales, or the perception of future sales, of Common Shares by us or by other security holders. As a result, there can be no assurance that we will receive all or even a significant portion of the proceeds that we expect to receive in connection with the Yorkville Equity Facility Financing Agreement.

In addition, upon exercise, we will receive the cash exercise price of the Financing Warrants, the NioCorp Assumed Warrants, and our other outstanding Warrants (assuming, with respect to the Financing Warrants and the NioCorp Assumed Warrants, that they are not exercised on a cashless basis). We believe the likelihood that holders of the Financing Warrants, the NioCorp Assumed Warrants or other outstanding Warrants will exercise their Financing Warrants, NioCorp Assumed Warrants, or other outstanding Warrants, and therefore, the amount of cash proceeds that we would receive, is, among other things, dependent upon the market price of our Common Shares. For so long as the market price for our Common Shares is less than the applicable exercise price of the Financing Warrants, NioCorp Assumed Warrants, or other outstanding Warrants, we believe such holders will be unlikely to exercise their Financing Warrants, NioCorp Assumed Warrants, or other outstanding Warrants. The potential adverse effect on the prevailing market price of our Common Shares as a result of sales of Common Shares by us or by other security holders, or the perception that such sales may occur, could keep the market price for our Common Shares below the applicable exercise price of the Financing Warrants, the NioCorp Assumed Warrants, or other outstanding Warrants. Accordingly, the holders of the Financing Warrants, the NioCorp Assumed Warrants, or other outstanding Warrants may not exercise their Financing Warrants, NioCorp Assumed Warrants, or other outstanding Warrants before they expire, and we may not receive any proceeds from the exercise of the Financing Warrants, the NioCorp Assumed Warrants, or other outstanding Warrants.

We incurred significant debt in connection with the Transactions, including upon issuance of the Convertible Debentures, and we require significant additional capital to operate our business. For example, notwithstanding whether we are able to recognize the full value of the Yorkville Equity Facility Financing Agreement or receive the cash exercise price of the Financing Warrants, the NioCorp Assumed Warrants, or other outstanding Warrants, we are obligated to repay or issue Common Shares upon settlement of the full \$16.0 million aggregate principal amount of the Convertible Debentures, plus accrued interest. Such significant additional debt could adversely affect our business, which may prevent us from fulfilling our obligations with respect to our existing debt or obtaining future financing. Further, the Yorkville Convertible Debt Financing Agreement restricts us from pursuing certain variable rate financing transactions, which could impair our ability to obtain additional financing on terms that are favorable, or at all. In addition, if the market price of the Common Shares were to drop as a result of sales, or the perception of future sales, of Common Shares by us or by other security holders, this might impede our ability to raise additional capital. Our inability to obtain additional financing on terms that are favorable, or at all, could have a material adverse effect on our financial condition, results of operations and prospects.

***The Company has identified material weaknesses in its internal control over financial reporting. If not remediated, the Company's failure to establish and maintain effective disclosure controls and procedures and internal control over financial reporting could result in material misstatements in its financial statements and a failure to meet its reporting and financial obligations, each of which could have a material adverse effect on the Company's financial condition and the trading price of the Common Shares.***

Our management has identified material weaknesses in its internal control over financial reporting relating to its control over the consideration of all related relevant accounting guidance for non-routine transactions, its control over the design and maintenance of an effective control environment and risk assessment process, and its monitoring controls over the timely remediation of identified internal control weaknesses. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis.

As discussed in Item 9A, “Controls and Procedures,” of this Annual Report on Form 10-K, the Company’s management has assessed the effectiveness of its internal control over financial reporting and its disclosure controls and procedures and concluded that they were not effective as of June 30, 2023.

The Company is committed to remediating its material weaknesses as promptly as possible. Management is in the process of implementing its remediation plan. However, there can be no assurance as to when the material weaknesses will be remediated or that additional material weaknesses will not arise in the future. If the Company is unable to maintain effective internal control over financial reporting, its ability to record, process and report financial information timely and accurately could be adversely affected, which could subject the Company to litigation or investigations, require management resources, increase costs, negatively affect investor confidence and adversely impact the trading price of the Common Shares.

*We may face litigation and other risks as a result of the material weaknesses in our internal control over financial reporting.*

We identified material weaknesses in our internal control over financial reporting that exist as of June 30, 2023. As a result of such material weaknesses and other matters raised or that may in the future be raised by the SEC or the Canadian securities regulators, we face potential for litigation or other disputes, which may include, among others, claims invoking the federal and state securities laws, contractual claims or other claims arising from the material weaknesses in our internal control over financial reporting and the preparation of our financial statements. As of the date of this Annual Report on Form 10-K, we have no knowledge of any such litigation or dispute. However, we can provide no assurance that such litigation or dispute will not arise in the future. Any such litigation or dispute, whether successful or not, could adversely affect our business, financial condition and results of operations.

## **Risks Related to Mining and Development**

*We face numerous uncertainties in estimating our mineral reserves and resources and inaccuracies in our estimates could result in lower than expected revenues, higher than expected costs and decreased profitability.*

A mineral is economically recoverable when the price at which we may sell the mineral exceeds the costs and expenses of mining and selling the mineral. Forecasts of our future performance are based on, among other things, estimates of our mineral reserves. We base our reserve and resource information on engineering, economic and geological data assembled and analyzed by qualified persons, which include various engineers and geologists on our staff and of third parties. Our estimates are also subject to SEC regulations regarding classification of reserves and resources, including S-K 1300. Our reserve and resource estimates as to both quantity and quality are updated from time to time to reflect additional information received. There are numerous uncertainties inherent in estimating quantities and qualities of mineral reserves and resources, including many factors beyond our control.

Estimates of mineral reserves and resources necessarily depend upon a number of variable factors and assumptions, any one of which may, if incorrect, result in an estimate that varies considerably from actual results. These factors and assumptions include, but are not limited to:

- geologic and mining conditions, which may not be fully identified by available exploration data and may differ from our experience;
- demand for the minerals that we plan to produce;
- current and future market prices for minerals and contractual arrangements;
- current and future operating costs and capital expenditures may exceed estimates, notwithstanding that, under S-K 1300, operating cost and capital expenditure estimates in feasibility studies must have an accuracy level of at least  $\pm 15\%$  and a contingency range not exceeding 10%;
- additional capital expenditures related to the modification of the proposed surface plant related to the potential addition of rare earth elements;
- severance and excise taxes, royalties and development and reclamation costs;
- future mining technology improvements;
- the effects of regulation by governmental agencies;
- the ability to obtain, maintain and renew all required permits;
- employee health and safety; and
- historical production from the area compared with production from other producing areas.

The conversion of reported mineral resources to mineral reserves should not be assumed, and the reclassification of reported mineral resources from lower to higher levels of geological confidence should not be assumed. As such, actual mineral tonnage recovered from identified reserves, and revenues and expenditures with respect to our reserves, may vary materially from estimates. Thus, these estimates may not accurately reflect our actual reserves. Any material inaccuracy in our estimates related to our reserves could result in lower than expected revenues, higher than expected costs, or decreased profitability, which could materially and adversely affect our business, results of operations, financial position, and cash flows.

***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 production 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 mining 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 mining properties. We do not produce commercial products and do not currently generate operating earnings. While we seek to move our Elk Creek Project from a development stage property to a production stage property, 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 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 residents that may delay or prevent development activities; and
- potential increases in construction and operating costs due to changes in the cost and availability of labor, fuel, power, materials, and equipment and supplies, and the time elapsed since the most recent estimates of cost and availability were made.

It is common in new mining and processing operations to experience unexpected problems and delays during engineering, procurement, construction, commissioning, and initial operations. 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 production and increased costs of production. Accordingly, we cannot assure you that our activities will result in profitable operations or that we will successfully establish mining and processing 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 saleable final products 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.

Sc<sub>2</sub>O<sub>3</sub> 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 by-product from existing metallurgical plants, primarily in Russia, Canada, the Philippines, 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 TiO<sub>2</sub> that would result from normal variations in supply and demand for this commodity.

***We may not be able to establish a viable recovery process for REEs.***

The market for rare earth products requires particular levels of purity and chemical form, which are achieved through the extraction and separation of individual REEs from each other as well as from the other constituents in the rare earth ore. At present, the Company has substantially completed the engineering and testing of a process for producing commercial rare earth products but has not completed all work necessary to declare a REE reserve estimate for the Elk Creek deposit. The completion of the work necessary to demonstrate an economically feasible rare earth recovery system will require additional expenditures of cash and time to complete. There is no guarantee that the Company will be successful in demonstrating positive economics for a rare earth recovery system tied to the Elk Creek

Project, nor is there any guarantee that once constructed, the rare earth recovery system will operate as designed and produce saleable commercial products.

***Estimates of resources and reserves 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 resources/reserves within the earth using statistical sampling techniques. Estimates of any resources/reserves 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 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.***

Mineral 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 at commercial production scale.

The resource and reserve estimates included in the S-K 1300 Elk Creek Technical Report Summary and contained in this Annual Report on 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 resource/reserve estimates uneconomic and may result in reduced reported resources/reserves or may adversely affect any commercial viability determinations we may reach. Any material reductions in estimates of resources/reserves could have a material adverse effect on our Common Share price and on the value of our properties.

***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 water balance management at our Elk Creek Project could negatively affect our potential production and economics at the project.***

The Company has conducted three field investigations and two major technical studies 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 to treat water produced from the mine for use in its operations, there is no guarantee that the permits needed for the treatment of the water or the disposal of the resultant waste products will be issued by the State of Nebraska, nor is there any guarantee that such permits will be issued in a timely fashion. Further, based on such plans, the operations will rely on a water treatment system to achieve zero discharge of wastewater, and there is no guarantee that this system will function as designed or achieve nameplate treatment capacity.

***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 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 land and/or mineral rights lease agreements between ECRC and individual landowners give us an option to purchase additional property (“OTP”), which, along with the property we already own, will allow us to construct the Elk Creek Project once sufficient project financing is obtained. 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/reserve and, to the best of our knowledge, our rights in relation to lands covering the Elk Creek Project resource/reserve 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 OTP agreements, which are important for operations, are of fixed duration and expire between December 2024 and May 2040.

***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, mining, and surface 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.

#### **Risks Related to Government Regulation**

***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”). We believe that we have obtained the necessary USACE permits to construct the project, but changes to the design or layout of the facility may trigger the

USACE to require us to obtain and maintain additional permits 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 permits 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 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 development 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 and/or 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 development 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 mineral development 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 development. Our Elk Creek Project is located in Nebraska, and while the State does have a comprehensive and modern set of environmental regulations, it does not have specific regulations with respect to permitting or reclaiming mines which could potentially impact the total time to market for the project.

***Our activities are subject to environmental laws and regulations that may change, thereby increasing our costs of doing business and restricting 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 achieve water quality standards; and
- reasonably re-establish pre-disturbance landforms 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.

#### **Risks Related to Our Debt**

***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**

***NioCorp 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 U.S. federal income tax consequences for U.S. investors.***

If NioCorp is a passive foreign investment company (“PFIC”) for any taxable year, or portion thereof, that is included in the holding period of a U.S. holder of Common Shares or other securities of NioCorp, such U.S. holder

may be subject to certain adverse U.S. federal income tax consequences. These adverse tax consequences include requirements to treat any gain realized upon a disposition of Common Shares or other securities, or any “excess distribution” received on Common Shares, as ordinary income, to pay an interest charge on a portion of such gain or distribution, and certain additional reporting requirements. Such consequences may be mitigated with respect to Common Shares (but not with respect to warrants or other securities of NioCorp) if the holder thereof makes a timely and effective “qualified electing fund” or “QEF” election or a “mark-to-market” election. A U.S. holder of Common Shares that makes a QEF election generally must include in income on a current basis for U.S. federal income tax purposes its share of NioCorp’s net capital gain and ordinary earnings for any taxable year in which it is a PFIC, whether or not NioCorp distributes any amount to its shareholders. A U.S. holder of Common Shares that 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.

NioCorp generally will be classified as a PFIC for a taxable year if (a) 75% or more of its 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 its assets produce, or are held for the production of, passive income, based on the quarterly average of the fair market value of such assets. NioCorp believes that it may be classified as a PFIC for its taxable year ended June 30, 2023 and was classified as a PFIC for its taxable year ended June 30, 2022 and, based on the current composition of its income and assets, as well as current business plans and financial expectations, may be classified as a PFIC for future taxable years. Any conclusion regarding PFIC status is a factual determination that must be made annually at the close of each taxable year and, thus, is subject to change. In addition, even if NioCorp concluded it did not qualify as a PFIC, it is possible that the U.S. Internal Revenue Service (the “IRS”) could assert, and that a court could sustain, a determination that NioCorp is a PFIC. Accordingly, there can be no assurance that NioCorp will not be treated as a PFIC for any taxable year. The PFIC rules are complex and each holder of Common Shares or other securities of NioCorp should consult its own tax advisors regarding these rules and the U.S. federal income tax consequences of the acquisition, ownership, and disposition of such securities.

***The Transactions could result in NioCorp becoming subject to materially adverse U.S. federal income tax consequences.***

Section 7874 and related sections Code, provide for certain adverse tax consequences when the stock of a U.S. corporation is acquired by a non-U.S. corporation in certain transactions in which former shareholders of the U.S. corporation come to own 60% or more of the stock of the non-U.S. corporation (by vote or value, and applying certain specific counting and ownership rules). These adverse tax consequences include (i) potential additional required gain recognition by the U.S. corporation, (ii) treatment of certain payments to the non-U.S. corporation that reduce gross income as “base erosion payments,” (iii) an excise tax on certain options and stock-based compensation of the U.S. corporation, (iv) disallowance of “qualified dividend” treatment for distributions by the non-U.S. corporation, and (v) if former shareholders of the U.S. corporation come to own 80% or more of the stock of the non-U.S. corporation, treatment of the non-U.S. corporation as a U.S. corporation subject to U.S. federal income tax on its worldwide income (in addition to any tax imposed by non-U.S. jurisdictions). If the Transactions result in the application of any of these, or any other, adverse tax consequences, NioCorp could incur significant additional tax costs. While NioCorp currently does not believe the Transactions will cause such adverse tax consequences as a result of Section 7874 and related sections of the Code, this determination is subject to significant legal and factual uncertainty. NioCorp has not sought and will not seek any rulings from the IRS as to the tax treatment of any of the Transactions. Further, there can be no assurance that your tax advisor, the IRS, or a court, will agree with the position that NioCorp is not subject to these adverse tax consequences.

***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 and/or, if warranted, project development 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 Nasdaq and TSX has ranged as follows:

Exchange	High	Low
TSX	C\$17.10	C\$6.44
Nasdaq <sup>1</sup>	\$7.83	\$4.75

<sup>1</sup> Trading initiated on March 21, 2023.

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.

***Future sales, or the perception of future sales, of Common Shares by existing shareholders or by us, or future dilutive issuances of Common Shares by us, could adversely affect prevailing market prices for the Common Shares and cause investors to suffer dilution in their net book value per Common Share.***

Sales of a substantial number of Common Shares in the public market could occur at any time, including issuances and sales of additional Common Shares by us and sales by other security holders. These sales, or the market perception that the holders of a large number of Common Shares or securities convertible, exercisable, or exchangeable into Common Shares intend to sell Common Shares, could reduce the prevailing market price of the Common Shares. The effect, if any, that future public sales of these securities or the availability of these securities for sale will have on the market price of the Common Shares is uncertain. If the market price of the Common Shares were to drop as a result, this might impede our ability to raise additional capital and might cause remaining shareholders to lose all or part of their investment.

The Articles of NioCorp, as amended in connection with the Transactions, permit us to issue an unlimited number of Common Shares. Subject to the requirements of the British Columbia Business Corporations Act, Nasdaq and TSX, we will not be required to obtain the approval of the NioCorp shareholders for the issuance of additional Common Shares. 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. 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.

Additionally, pursuant to the Yorkville Equity Facility Financing Agreement, Yorkville has committed to purchase up to \$65.0 million of our Common Shares, at our direction from time to time during the Commitment Period, subject to certain limitations and the satisfaction of the conditions in the Yorkville Equity Facility Financing Agreement. We have filed a registration statement under the Securities Act covering resales by Yorkville of the Common Shares issuable pursuant to the Yorkville Equity Facility Financing Agreement. Accordingly, any Common Shares that we issue pursuant to the Yorkville Equity Facility Financing Agreement will be available for sale into the public market, subject to applicable securities laws, which could reduce the prevailing market price for the Common Shares.

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

Our Common Shares are currently listed on the Nasdaq Global Market and TSX under the symbol “NB”. The public NioCorp Assumed Warrants are currently listed on the Nasdaq Capital Market under the symbol “NIOBW.” Both the Nasdaq Capital Market and TSX have rules for continued listing. In order to maintain the listings, we must maintain certain financial and share distribution targets, including maintaining a minimum number of public shareholders. In addition to objective standards, TSX may delist the securities of any issuer if, in 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 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 TSX; or if any other event occurs or any condition exists which makes continued listing on TSX, in the opinion of TSX, inadvisable.

If Nasdaq or 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, a determination that our Common Shares are a “penny stock,” 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.

*If our Common Shares are considered a penny stock and are subject to the penny stock rules, broker-dealers may be discouraged from effecting transactions in Common Shares.*

Our Common Shares has in the past, and may in the future, be considered a “penny stock.” The SEC has adopted Rule 15c-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. Applicable penny stock rules 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 or \$300, 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. If and when applicable, 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 development stage property. The Elk Creek Project has established indicated and inferred resources along with probable reserves and the Company has completed a feasibility study for the project. The below information is in part summarized or extracted from our S-K 1300 Elk Creek Technical Report Summary, which was filed as Exhibit 96.1 to the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2022, and is incorporated by reference into this Annual Report on Form 10-K. The Company does not have any other material properties.

The qualified persons responsible for preparing the S-K 1300 Elk Creek Technical Report Summary are Dahrouge Geological Consulting USA Ltd.; Understood Mineral Resources Ltd.; Optimize Group; Tetra Tech; Adrian Brown Consultants Inc.; Metallurgy Concept Solutions; Magemi Mining Inc.; L3 Process Development; A2GC; Scott Honan, M.Sc, SME-RM, NioCorp; Everett Bird, P.E., Cementation; Matt Hales, P.E., Cementation; Mahmood Khwaja, P.E., CDM Smith; Martin Lepage, P.Eng, Ing., Cementation; and Wynand Marx, M.Eng, BBE Consulting. A matrix of the sections for which each qualified person is responsible is included in the S-K 1300 Elk Creek Technical Report Summary. Except for Scott Honan, none of the qualified persons is affiliated with the Company. Mr. Honan is the Chief Operating Officer of the Company. The technical content disclosed in this Form 10-K was reviewed and approved by Mr. Honan who is a Qualified Person as defined in NI 43-101.

#### *Property Description and Location*

The Elk Creek Property is a carbonatite deposit located in Johnson County, southeast Nebraska, USA. The carbonatite contains elements of economic significance, including niobium, titanium, and scandium, as well as potential economic significance for rare earth products. The Elk Creek Property is situated as shown 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 11E and Sections 19-23, 25-36; Township 4N, Range 11E, 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.



### ***Title and Ownership***

Land in the project area is exclusively owned by private entities, and there is no federal or state land in the project area. The Company has secured its rights to the project area by purchasing land from private landowners or by entering into agreements with the landowners as described below.

The Company currently owns one approximately 225-acre parcel of land and associated mineral rights, and an additional 40 acres of mineral rights, within the carbonatite footprint. The Elk Creek Project's mine infrastructure and a portion of the supporting operations is planned to be located on this land parcel. Ownership of the mineral rights discussed above includes a 2% NSR royalty and grants us access to more than 90% of the Elk Creek Project's mineral resources and mineral reserves.

As of June 30, 2023, the total book value of the Elk Creek Property and associated buildings and equipment was \$16.9 million.

The Company also holds eight OTPs that are associated with the Elk Creek Project and one perpetual easement of a land parcel along the Missouri River. The current optioned land package covers an area of 1,396 acres and is reflective of the land needed to secure the remaining mineral resources and mineral reserves held under the OTPs along with the land needed for the development and operations of the Elk Creek Project for its proposed 38-year operating life.

In general, exercise of an OTP is accomplished by paying the greater of a fixed amount per acre or a multiple of the appraised value at the time of purchase. If the land is not purchased by the Company during the term of the OTP and the land in question is needed for the project, the Company will negotiate a new OTP with the landowner. The OTP is accompanied by a negotiated payment to the landowner that is paid upon execution of the OTP by the Company and the landowner. As of June 30, 2023, the Company is obligated to make payments totalling approximately \$45,000 over the next 12 years to maintain our rights under these OTPs. Details on the current OTPs held by the Company are shown in the table below.

#### **Active Lease Agreements (OTP's) Covering the Elk Creek Project as of October 2023**

<b>Agreement Identifier</b>	<b>Hectares</b>	<b>Acres</b>	<b>Agreement Expiry</b>
Beethe007	66.27	163.75	20-Jan-26
Heidemann005	79.55	196.57	16-Mar-25
Nielsen001	100.90	249.32	25-Jun-25
Nielsen002	11.91	29.43	25-Jun-25
Woltemath80S	32.37	80.00	4-Dec-24
Woltemath002	152.49	376.81	4-Dec-24
Woltemath003J	89.03	220.00	25-Mar-25
Shuey001	32.37	80.00	27-May-40

The OTPs are between NioCorp's subsidiary ECRC and the individual landowners. Land subject to the OTP agreements is currently used for agricultural purposes, including growing row crops (corn and soybeans) and pasturing livestock. The land owned by ECRC houses the company drill core and geological sample repository in two steel core shed buildings and the company maintains a cover crop (sorghum and rye) on portions of the property that were formerly used for growing row crops. The former landowner maintains a residence and several outbuildings on the property subject to a life estate that accompanied the purchase of the property by the Company in fiscal year 2021.

The agreements that involve mineral rights include a 2% NSR royalty attached with the OTP. The OTPs grant the Company an exclusive right to explore and evaluate the property for the term thereof, with an option to purchase 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 option to purchase the surface rights only, it does not contain an NSR provision.

### *Land Tenure Map as of October 2023*



The current estimated mineral resource and reserve is wholly contained within land owned by the Company and parcel Woltemath003J. The Company considers these two properties to be the only properties on which the Company's development of the Elk Creek Project is substantially dependent.

As part of the OTPs, 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.

### ***Accessibility, Physiography, Climate and Infrastructure***

The Elk Creek Property is easily accessible year-round as it is situated approximately 45 miles southeast of Lincoln, Nebraska, the state capital, 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.

The Elk Creek Property is immediately adjacent to paved Nebraska state highway 50, and the mineral resource and mineral reserve are centered in Township 4N, Range 11E, Section 33. This section is immediately southwest of the junction of Nebraska state highways 50 and 62. Rail access is available in the town of Elk Creek, which is located 3 miles east of the project area. Water is available at the project site from a well, as well as from Elk Creek, which crosses Section 33. Water is also available from the Johnson County Rural Water system, which has distribution infrastructure on the north side of the Section 33 and from the Pawnee County Rural Water system, which has distribution infrastructure on the south side of Section 33. Electricity is provided at the Company's Core Storage sheds located on the west side of Section 33 on land owned by the Company from the Omaha Public Power District ("OPPD"). Personnel are available from the local surrounding towns, including Elk Creek (3 miles east), Tecumseh



(6 miles north), Steinauer (5 miles south), Pawnee City (10 miles south) and Syracuse (20 miles north). Due to the project's location in Nebraska, there are no ports nearby.

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.

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 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 for all on-site process needs and activities will be supplied from mine dewatering activities, local groundwater wells and from a local water utility. See "2022 Elk Creek 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 ft above sea level. Bedrock outcrop exposure is nonexistent in the Elk Creek Project area.

The majority of the area around the Elk Creek Project 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 Elk Creek Property includes a carbonatite that has intruded older Precambrian granitic and low- to medium-grade metamorphic basement rocks. The carbonatite is an elliptical magmatic body with a northwest-trending long axis perpendicular to the strike of the Midcontinent Rift System, near the northern part of the Nemaha uplift. The carbonatite consists predominantly of dolomite, calcite and ankerite, with lesser chlorite, barite, phlogopite, pyrochlore, serpentine, fluorite, sulfides, bastnasite, monazite, 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.

#### Mineralization

The property hosts niobium, titanium, and scandium mineralization as well as REE 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, scandium, and rare earths 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 Rare Earth Developments Corp ("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 and reserve estimates. Five additional holes, with a total length of 3,353.1 m, were drilled for hydrogeologic and geotechnical purposes in 2015. No sampling has been completed of these five holes to date and therefore they have not been considered for the mineral resource or reserve estimates.

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.

#### **Summary of Drilling Database within Elk Creek Deposit Area**

<b>Year</b>	<b>Company</b>	<b>Number of Holes</b>	<b>Average Depth (m)</b>	<b>Sum Length (m)</b>
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

#### **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 m by 610 m (roughly 2,000 ft by 2,000 ft) with some closer spaced drillholes in selected areas.

By 1986, a total of 106 regional 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**

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 and reserve estimation, as they do not intersect the Nb<sub>2</sub>O<sub>5</sub> 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. 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.

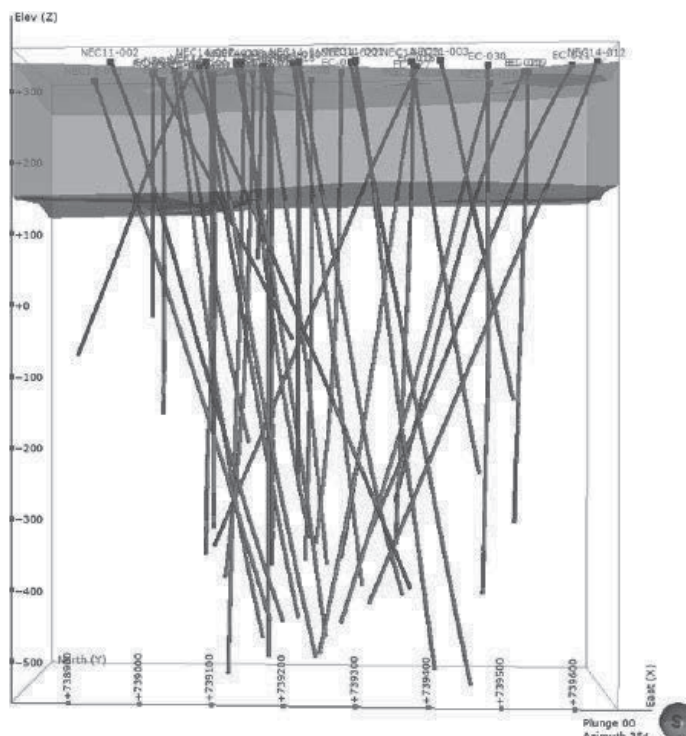
During fiscal year 2022, NioCorp collected a total of 1,095 samples originating from 18 diamond drill holes completed by MolyCorp, as discussed above. These samples were collected, and subsequently assayed, in order to fill in gaps in our records regarding REE grades and tonnage that may exist in the deposit. Assaying was conducted at Actlabs in Ancaster, Ontario. The assay results were subjected to a Quality Assurance and Quality Control ("QA/QC") program consistent with industry best practices.

A list of the drillholes, sample storage location, and number of assay results, related to the records gaps noted above, are presented below and are represented as blue drillhole intervals. Each sample represented a 5-foot section of drill core. All of the holes noted below were drilled into the Elk Creek carbonatite in the vicinity of the mineral resource for the Elk Creek Project.

#### **Pre-2021 Hole Sampling Summary**

<b>Resource Area Drillholes</b>	<b>Source / Storage Facility</b>	<b>Samples selected for REE and Sc Assays</b>
EC-011	MolyCorp Samples / Mead Core Warehouse	65
EC-014	MolyCorp Samples / Mead Core Warehouse	16
EC-015	MolyCorp Samples / Mead Core Warehouse	151
EC-016	MolyCorp Samples / Mead Core Warehouse	26
EC-018	MolyCorp Samples / Mead Core Warehouse	92
EC-019	MolyCorp Samples / Mead Core Warehouse	53
EC-020	MolyCorp Samples / Mead Core Warehouse	30
EC-021	MolyCorp Samples / Mead Core Warehouse	45
EC-022	MolyCorp Samples / Mead Core Warehouse	57
EC-024	MolyCorp Samples / Mead Core Warehouse	19
EC-026	MolyCorp Samples / Mead Core Warehouse	86
EC-027	MolyCorp Samples / Mead Core Warehouse	34
EC-029	MolyCorp Samples / Mead Core Warehouse	27
EC-030	MolyCorp Samples / Mead Core Warehouse	25
EC-031	MolyCorp Samples / Mead Core Warehouse	47
EC-032	MolyCorp Samples / Mead Core Warehouse	111
EC-034	MolyCorp Samples / Mead Core Warehouse	54
EC-037	MolyCorp Samples / Mead Core Warehouse	74
EC-054	MolyCorp Samples / Mead Core Warehouse	83
	<b>Total</b>	<b>1,095</b>

## Resource Area Assay Distribution Showing REE Assays (Red) and REE Assay Gaps (Blue).



### Internal Controls

NioCorp integrated a series of routine QA/QC procedures throughout the sampling and analytical analysis for drilling programs to ensure the highest level of quality was maintained throughout the process leading to the estimate of mineral reserves and mineral resources for the Elk Creek Project. This included the insertion of duplicate samples taken from various stages of the process, insertion of known control samples (standard reference materials, certified reference materials (“CRM”), and blanks) and sending third-party pulps to the secondary lab (SGS Canada Inc.).

Sample tickets were assigned initially at the core shed using barcodes with duplicate tickets placed inside and on the outside of the bag. Sample identification was confirmed using barcode labelling and visual sample type comparisons before sample shipment. The use of barcoded samples ensured both shipment forms and analytical labs used accurate information. Multiple types of QC samples were inserted at this stage of the process, which includes the following:

- Field quartz blanks (1 in 20, or 5%) were inserted within or immediately after samples collected from mineralized intervals, targeting zones of elevated visual mineralization, where possible.
- CRMs (1 in 20, or 5%) were inserted in the field with the sample sequence.
- Field quarter-core duplicates (1 in 20, or 5%) were inserted to test mineralization and sampling variability.

Additional details on the QA/QC program can be found in Section 8 of the S-K 1300 Elk Creek Technical Report Summary.

Mineral deposits, including the Elk Creek deposit, are inherently uncertain because of variability at all scales and sparse sampling. In addition to uncertainty associated with estimation, there are specific risks and sources of uncertainty associated with the Elk Creek deposit. See Item 1A, Risk Factors.

S-K 1300 and other similarly purposed International Codes (JORC, 2012; NI 43-101, 2014) are designed to require disclosure to the public of risks relating to mineral resource and reserve estimation as identified and evaluated by a qualified person. The qualified persons responsible for the S-K 1300 Elk Creek Technical Report Summary address the technical risks in various sections and consider that no material technical risks are identified. Additional descriptions of the risks and uncertainty associated with reported mineral reserves and resources can be found in Section 11 of the S-K 1300 Elk Creek Technical Report Summary.

#### ***2022 Elk Creek Feasibility Study***

During fiscal year 2022, the Company launched geological, metallurgical, engineering, and other analyses to assess the feasibility of adding REE production to its plans once sufficient work has been completed. The Company and its consultants were required to complete additional assays of historical drill core to fill data gaps in the existing resource database to establish an REE mineral resource. The mine plan was also updated and the S-K 1300 Elk Creek Technical Report Summary was filed with the SEC as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2022. The S-K 1300 Elk Creek Technical Report Summary was based on the economic and process results of the feasibility study conducted by the qualified persons, which were also presented in the 2022 NI 43-101 Elk Creek Technical Report.

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 2,764 tonnes per day. Expected total production over the 38-year mine life includes 171,140 tonnes of payable niobium, 3,676 tonnes of  $\text{Sc}_2\text{O}_3$ , and 431,793 tonnes of  $\text{TiO}_2$ . Estimated up-front direct capital costs are \$760 million, in addition to indirect costs of \$187 million, pre-production capital costs of \$92 million, an overall contingency of \$102 million, and pre-production net revenue credit of \$257 million.

#### **Financial Analysis Included in the 2022 Elk Creek Feasibility Study**

The metrics reported in the S-K 1300 Elk Creek Technical Report Summary are based on the 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 first quarter 2019 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 Included in the 2022 Elk Creek Feasibility Study**

<b>Description</b>	<b>Value</b>
Pre-Production Period	4 years
Process Plant Life	38 years
Mine Operating Days per Year	365
Mill Operating Days per Year	365
Discount Rate, End of Period	@ 8%
Commercial Production Year	2025

Summary of Key Evaluation Metrics Included in the 2022 Elk Creek Feasibility Study

Description	Value
Ore Mined (kt)	36,655
Ore Mining Rate (t/d)	2,764
Niobium Grade	0.81%
Scandium Grade (parts per million, “ppm”)	70.2
TiO <sub>2</sub> Grade	2.92%
Contained Nb <sub>2</sub> O <sub>5</sub> (kt)	297
Contained Sc (t)	2,573
Contained TiO <sub>2</sub> (kt)	1,071
Total Ore Processed (kt)	36,655
Processing Rate (kt/y)	1,009
Average Recovery, Nb <sub>2</sub> O <sub>5</sub>	82.4%
Average Recovery Sc	93.1%
Average Recovery TiO <sub>2</sub>	40.3%
Recovered Nb <sub>2</sub> O <sub>5</sub> (kt)	245
Recovered Sc (t)	2,395
Recovered TiO <sub>2</sub> (kt)	432
Realized Market Prices	
Nb (US\$/kg)	\$46.55
TiO <sub>2</sub> (US\$/kg)	\$0.99
Sc <sub>2</sub> O <sub>3</sub> (US\$/kg)	\$3,674
Payable Metal	
Nb (t)	171,140
Sc <sub>2</sub> O <sub>3</sub> (t)	3,676
TiO <sub>2</sub> (t)	431,793

Summary Projected Economic Results Included in the 2022 Elk Creek Feasibility Study

Description	Value (\$000)
Total Gross Revenue	\$21,899,726
Operating Costs:	
Mining Cost	(1,553,325)
Process Cost	(3,911,116)
Site G&A Cost	(300,400)
Concentrate Freight Cost	(10,472)
Other Infrastructure Costs	(200,407)
Water Management Cost	(609,195)
Tailings Management Cost	(73,822)
Property Tax	(217,540)
Royalties	(300,503)
Annual Bond Premium	(5,500)
Total Operating Costs	(7,182,280)
Operating Margin (EBITDA <sup>1</sup> )	14,717,445
Effective Tax Rate	16.42%
Total Taxes	(2,246,186)
Working Capital	-
Operating Cash Flow	\$12,471,258

Totals may not sum due to rounding.

1 - The term “EBITDA” refers to earnings before interest, taxes depreciation and amortization. See “Non-GAAP Financial Performance Measures” below for a discussion of the use of non-GAAP financial measures.

#### Operating Cost Estimates Included in the 2022 Elk Creek Feasibility Study

The following LoM unit operating costs include the pre-production and first/last years of production.

Description	LoM US\$/t ore
Mining Cost	\$42.38
Process Cost	106.70
Water Management Cost	16.62
Site G&A Cost	8.20
Other Infrastructure	5.47
Tailings Management Cost	2.01
Other Expenses	6.22
Subtotal	187.59
Royalties/Annual Bond Premium	8.35
Total LoM Operating Costs	\$195.94

Totals may not sum due to rounding.

#### Capital Cost Estimates Included in the 2022 Elk Creek Feasibility Study

The following table shows the breakout in LoM initial capital and sustaining capital cost estimates (excluding closure and reclamation of \$44 million), which total \$1,562 million. This includes a total initial capital cost of \$1,141 million, including a 10% contingency.

Description	(\$000,000)		
	Initial	Sustaining	Total
Capitalized Preproduction Expenses	\$77	\$-	\$77
Site Preparation and Infrastructure	41	15	56
Processing Plant	367	96	464
Water Management and Treatment	74	24	97
Mining Infrastructure	257	198	455
Tailings Management	21	79	100
Site Wide Indirects	7	-	7
Processing Indirects	96	-	96
Mining Indirects	41	-	41
Commissioning	15	-	15
Owner's Costs	34	-	34
Mine Water Management Indirects	9	-	9
Contingency	102	9	111
Total Capital Costs	\$1,141	\$422	\$1,562

Totals may not sum due to rounding.

#### Planned Mining Operations

The Elk Creek Project is planned as an 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 top hammer and down-the-hole drills for vertical development and production stoping. Rock bolters will be used for ground support and probe holes will be used to support mine grouting where required. 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 an ore pass directly or to remuck bays to maximize the efficiency of the stope mucking operations. When needed, 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. Multiple remuck bays are used on each level to avoid interference between the LHD and the haul trucks. The ore is fed through the grizzlies with rock breakers 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. 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 15 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 (Hydrochloric Acid 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  $\text{TiO}_2$  and  $\text{Sc}_2\text{O}_3$ , with  $\text{Nb}_2\text{O}_5$  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  $\text{Nb}_2\text{O}_5$  coming from the Hydromet plant by converting it into a saleable 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  $\text{Nb}_2\text{O}_5$  to produce a saleable ferroniobium metal.

#### Proposed Production Plan and Schedule

Based on the 2022 Elk Creek Feasibility Study, the operating mine life is approximately 38 years with a nominal processing rate of 2,764 tonnes per day. The Elk Creek Project timeline is based on 39 months to mechanical completion after Authorization to Proceed, plus an additional six months of commissioning and ramp-up to 100% 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 engineered and lined tailings storage facilities (“TSFs”) will be constructed sequentially to contain the tailings over the life of the Elk Creek Project and would contain approximately 14.5 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 Salt Management

The crystalline salt produced as a waste product of heating and evaporating brine from the reverse osmosis (“RO”) water treatment plant will be transported by conveyor to the temporary salt staging area and then be transported by truck to the dedicated salt management cells (“SMC”). Two SMCs will be constructed sequentially to contain the salt over the life of the project and would contain approximately 1.63 million cubic meters of salt. The SMCs design will incorporate a composite-lined storage area with double-lined containment including a leak collection and recovery system for management of stormwater runoff and drainage.

#### Proposed Water Management

For the first several years of construction, the advancement of the shaft and underground workings will require limited dewatering, anticipated to be through lower-level sumping and pumping for surface collection and disposal. Initially, water will be stored in the lined SMC #1 during construction or will be trucked off-site for treatment at a local publicly owned treatment works. Excess water in the SMCs will be spray evaporated within the footprint of the SMC, to avoid the reintroduction of soluble salts into the water treatment system. Temporary on-site storage or off-site shipment and disposal of the crystallizer solid waste may be necessary until construction of SMC #1 is completed.

Once full operations commence, we anticipate a shortfall of approximately 3,700 gallons per minute of operational and processing water, as the underground mine dewatering is only expected to produce 1,000 gallons per minute. To make up this shortfall, we would purchase fresh water from a local utility and from local landowners.

Once tailings begin being deposited in the TSF, internal contact water (from residual moisture in the tailings and precipitation falling within the impoundment footprint) will need to be actively managed. This water will be collected and treated using lime softening to precipitate hydroxide and carbonate solid forms for many of the inorganic constituents. The treated water will be filtered to remove the solids (which will be returned to the TSF for disposal), and the clean water will be pumped to the process plant RO system for further treatment. The clean water from the process plant RO unit will be used in the process plant, and the reject concentrate will be crystallized and deposited into the SMCs.

#### Proposed Source of 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 charges on the electrical usage.

#### Proposed Source of Natural Gas

Natural gas, to be used throughout the Elk Creek Project during the construction and operation phases of the project, will be brought to the site via pipeline from the local utility company. NioCorp has a natural gas transportation contract with Tallgrass Energy, which operates the Rockies Express (“REX”) pipeline. Tallgrass will construct a 45 kilometer (28 mile) gas pipeline lateral from the main REX pipeline system in Kansas to the project site. The lateral will be sized to provide a minimum of 27.5 dekatherms of gas per day. Natural gas will be distributed to all on-site facilities utilizing buried high-density polyethylene natural gas distribution pipe. Natural gas piping above ground and located inside of facilities will consist predominately of carbon steel pipe. Maximum on-site pipeline distribution pressure will be 100 pounds per square inch gauge. Natural gas will be used for facility heating, water heating, and for gas-fired process equipment.

#### Markets

Market studies for niobium,  $\text{TiO}_2$ , and  $\text{Sc}_2\text{O}_3$  are an important part of the proposed Elk Creek operation. These commodities, especially niobium and  $\text{Sc}_2\text{O}_3$ , 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.

The economic analysis in the 2022 Elk Creek Feasibility Study used the 2019 U.S. dollar base price of \$47/kg Nb as the forward-looking price for steel grade (65%) ferroniobium based on published independent third-party reports. 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 market assessment in April 2017. The study examines current scandium production trends (approximately 20 tons/year) 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 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. The pricing sheet for the OnG Commodities report was updated for NioCorp in 2019.

No formal market study was done for  $\text{TiO}_2$  as it only represents 2% of overall revenue in the economic analysis. All market information for titanium and  $\text{TiO}_2$  is derived from USGS Commodity Market Summaries (Bedinger, 2019).



#### Taxation Rates Included in the 2022 Elk Creek Feasibility Study

Taxes that may be levied on the Elk Creek Project include corporate income tax rates of 21% for federal and 5.84% for Nebraska. 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 16.42% for the 2022 Feasibility Study.

#### Design Considerations for Environmental Performance

The current mine design incorporates these following strategies and technologies designed to minimize environmental impacts of operation:

- Zero Process Liquid Discharge: The Elk Creek facility will now operate as a “Zero Process Liquid Discharge” facility, with no releases of process liquids. Instead, both naturally occurring, brackish (slightly salty) water produced during mining operations, and water used in ore processing, will be treated on site for use in operations. A solid salt will be produced from water treatment operations which will be stored on site.
- Additional Protection of Groundwater Resources Through Artificial Ground Freezing: The Elk Creek Project’s new mine design will utilize artificial ground freezing as part of the process of sinking the production and ventilation shafts. Artificial ground freezing creates a temporary frozen barrier that helps to protect groundwater resources in the area while shaft-sinking operations are underway.
- Avoidance of Permanent Impacts to Federally Jurisdictional Waters: We designed the layout of the Elk Creek Project to minimize or avoid permanent impacts to any federally jurisdictional waters and/or wetlands on the property. This reduced the expected environmental impacts and allowed the Elk Creek Project to secure a Clean Water Act Section 404 permit from the USACE under the Nationwide Permit Program, a much more efficient and less expensive process than an individual Section 404 permit. No other NEPA-level federal permits are now expected to be required for the Elk Creek Project.
- Recycling of Reagents Used in Mineral Processing: Metallurgical and process advances made in 2016 and 2017 are expected to help reduce the volume of material planned for disposal in the Elk Creek Project’s tailings storage areas. As more of this material is recycled, the environmental footprint of the Elk Creek Project is reduced.
- Utilizing Tailings as Underground Mine Backfill: We plan to fill underground voids concurrently with mining operations using a paste backfill material that contains mine waste material that typically would be stored in above-ground tailings storage areas.

The Company has not identified any significant encumbrances to the property it owns or holds under OTP agreements. The Company has not had any permit violations or fines since the filing of our Annual Report on Form 10-K for the fiscal year ended June 30, 2022.

Permitting requirements for the project have been identified. The Company holds an Air Construction Permit from the State of Nebraska and a Special Use Permit from Johnson County, both of which are necessary to allow the start of project construction. In addition, the Elk Creek Project will be required to obtain a series of permits for operations from federal, state, and local agencies. The majority of these permits are ministerial in nature and present minimal risk to the Company, and typically involve the completion of an application and the payment of a nominal fee. Three permits from the state of Nebraska are discretionary in nature, where an application and fee are provided to the state and the state must make a decision as to whether or not the permit will be granted. While the risk involved in such permits is low, such discretionary permits require more processing time by the state and do require the state agency to make a decision in favor of issuance of the permit. These three permits include the following:

- Solid Waste Permit;
- Air Operating Permit; and
- Radioactive Materials License.

The cost and schedule for obtaining both the discretionary and ministerial permits is included in the overall execution plan for the Elk Creek Project. Additional details on the project's permitting requirements can be found in Section 17 of the S-K 1300 Elk Creek Technical Report Summary.

#### Mineral Reserves and Resources

The mineral reserves and mineral resources disclosed below are based on the S-K 1300 Elk Creek Technical Report Summary, which was originally filed as Exhibit 96.1 to the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2022. Mineral reserves and mineral resources at the Elk Creek Project as of June 30, 2023, are summarized in the tables below. Further discussion and background regarding the approaches used to establish mineral reserves and mineral resources is contained in Chapters 11 and 12 of the S-K 1300 Elk Creek Technical Report Summary.

#### Elk Creek Project In Situ Mineral Resource Estimate (niobium, titanium, and scandium) Excluding Reserves as of June 30, 2023

Class	NSR Cutoff	Tonnage (Mt)		
Indicated	US\$180	151.7	Nb <sub>2</sub> O <sub>5</sub> (%)	Nb <sub>2</sub> O <sub>5</sub> (kt)
			0.43	649.8
			TiO <sub>2</sub> (%)	TiO <sub>2</sub> (kt)
			2.02	3,067
			Sc (ppm)	Sc (t)
Inferred	US\$180	108.3	56.42	8,558
			Nb <sub>2</sub> O <sub>5</sub> (%)	Nb <sub>2</sub> O <sub>5</sub> (kt)
			0.39	426.6
			TiO <sub>2</sub> (%)	TiO <sub>2</sub> (kt)
			1.92	2,082
			Sc (ppm)	Sc (t)
			52.28	5,660

#### Elk Creek Project In Situ Mineral Resource Estimate (rare earth oxides) Excluding Reserves as of June 30, 2023

Class	NSR Cut-off	Tonnage (Mt)						
Indicated	US\$180	151.7	La <sub>2</sub> O <sub>3</sub> (%)	La <sub>2</sub> O <sub>3</sub> (kt)	Ce <sub>2</sub> O <sub>3</sub> (%)	Ce <sub>2</sub> O <sub>3</sub> (kt)	Pr <sub>2</sub> O <sub>3</sub> (%)	Pr <sub>2</sub> O <sub>3</sub> (kt)
			0.0766	116.2	0.1320	200.2	0.0140	21.3
			Nd <sub>2</sub> O <sub>3</sub> (%)	Nd <sub>2</sub> O <sub>3</sub> (kt)	Sm <sub>2</sub> O <sub>3</sub> (%)	Sm <sub>2</sub> O <sub>3</sub> (kt)	Eu <sub>2</sub> O <sub>3</sub> (%)	Eu <sub>2</sub> O <sub>3</sub> (kt)
			0.0511	77.5	0.0116	17.6	0.0040	6.0
			Gd <sub>2</sub> O <sub>3</sub> (%)	Gd <sub>2</sub> O <sub>3</sub> (kt)	Tb <sub>2</sub> O <sub>3</sub> (%)	Tb <sub>2</sub> O <sub>3</sub> (kt)	Dy <sub>2</sub> O <sub>3</sub> (%)	Dy <sub>2</sub> O <sub>3</sub> (kt)
			0.0096	14.6	0.0011	1.6	0.0044	6.7
			Ho <sub>2</sub> O <sub>3</sub> (%)	Ho <sub>2</sub> O <sub>3</sub> (kt)	Er <sub>2</sub> O <sub>3</sub> (%)	Er <sub>2</sub> O <sub>3</sub> (kt)	Tm <sub>2</sub> O <sub>3</sub> (%)	Tm <sub>2</sub> O <sub>3</sub> (kt)
			0.0006	1.0	0.0015	2.2	0.0002	0.3
			Yb <sub>2</sub> O <sub>3</sub> (%)	Yb <sub>2</sub> O <sub>3</sub> (kt)	Lu <sub>2</sub> O <sub>3</sub> (%)	Lu <sub>2</sub> O <sub>3</sub> (kt)	Y <sub>2</sub> O <sub>3</sub> (%)	Y <sub>2</sub> O <sub>3</sub> (kt)
			0.0010	1.5	0.0001	0.2	0.0187	28.4
Inferred	US\$180	108.3	LREO (%)	LREO (kt)	HREO (%)	HREO (kt)	TREO (%)	TREO (kt)
			0.2737	415.2	0.0528	80.0	0.3265	495.2
			La <sub>2</sub> O <sub>3</sub> (%)	La <sub>2</sub> O <sub>3</sub> (kt)	Ce <sub>2</sub> O <sub>3</sub> (%)	Ce <sub>2</sub> O <sub>3</sub> (kt)	Pr <sub>2</sub> O <sub>3</sub> (%)	Pr <sub>2</sub> O <sub>3</sub> (kt)
			0.0943	102.1	0.1576	170.6	0.0163	17.7
			Nd <sub>2</sub> O <sub>3</sub> (%)	Nd <sub>2</sub> O <sub>3</sub> (kt)	Sm <sub>2</sub> O <sub>3</sub> (%)	Sm <sub>2</sub> O <sub>3</sub> (kt)	Eu <sub>2</sub> O <sub>3</sub> (%)	Eu <sub>2</sub> O <sub>3</sub> (kt)
			0.0575	62.2	0.0116	12.6	0.0038	4.1
			Gd <sub>2</sub> O <sub>3</sub> (%)	Gd <sub>2</sub> O <sub>3</sub> (kt)	Tb <sub>2</sub> O <sub>3</sub> (%)	Tb <sub>2</sub> O <sub>3</sub> (kt)	Dy <sub>2</sub> O <sub>3</sub> (%)	Dy <sub>2</sub> O <sub>3</sub> (kt)
			0.0090	9.8	0.0010	1.1	0.0042	4.6
			Ho <sub>2</sub> O <sub>3</sub> (%)	Ho <sub>2</sub> O <sub>3</sub> (kt)	Er <sub>2</sub> O <sub>3</sub> (%)	Er <sub>2</sub> O <sub>3</sub> (kt)	Tm <sub>2</sub> O <sub>3</sub> (%)	Tm <sub>2</sub> O <sub>3</sub> (kt)
			0.0006	0.7	0.0014	1.5	0.0002	0.2
			Yb <sub>2</sub> O <sub>3</sub> (%)	Yb <sub>2</sub> O <sub>3</sub> (kt)	Lu <sub>2</sub> O <sub>3</sub> (%)	Lu <sub>2</sub> O <sub>3</sub> (kt)	Y <sub>2</sub> O <sub>3</sub> (%)	Y <sub>2</sub> O <sub>3</sub> (kt)
			0.0010	1.1	0.0001	0.1	0.0182	19.7
			LREO (%)	LREO (kt)	HREO (%)	HREO (kt)	TREO (%)	TREO (kt)
			0.3257	352.6	0.0512	55.5	0.3769	408.1

#### Notes:

- Classification of mineral resources in the above tables is in accordance with the S-K 1300 classification system. Mineral resources in this table are reported exclusive of mineral reserves.
- Mineral resources that are not mineral reserves do not have demonstrated economic viability.

- c. The mineral resources are reported at a Diluted Net Smelter Return (NSR) Cut-off of US\$180/tonne.
- d. The diluted NSR is defined as:
- Diluted NSR (US\$)= 
$$\frac{\text{Revenue per block Nb}_2\text{O}_5 \text{ (diluted)} + \text{Revenue per block TiO}_2 \text{ (diluted)} + \text{Revenue per block Sc (diluted)}}{\text{Diluted tonnes per block}}$$
  - The diluted revenue from Nb<sub>2</sub>O<sub>5</sub>, TiO<sub>2</sub>, and Sc per block used the following factors:
    - Nb<sub>2</sub>O<sub>5</sub> Revenue: a 94% grade recovery, a 0.696 factor to convert Nb<sub>2</sub>O<sub>5</sub> to Nb, 82.36% assumption for plant recovery, and a US\$39.60 selling price per kg of ferroniobium as of June 30, 2022.
    - TiO<sub>2</sub> Revenue: a 94% grade recovery, a 40.31% assumption for plant recovery, and an US\$0.88 selling price per kg of titanium oxide as of June 30, 2022.
    - Sc Revenue: a 94% grade recovery, a 1.534 factor to convert Sc to Sc<sub>2</sub>O<sub>3</sub>, 93.14% assumption for plant recovery, and a US\$3,675 selling price per kg of scandium oxide as of June 30, 2022.
    - The diluted tonnes are a 6% increase in the total tonnes of the block.
  - e. Price assumptions for FeNb, Sc<sub>2</sub>O<sub>3</sub>, and TiO<sub>2</sub> as shown in note d, above, are based upon independent market analyses for each product.
  - f. Numbers may not sum due to rounding. The rounding is not considered to be material.
  - g. Rare Earth Oxides (REO) were evaluated as a potential by-product to the mining of niobium, titanium, and scandium; thus, the estimated values of the REOs are reported using the previously determined diluted NSR as derived from the Nb<sub>2</sub>O<sub>5</sub>, TiO<sub>2</sub>, and Sc mineral resources and are assigned a price of \$0
  - h. The stated Light Rare Earth Oxides (LREO) grade (%) is the summation of La<sub>2</sub>O<sub>3</sub> (%), Ce<sub>2</sub>O<sub>3</sub> (%), Pr<sub>2</sub>O<sub>3</sub> (%), and Nd<sub>2</sub>O<sub>3</sub> (%) estimates.
  - i. The stated Heavy Rare Earth Oxides (HREO) grade (%) is the summation of Sm<sub>2</sub>O<sub>3</sub> (%), Eu<sub>2</sub>O<sub>3</sub> (%), Gd<sub>2</sub>O<sub>3</sub> (%), Tb<sub>2</sub>O<sub>3</sub> (%), Dy<sub>2</sub>O<sub>3</sub> (%), Ho<sub>2</sub>O<sub>3</sub> (%), Er<sub>2</sub>O<sub>3</sub> (%), Tm<sub>2</sub>O<sub>3</sub> (%), Yb<sub>2</sub>O<sub>3</sub> (%), Lu<sub>2</sub>O<sub>3</sub> (%), and Y<sub>2</sub>O<sub>3</sub> (%) estimates.
  - j. The stated Total Rare Earth Oxide (TREO) grade (%) is the summation of LREO (%) and HREO (%).
  - k. The effective date of the mineral resource, including by-products, is June 30, 2023.

**Elk Creek Project Underground In Situ Mineral Reserves Estimate for Elk Creek as of June 30, 2023**

Classification	Tonnage (kt)	Nb <sub>2</sub> O <sub>5</sub> Grade (%)	Contained Nb <sub>2</sub> O <sub>5</sub> (t)	Payable Nb (t)	TiO <sub>2</sub> Grade (%)	Contained TiO <sub>2</sub> (t)	Payable TiO <sub>2</sub> (t)	Sc Grade (ppm)	Contained Sc (t)	Payable Sc <sub>2</sub> O <sub>3</sub> (t)
Proven	-	-	-	-	-	-	-	-	-	-
Probable	36,656	0.81	297,278	170,409	2.92	1,071,182	431,793	70.2	2,573	3,677
<b>Total</b>	<b>36,656</b>	<b>0.81</b>	<b>297,278</b>	<b>170,409</b>	<b>2.92</b>	<b>1,071,182</b>	<b>431,793</b>	<b>70.2</b>	<b>2,573</b>	<b>3,677</b>

All figures are rounded to reflect the relative accuracy of the estimates. Totals may not sum due to rounding.

- The Qualified Person for the mineral reserve estimate is Optimize Group Inc. The estimate has an effective date of June 30, 2023.
- The mineral reserve is based on the mine design, mine plan, and cash-flow model utilizing an average cut-off grade of 0.679% Nb<sub>2</sub>O<sub>5</sub> with an NSR of US\$180/mt.
- The estimate of mineral reserves may be materially affected by metal prices, environmental, permitting, legal, title, taxation, socio-political, marketing, infrastructure development, or other relevant issues.
- The economic assumptions used to define mineral reserve cut-off grade are as follows:
  - Annual life of mine (LoM) production rate of ~7,450 tonnes of FeNb/annum during the years of full production.
  - Initial elevated five-year production rate ~ 7,500 tonnes of FeNb/annum when full production is reached.
  - Mining dilution of ~6% was applied to all stopes and development, based on 3% for the primary stopes, 9% for the secondary stopes, and 5% for ore development.
  - Mining recoveries of 95% were applied in longhole stopes and 62.5% in sill pillar stopes.

Parameter	Value	Unit
Mining Cost	42.38	US\$/t mined
Processing	106.70	US\$/t mined
Water Management and Infrastructure	16.62	US\$/t mined
Tailings Management	2.01	US\$/t mined
Other Infrastructure	5.47	US\$/t mined
General and Administrative	8.91	US\$/t mined
Royalties/Annual Bond Premium	8.34	US\$/t mined
Other Costs	6.29	US\$/t mined
<b>Total Cost</b>	<b>196.72</b>	<b>US\$/t mined</b>
Nb <sub>2</sub> O <sub>5</sub> to Niobium Conversion	69.60	%
Niobium Process Recovery	82.36	%

Niobium Price	39.60	US\$/kg
TiO <sub>2</sub> Process Recovery	40.31	%
TiO <sub>2</sub> Price	0.88	US\$/kg
Sc Process Recovery	93.14	%
Sc to Sc <sub>2</sub> O <sub>3</sub> Conversion	153.40	%
Sc Price	3,675.00	US\$/kg

- Price assumptions are as follows: FeNb US\$39.60/kg Nb, Sc<sub>2</sub>O<sub>3</sub> US\$3,675/kg, and TiO<sub>2</sub> US\$0.88/kg. Price assumptions are based upon independent market analyses for each product as of June 30, 2022.
- Price and cost assumptions are based on the pricing of products at the “mine-gate,” with no additional down-stream costs required. The assumed products are ferri-niobium (metallic alloy shots consisting of 65%Nb and 35% Fe), a titanium dioxide product in powder form, and scandium trioxide in powder form.
- The mineral reserve has an average LoM NSR of US\$563.06/tonne.
- Optimize Group has provided detailed estimates of the expected costs based on the knowledge of the style of mining (underground) and potential processing methods (by 3rd party Qualified Persons).
- Mineral reserve effective date is June 30, 2023. The financial model was run after the estimate of the NSR above, which reflects a total cost per tonne of US\$196.72 versus US\$189.91. This is not considered a material change.
- Price variances for commodities are based on independent market studies versus earlier projected pricing. The independent market studies do not have a negative effect on the reserve.

#### Comparison of Mineral Resources and Mineral Reserves

There were no changes in the Elk Creek Project mineral resource or reserve estimates as of June 30, 2023, as compared to the Elk Creek Project mineral resource and reserve estimates as of June 30, 2022.

#### *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. At the present time, the company believes that we have completed the major federal permitting actions needed for project construction, although changes to the design or location of project facilities may require that additional federal permits be obtained.
- Construction at the facility requires the Air Permit from the State of Nebraska, which was issued to the Company on June 2, 2020. The Air Permit describes all the prospective air emissions from the facility and required the completion of an air quality model that demonstrates compliance with the NAAQS. On April 15, 2022, the Company announced that the Nebraska Department of Environment and Energy advised the Company that periodic extensions to the Elk Creek Project’s Air Permit are no longer required because the Company has met the regulatory definition of “construction, reconstruction, or modification of the source” since the permit was issued.
- A radioactive materials license will be needed 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. The Company has been working with NDHHS on this aspect of project permitting since 2014.
- Documentation of existing baseline environmental conditions at the Elk Creek Project site was initiated in 2014 and will continue as needed throughout the permitting process.
- Surface water monitoring will continue throughout the permitting process and extend into construction and operations as part of the Environmental Management System and likely State of Nebraska permit requirements.

- 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 major land-use authorization for the project was received from Johnson County, Nebraska, on December 24, 2019, in the form of a Special Use Permit for the project. This land-use permit is a necessary precursor to any project-related construction activities. County zoning permits will be required for individual buildings constructed at the site, and the County requirement is that such applications must be submitted five days before construction commences.
- Closure costs for the Elk Creek Project have been estimated at just over \$44 million, including approximately \$13.5 million for reclamation and closure of the TSFs and \$16.6 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.

#### *Other Elk Creek Project Activities*

On September 6, 2022, the Company announced that the Demonstration Plant had commenced processing a three-tonne sample of representative ore from the Elk Creek Project. The Demonstration Plant project is intended to demonstrate that the Company can extract and separate rare earth elements from ore that NioCorp expects to mine from the Elk Creek Project site, subject to receipt of necessary project financing, and that its simplified process for potentially producing niobium, scandium, and titanium is technically and economically feasible.

On October 25, 2022, the Company announced that the Demonstration Plant had completed demonstrating its planned process for removing calcium and magnesium from ore obtained from the Elk Creek Project. This positive result is a key milestone in NioCorp's proposed optimization of its process flow sheet for the Elk Creek Project, which was designed by L3 and NioCorp. Removing carbonate minerals in this fashion is expected to reduce the size of the follow-on planned production steps and make them more efficient. Characterization of the calcium and magnesium carbonate from the completed Demonstration Plant production runs has demonstrated very low levels of impurities, and an overall 99% purity of the mixed calcium-magnesium carbonate.

On January 4, 2023, the Company announced that the Demonstration Plant has succeeded in obtaining a rare earth dissolution rate of 86-95% from ore from the Elk Creek Project site through hydrochloric acid leaching and has achieved a loading rate of rare earths as high as 99% in the follow-on solvent extraction recovery step. These relatively high rates, which were expected, point to potentially strong rates of overall recovery of separated rare earth oxides, subject to additional demonstration testing.

On February 6, 2023, the Company announced that overall recoveries for praseodymium oxide, neodymium oxide, terbium oxide, and dysprosium oxide are likely to be greater than 92% and meet commercial purity specifications for magnetic rare earth oxides. These results are in line with bench- and pilot-scale testing of L3's rare earth recovery system, as well as hydrometallurgical performance models that have been run on the rare earth recovery process upon which the Demonstration Plant is based.

On February 20, 2023, the Company announced that it had executed a contract with Zachry Group ("Zachry") to develop a cost for the surface facilities associated with the Elk Creek Project. The contract represents the first phase of EPC contracting for the Elk Creek Project. NioCorp had previously selected Zachry as its EPC firm for the Elk Creek Project's surface facilities.

On April 4, 2023, the Company announced a process breakthrough in niobium and titanium recovery achieved at the Demonstration Plant. The breakthrough points to a potentially more efficient way to process niobium and titanium into higher-purity products, which may in turn open up new markets for the Elk Creek Project's planned products.

On May 25, 2023, the Company announced that it has successfully demonstrated the ability to recover greater amounts of the critical mineral niobium from each tonne of ore the Company expects to mine at the Elk Creek Project,

once sufficient financing is obtained and the project is constructed. Final results from the demonstration show that NioCorp's new and improved recovery process can achieve a 90.7% rate of niobium recovery through the hydrometallurgical process. Overall recovery through the pyrometallurgical production of the commercial product ferroniobium is expected to be 86.7%. NioCorp's previous approach to niobium production was able to achieve recovery rates through the hydrometallurgical and pyrometallurgical processes of 86.8% and 82.4%, respectively.

On May 26, 2023, the Company announced that it has successfully demonstrated an ability to potentially double the recovery of titanium from each tonne of ore the Company expects to mine at the Elk Creek Project. The new process is expected to produce a purer form of titanium that may command a higher price than is assumed in the 2022 Elk Creek Feasibility Study. The Demonstration Plant has shown that the Company's new and improved recovery process can likely achieve an 83.7% rate of overall titanium recovery to final product. This compares to a 40.3% titanium recovery rate in NioCorp's previous process approach. This new result points to a potentially large increase in the amount of titanium that NioCorp can potentially produce at currently planned rates of mining.

Based on results of the Company's Demonstration Plant, a higher value titanium tetrachloride product can be produced with a substantially higher metallurgical recovery than  $\text{TiO}_2$ . The Company is in the process of completing feasibility level cost estimates to replace the previous  $\text{TiO}_2$  production equipment with new equipment that would produce titanium tetrachloride.

On June 1, 2023, the Company announced the successful completion of a geotechnical drilling campaign at the Elk Creek Project, which was done in advance of the proposed site preparation, grading, heavy construction, and eventual foundation pours for the Elk Creek Project that are expected to commence once sufficient financing is obtained. The campaign involved drilling 16 boreholes and 20 test pits across the one square mile Elk Creek Project site, analyzing soil samples, and generating data for engineering design firms that are continuing to finalize plans for the potential construction of the facility. The campaign also involved the installation of 6 shallow groundwater piezometers to monitor water levels in the soil layer, which will also aid in construction planning.

### ***Proposed Activities***

At present, the Company is maintaining the Elk Creek property in anticipation of obtaining project financing that will facilitate the construction, commissioning, and operation of the Elk Creek Project. The property is characterized as a development stage property and is expected to move to a production stage property should financing be obtained.

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

- Continuation of the Company's efforts to secure federal, state and local operating permits;
- Continued evaluation of the potential to produce rare earth products and sell such products under offtake agreements;
- Negotiation and completion of offtake agreements for the remaining uncommitted production of Nb, Sc, and Ti from the project, including the potential sale of Ti as titanium tetrachloride;
- Negotiation and completion of engineering, procurement, and construction agreements;
- Completion of the final detailed engineering for the underground portion of the Elk Creek Project;
- Initiation and completion of the final detailed engineering for surface project facilities;
- Construction of natural gas and electrical infrastructure under existing agreements to serve the Elk Creek Project site;
- Completion of water supply agreements and related infrastructure to deliver fresh water to the project site;
- Initiation of revised mine groundwater investigation and control activities;
- Initiation of long-lead equipment procurement activities; and
- As a follow-on to the Company's Demonstration Plant operations, complete characterization and testing of waste materials to support tailings impoundment and paste backfill plant designs.

### ***Non-GAAP Financial Performance Measures***

Non-GAAP financial performance measures are intended to provide additional information only and do not have any standard meaning prescribed by U.S. GAAP. These measures should not be considered in isolation or as a substitute for performance measures prepared in accordance with U.S. GAAP.

The S-K 1300 Elk Creek Technical Report Summary uses non-GAAP financial performance measures, such as EBITDA, Averaged Annual EBITDA, and Averaged EBITDA Margin, for purposes of projecting the economic results of the Elk Creek Project. We are unable to provide a reconciliation of these forward-looking non-GAAP measures to the most comparable U.S. GAAP financial performance measures because certain information needed to reconcile those non-GAAP measures to the most comparable U.S. GAAP financial performance measures is dependent on future events, some of which are outside the control of the Company, such as FeNb, Sc<sub>2</sub>O<sub>3</sub>, and TiO<sub>2</sub> prices, interest rates, and exchange rates. Moreover, estimating such U.S. GAAP measures with the required precision necessary to provide a meaningful reconciliation is extremely difficult and could not be accomplished without unreasonable effort.

### **Corporate Headquarters**

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

### **ITEM 3. LEGAL PROCEEDINGS**

As of October 6, 2023, 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 United States Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (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 U.S. 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, 2023, 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 PURCHASES 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 traded on the U.S. Over-the-Counter Bulletin Board and the OTCQX under the symbol "NIOBF" until March 21, 2023, at which time the Common Shares began trading on the Nasdaq exchange under the trading symbol "NB". The Company also trades on the Frankfurt Stock Exchange as "BR3."

The over-the-counter market quotations reflect inter-dealer prices without retail mark-up, mark-down, or commission and may not reflect actual transactions.

#### **Holders**

As of October 6, 2023, we had 20,941 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, 2023.

## Recent Sales of Unregistered Securities

Date	Gross Proceeds	Shares Issued	Price/Share
May 30, 2023 <sup>(1)</sup>	\$362,192	78,745	\$4.5995
June 1, 2023 <sup>(1)</sup>	\$302,164	64,758	\$4.6660
June 9, 2023 <sup>(2)</sup>	\$488,080	100,000	\$4.8808
June 12, 2023 <sup>(1)</sup>	\$275,479	60,446	\$4.5574
June 13, 2023 <sup>(1)</sup>	\$502,089	110,939	\$4.5258
June 20, 2023 <sup>(1)</sup>	\$514,144	112,782	\$4.5587
June 21, 2023 <sup>(1)</sup>	\$751,952	163,870	\$4.5887
June 30, 2023 <sup>(1)</sup>	\$516,644	114,471	\$4.5133

- (1) Issued in reliance on Section 3(a)(9) of the Securities Act, in connection with the voluntary conversion of a portion of the amount outstanding under the Convertible Debentures and based upon representations and warranties of Yorkville in connection therewith.
- (2) Issued in reliance on Section 4(a)(2) of the Securities Act in connection with the closing of an advance under the Yorkville Equity Facility Financing Agreement and based upon representations and warranties of Yorkville in connection therewith.

## 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 generally 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 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 U.S. for tax purposes, (ii) is a “qualifying person” under and entitled to the benefits of the Convention, (iii) holds all Common Shares as capital property, (iv) holds no Common Shares that are “taxable Canadian property” (as defined in the Canadian Tax Act) of the holder, (v) deals at arm’s-length with and is not affiliated with NioCorp, (vi) does not and is not deemed to use or hold any Common Shares in a business carried on in Canada, (vii) is not an insurer that carries on business in Canada and elsewhere, and (viii) is not an “authorized foreign bank” (as defined in the Canadian Tax Act)(each such holder, a “U.S. Resident Holder”).



Certain U.S.-resident entities that are fiscally transparent for U.S. federal income tax purposes (including limited liability companies) may not in all circumstances be 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 benefits of the Convention will apply to the entity in respect of its Common Shares.

Generally, a U.S. Resident Holder's Common Shares will be considered to be capital property of such holder provided that the U.S. Resident 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.

This summary is based on the current provisions of the Canadian Tax Act and the Convention in effect as of the date prior to 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) prior to the date hereof, and the current published administrative policies and assessing practices of the Canada Revenue Agency (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 policy or assessing practice, whether by way of judicial, legislative or governmental decision or action, although no assurance can be given in these respects. This summary is not exhaustive of all possible Canadian federal income tax considerations. 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.**

Generally, a U.S. Resident Holder's Common Shares will not constitute "taxable Canadian property" of such holder at a particular time at which the Common Shares are listed on a "designated stock exchange" (which currently includes the TSX and Nasdaq) unless both of the following conditions are concurrently met:

1. 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 U.S. Resident Holder,
  - b. persons with whom the U.S. Resident Holder did not deal at arm's length, and
  - c. partnerships in which the U.S. Resident Holder or a person referred to in clause (b) holds a membership interest directly or indirectly through one or more partnerships, and
2. 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.

Common Shares may also be deemed to be "taxable Canadian property" in certain circumstances set out in the Canadian Tax Act.

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 credits or is deemed to pay or credit a dividend on such 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 is not a resident of Canada, in proportion to such company's ownership interest in that entity.

**ITEM 6.      *RESERVED***

**ITEM 7.      MANAGEMENT'S DISCUSSION AND ANALYSIS OF 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. This item should be read in conjunction with our consolidated financial statements and the notes thereto included in this Annual Report on Form 10-K.

See Item 1, "*Business – Recent Corporate Events*," for a description of the Transactions.

**Summary of Consolidated Financial and Operating Performance**

The Company had no revenues from mining operations during the fiscal years presented below. 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.

	For the year ended June 30,		
	2023	2022	2021
		(\$000)	
Operating expenses	\$ 37,410	\$ 7,796	\$ 4,092
Net loss attributable to the Company	40,080	10,887	4,824
Net loss per share (basic and diluted)	1.34	0.41	0.20

The net loss attributable to the Company increased to \$40.1 million for fiscal year 2023 from \$10.9 million for fiscal year 2022. This increased net loss in fiscal year 2023 as compared to fiscal year 2022 is primarily due to the recognition of Earnout Shares and warrant liabilities associated with the GXII Transaction as well as an increase in legal and other professional fees.

The net loss attributable to the Company increased to \$10.9 million for fiscal year 2022 from \$4.8 million for fiscal year 2021. This increased net loss in fiscal year 2022 as compared to fiscal year 2021 is primarily due to increased exploration expenditures associated with process development costs and rare earth review costs, as well as increased non-cash costs of our fiscal year 2022 Option grants, which were fully vested and expensed on the grant dates, and increased loss on partial debt extinguishment from debt conversions reported as interest expense.

**Results of Operations**

The Company had no revenues from mining operations during the fiscal years presented below. Operating expenses incurred related primarily to costs incurred in connection with the Transactions, as well as performing exploration and feasibility study related activities, and the activities necessary to support corporate and shareholder duties, as detailed in the following table.

	For the year ended June 30,		
	2023	2022	2021
	(\$000)		
<b>Operating expenses:</b>			
Employee related costs	\$ 2,323	\$ 2,150	\$ 1,655
Professional fees	2,581	684	386
Exploration expenditures	5,348	3,309	1,056
Other operating expenses	27,158	1,653	995
<b>Total operating expenses</b>	<b>37,410</b>	<b>7,796</b>	<b>4,092</b>
Change in fair value of earnout shares liability	(2,674)	-	-
Change in fair value of warrant liabilities	1,414	-	-
Loss on debt extinguishment	1,922	-	163
Interest expense	2,336	2,827	1,543
Foreign exchange loss (gain)	216	258	(725)
Other gains	(13)	-	(208)
Change in financial instrument fair value	-	-	(32)
Loss (gain) on equity securities	1	6	(9)
Income tax benefit	(304)	-	-
Loss attributable to noncontrolling interest	(228)	-	-
<b>Net loss attributable to the Company</b>	<b>\$ 40,080</b>	<b>\$ 10,887</b>	<b>\$ 4,824</b>

#### *Fiscal Year 2023 as Compared to Fiscal Year 2022*

Significant items affecting operating expenses are noted below:

*Other operating expenses* include costs incurred in connection with the Transactions, including direct transaction expenses, and the fair value of warrant and Earnout Shares liabilities assumed, as well as costs related to investor relations, general office expenditures, equity offering and proxy expenditures, board-related expenditures, and other miscellaneous costs. These costs increased in fiscal year 2023 as compared to fiscal year 2022 primarily due to the costs incurred in connection with the Transactions, which closed on March 17, 2023. A summary of these costs is presented below:

	Amount (\$000)
Gross cash proceeds, net of transaction costs incurred by GXII	\$ 2,168
Less:	
Cash costs associated with the Transactions:	
Net liabilities assumed	392
Yorkville Equity Facility Financing Agreement – cash costs	1,996
Transaction costs expensed	6,715
Non-cash costs associated with the Transactions:	
Private Warrants assumed at fair value	2,987
Earnout Shares assumed at fair value	13,195
Yorkville Equity Facility Financing Agreement – shares issued	650
Total transaction related losses incurred	\$ 23,767

In addition, other operating expenses increased due to increased directors and officers insurance premiums associated with our US stock exchange listing, as well as increased financial and investor relation services performed during 2023.

*Exploration expenditures increased* in fiscal year 2023 as compared to fiscal year 2022, reflecting work performed in fiscal year 2023 to complete the development of the Demonstration Plant and the subsequent operation of the Demonstration Plant to verify process improvement efforts and advance the technical and economic analyses on the potential addition of magnetic rare earth oxides to NioCorp's planned product suite. In addition, 2023 costs increased due to costs related to the completion and filing of the Technical Report Summary

based on the Company's 2022 Feasibility Study for the Elk Creek Project, which was filed with the SEC on September 6, 2022.

*Professional fees* increased in fiscal year 2023 as compared to fiscal year 2022, primarily due to additional accounting and legal services related to our March 31, 2023 Form 10-Q SEC filings, as well as legal costs associated with corporate funding initiatives.

*Employee related costs* for fiscal year 2023 increased as compared to fiscal year 2022 primarily due to the impact of discretionary bonus payouts totaling \$0.2 million, partially offset by the impact of lower employee headcount at the end of fiscal year 2023 as compared to fiscal year 2022.

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

*Change in fair value of Earnout Shares liability* represents the change in fair value related to the Earnout Shares between the Closing Date and the end of fiscal year 2023, based on the results of Monte Carlo financial modeling.

*Change in fair value of warrant liability* represents the change in fair value related to the additional Warrants (the "Contingent Consent Warrants") that the Company agreed to issue to Lind Global Asset Management III, LLC ("Lind") upon certain conditions in connection with the Waiver and Consent Agreement, dated September 25, 2022, between the Company and Lind (the "Lind Consent"), as discussed in Note 9 to the consolidated financial statements included in Part II, Item 8 hereof, as well as the change in the fair value of the Private Warrants based primarily on the impacts of a lower closing Common Share price, which increases the probability of these Contingent Consent Warrants being issued under the Lind Consent terms.

*Loss on debt extinguishment* represents the loss incurred under Accounting Standards Codification ("ASC") Topic 470, Debt, related to the convertible security issued to Lind (the "Lind III Convertible Security") with a face value of \$11.7 million (representing \$10.0 million in funding plus an implied 8.5% interest rate per annum for the term of the Lind III Convertible Security) pursuant to the Convertible Security Funding Agreement, dated February 16, 2021, as amended by Amendment #1 to the Convertible Security Funding Agreement, dated December 2, 2021, between the Company and Lind (as amended, the "Lind III Agreement"), as discussed in Note 9 to the consolidated financial statements included in Part II, Item 8 hereof.

*Interest expense* decreased in fiscal year 2023 as compared to fiscal year 2022 due to the impacts of conversions on the outstanding balance of the Lind III Convertible Security during fiscal year 2022, as well as the impact of debt extinguishment accounting as discussed in Note 9 to the consolidated financial statements included in Part II, Item 8 hereof, partially offset by Convertible Debenture interest expense incurred in fiscal year 2023.

*Loss attributable to noncontrolling interest* represents the portion of net loss in ECRC attributable to the Vested Shares, which are not owned by the Company.

#### ***Fiscal Year 2022 as Compared to Fiscal Year 2021***

Significant items affecting operating expenses are noted below:

*Employee related costs* for fiscal year 2022 increased as compared to fiscal year 2021 primarily due to increased share-based compensation costs which primarily reflected the impact of increased Common Share values on the fair value calculations in the Black-Scholes model, as well as the number of Options granted.

*Professional fees* increased in fiscal year 2022 as compared to fiscal year 2021, primarily due to additional legal services related to SEC filings, including our shelf registration statement on Form S-3 filed in November 2021.

*Exploration expenditures* increased in fiscal year 2022 as compared to fiscal year 2021 reflecting work performed in fiscal year 2022 to advance the development of a demonstration-scale test plant to verify process improvement efforts as well as to potentially incorporate REEs into our planned production. Fiscal year 2021 expenditures primarily related to the ongoing personnel costs, as well as ongoing engineering and metallurgical projects and project advancement activities.

*Other operating expenses* include investor relations, general office expenditures, equity offering and proxy expenditures, board-related expenditures, and other miscellaneous costs. These costs increased in fiscal year 2022 as compared to fiscal year 2021 primarily due to increased financial advisory fees and investor relations fees associated with our ongoing financing efforts. In addition, share-based compensation for directors and other advisors increased in fiscal year 2022 as compared to fiscal year 2021 due to increased share-based compensation costs, which primarily reflected the impact of increased Common Share values in the Black Scholes model. Options issued in both periods were fully vested upon issuance and expensed on the grant date.

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

*Other income* for fiscal year 2021 represents the one-time forgiveness of the Company's U.S. Small Business Administration Loan, which occurred on November 18, 2020.

*Loss on extinguishment* for fiscal year 2021 represents the one-time loss incurred in connection with the December 18, 2020, conversion of a convertible note in the principal amount of approximately \$1.9 million issued by the Company to Nordmin pursuant to a convertible note and warrant subscription agreement, dated as of December 18, 2020, between NioCorp and Nordmin (the "Nordmin Note").

*Foreign exchange (gain) loss* is primarily due to changes in the U.S. dollar against the Canadian dollar rate as applied to U.S. dollar-denominated debt instruments, which are carried on the Canadian parent company books, and the fiscal year 2022 loss reflected the impacts of a strengthened U.S. dollar to Canadian dollar, whereas the fiscal year 2021 gain primarily reflects the impact of a weakened U.S. dollar.

*Interest expense* increased in fiscal year 2022 as compared to fiscal year 2021 primarily due to the accretion of the Nordmin Note, which was issued in December 2020, as well as accretion of the Lind Convertible Security, which was issued in February 2021.

## 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, the exercise of incentive Options and Warrants, and related party loans. With respect to currently outstanding Options and Warrants, we believe that exercise of these instruments, and cash proceeds from such exercises, will not occur unless and until the market price for our Common Shares equals or exceeds the related exercise price of each instrument.

In connection with the Closing of the Transactions, the Company received net cash proceeds of \$8.3 million, as follows:

Description	Amount (\$000)
Net cash received from GXII trust account, after payment of direct and incremental transaction costs incurred by GXII	\$ 2,168
Net proceeds from the Yorkville Convertible Debt Financing Agreement	14,857
Net cash costs incurred in connection with Yorkville Equity Facility Financing Agreement	(1,996)
NioCorp direct and incremental transaction costs	(6,715)
Net proceeds from Transactions	\$ 8,314

The Transactions delivered to NioCorp several important benefits, including a ready pathway to an up-listing to the Nasdaq, which is expected to allow additional institutional firms to invest in the Company for the first time. Further, we believe it has given NioCorp and the Elk Creek Project a much higher profile among institutional investors evaluating projects in the critical materials space.

The Yorkville Convertible Debt Financing has provided, and the Yorkville Equity Facility Financing is expected to provide, near-term and longer-term access to capital. The ability of the Company to draw down on the Yorkville Equity Facility Financing Agreement, at its discretion, is subject to certain limitations and the satisfaction of certain conditions. When available, the Yorkville Equity Facility Financing Agreement provides an opportunity to actively manage the cash needs of the Company more closely. Historically, cash has generally been available to the Company through private placements of equity for which the timing did not always coincide with the Company's cash needs. The Company may utilize the Yorkville Equity Facility Financing Agreement to potentially generate funds at a time when they are in need. Alternatively, the Company can also utilize the Yorkville Equity Facility Financing Agreement for opportunistic share sales.

As of June 30, 2023, the Company had cash of \$2.3 million and working capital of \$0.2 million, compared to cash of \$5.3 million and working capital of \$0.6 million on June 30, 2022. On September 1, 2023, the Company closed a non-brokered private placement (the "September 2023 Private Placement") of units of the Company (the "September 2023 Units"). A total of 250,000 September 2023 Units were issued at a price per September 2023 Unit of \$4.00, for total gross proceeds to the Company of \$1.0 million. Each September 2023 Unit consists of one Common Share and one Common Share purchase warrant ("September 2023 Warrant"). Each September 2023 Warrant entitles the holder to acquire one Common Share at a price of \$4.60 at any time prior to September 1, 2025. In addition, On September 12 and September 15, 2023, the Company issued 70,000 and 75,000 Common Shares, respectively, under the Yorkville Equity Facility Financing Agreement in exchange for \$0.5 million in gross cash proceeds. NioCorp intends to use the net proceeds from these September financing transactions for working capital and general corporate purposes, including to advance its efforts to launch construction of the Elk Creek Project and move it to commercial operation.

We expect that the Company will operate at a loss for the foreseeable future. The Company's current planned cash needs are approximately \$11.8 million until June 30, 2024.

In addition to outstanding accounts payable and short-term liabilities, our average monthly planned expenditures through June 30, 2024 are expected to be approximately \$685,000 per month where approximately \$390,000 is for corporate overhead and estimated costs related to securing financing necessary for advancement of the Elk Creek Project. Approximately \$295,000 per month is planned for expenditures relating to the advancement of the Elk Creek Project by NioCorp's majority owned subsidiary, 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 does not have sufficient cash on hand to continue to fund basic operations for the next twelve months, and additional funds totaling \$8.0 million to \$9.0 million, net of funds raised from the September financing transactions discussed above, are likely to be necessary to continue advancing the project in the areas of financing, permitting, and detailed engineering. While the Yorkville Equity Facility Financing Agreement may provide the Company with access to additional capital, the Company may require additional capital to meet its cash need. 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 and lease commitments are \$20,000 through June 30, 2024. To maintain our currently held properties and fund our currently anticipated general and administrative costs and planned exploration and development activities at the Elk Creek Project for the fiscal year ending June 30, 2024, the Company will likely require additional financing during the current fiscal year. Should such financing not be available in that timeframe, 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 June 6, 2023, the Company announced that it had submitted an application to the Export-Import Bank of the United States ("EXIM") for debt financing (the "EXIM Financing") to fund the project costs for the Elk Creek Project, under EXIM's "Make More in America" initiative. The EXIM Financing is subject to, among other matters, the

satisfactory completion of due diligence, the negotiation and settlement of final terms, and the negotiation of definitive documentation. There can be no assurance that the EXIM Financing will be completed on the terms described herein or at all.

Except for potential funding under the Yorkville Equity Facility Financing, discussed above, and the potential exercise of Options and Warrants, we currently have no further funding commitments or arrangements for additional financing at this time, and there is no assurance that we will be able to obtain any such additional financing on acceptable terms, if at all. Pursuant to the Exchange Agreement, NioCorp is restricted from issuing equity or equity-linked securities (other than Common Shares) or any preferred equity or non-voting equity if such issuance would adversely impact the rights of the holders of the shares of Class B common stock of ECRC, without the consent of the holders of a majority of the shares of Class B common stock of ECRC. The Yorkville Convertible Debt Financing Agreement also contains certain covenants that, among other things, limit NioCorp's ability to use the proceeds from the Yorkville Convertible Debt Financing to repay related party debt or to enter into any variable rate transaction, including issuances of equity or debt securities that are convertible into Common Shares at variable rates and any equity line of credit, ATM agreement or other continuous offering of Common Shares, other than with Yorkville, subject to certain exceptions. Notwithstanding the restrictions set forth in the Exchange Agreement and the Yorkville Convertible Debt Financing Agreement, there is significant uncertainty that we would 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 may 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 public offerings in the form of underwritten/brokered 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. In addition, we could raise funds through the sale of interests in our mineral properties, although current market conditions and other recent worldwide events have substantially reduced the number of potential buyers/acquirers of any such interests. However, we cannot provide any assurances that we will be able to be successful in raising such funds.

Based on the conditions described within, management has concluded and the audit opinion and notes that accompany our consolidated financial statements for the year ended June 30, 2023, disclose that substantial doubt exists as to our ability to continue in business. The consolidated 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. As defined under S-K 1300, we are a development stage issuer, and we have incurred losses since our inception. We may not have sufficient cash, including option and warrant exercises subsequent to June 30, 2023, to fund normal operations and meet debt obligations for the next twelve months without deferring payment on certain current liabilities and raising additional funds. Recent worldwide events have created general global economic uncertainty as well as uncertainty in capital markets, supply chain disruptions, increased interest rates and inflation, and the potential for geographic recessions. During fiscal year 2023, these events continued to create uncertainty with respect to overall project funding and timelines. We believe that the going concern uncertainty cannot be alleviated with confidence until the Company has entered into a business climate where funding of its planned ongoing operating activities is secured. Therefore, these factors raise substantial doubt as to our ability to continue as a going concern.

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 U.S. 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, 2023, the Company's operating activities consumed \$17.3 million of cash (2022: \$6.2 million and 2021: \$4.7 million). The cash used in operating activities for fiscal year 2023 reflects the Company's funding of losses of \$40.1 million, the net fair value losses related to the Private Warrants and the Earnout Shares liabilities, share-based compensation, and other non-cash transactions. Overall, operational outflows during fiscal year 2023 increased from the corresponding period of 2022 due to cash expenses related to the Transactions and an increase in exploration-related spending at the Elk Creek Project. Overall, fiscal year 2023 operational outflows were higher than fiscal year 2022 due primarily to increased exploration expenditures. Going forward, the Company's working capital requirements are expected to increase substantially in connection with the development of the Elk Creek Project.

### ***Investing Activities***

The Company had minimal investing activities during the years ended June 30, 2023 and 2022, respectively.

### ***Financing Activities***

Net cash provided by financing activities was \$14.6 million in fiscal year 2023 (2022: \$4.3 million and 2021: \$18.1 million). This increase in financing inflows primarily reflects the timing of cash inflows from the financing transactions disclosed below.

The following is a discussion of significant financing transactions for fiscal year 2023:

- On February 28, 2023, the non-revolving credit facility agreement, dated January 16, 2017, as amended, with Mark Smith, our Chief Executive Officer, President, and Executive Chairman (the "Smith Credit Agreement") was amended to increase the borrowing limit to \$4.0 million from the previous limit of \$3.5 million. The Company subsequently drew down \$1.13 million under the Smith Credit Agreement. On March 22, 2023, the Company repaid Mr. Smith \$2.0 million, representing \$159,000 of interest and \$1.84 million of principal borrowed under the Smith Credit Agreement. This repayment was made out of funds transferred to the Company from the GXII trust account on the Closing Date. Subsequently, on May 31, 2023, the Company repaid Mr. Smith \$1.31 million, representing \$24,000 of interest and the remaining principal balance outstanding of \$1.29 million.
- In connection with the GXII Transaction, on January 26, 2023, NioCorp and Yorkville entered into the Yorkville Convertible Debt Financing Agreement, which was subsequently amended on February 24, 2023.

Pursuant to the Yorkville Convertible Debt Financing Agreement, at the Closing, Yorkville advanced a total amount of \$15.36 million to NioCorp in consideration of the issuance by NioCorp to Yorkville of (i) \$16.0 million aggregate principal amount of Convertible Debentures and (ii) the Financing Warrants, which are exercisable for up to 1,789,267 Common Shares for cash or, if at any time there is no effective registration statement registering, or no current prospectus available for, the resale of the underlying Common Shares, on a cashless basis, at the option of the holder, at a price per Common Share of approximately \$8.9422, subject to adjustment to give effect to any stock dividend, stock split, reverse stock split or similar transaction.

Each Convertible Debenture issued under the Yorkville Convertible Debt Financing Agreement is an unsecured obligation of NioCorp, matures on September 17, 2024, which maturity may be extended for one six-month period in certain circumstances at the option of NioCorp, and incurs a simple interest rate obligation of 5.0% per annum (which will increase to 15.0% per annum upon the occurrence of an event of default). The outstanding principal amount of, accrued and unpaid interest, if any, on, and premium, if any, on the Convertible Debentures must be paid by NioCorp in cash when the same becomes due and payable under the terms of the Convertible Debentures at their stated maturity, upon their redemption or otherwise.

Subject to certain limitations contained within the Yorkville Convertible Debt Financing Agreement and the Convertible Debentures, including those as described below, holders of the Convertible Debentures will be entitled to convert the principal amount of, and accrued and unpaid interest, if any, on each Convertible



Debt, in whole or in part, from time to time over their term, into a number of Common Shares equal to the quotient of the principal amount and accrued and unpaid interest, if any, being converted divided by the Conversion Price. The "Conversion Price" means, as of any Conversion Date (as defined below) or other date of determination, the greater of (i) 90% of the average of the daily U.S. dollar volume-weighted average price of the Common Shares on the principal U.S. market for the Common Shares as reported by Bloomberg Financial Markets during the five consecutive trading days immediately preceding the date on which the holder exercises its conversion right in accordance with the requirements of the Yorkville Convertible Debt Financing Agreement (the "Conversion Date") or other date of determination, but not lower than the Floor Price (as defined below), and (ii) the five-day volume-weighted average price of the Common Shares on the TSX (or on the principal U.S. market if the majority of the trading volume and value of the Common Shares occurred on Nasdaq during the relevant period) for the five consecutive trading days immediately prior to the Conversion Date or other date of determination less the maximum applicable discount allowed by the TSX. The "Floor Price" means a price of \$2.1435 per share, which is equal to the lesser of (a) 30% of the average of the daily volume-weighted average price of the Common Shares on the principal U.S. market for the Common Shares as reported by Bloomberg Financial Markets during the five consecutive trading days immediately preceding the Debt Closing and (b) 30% of the average of the volume-weighted average price of the Common Shares on the principal U.S. market for the Common Shares as reported by Bloomberg Financial Markets during the five consecutive trading days immediately following the Debt Closing, subject to certain adjustments to give effect to any stock dividend, stock split, reverse stock split, recapitalization or similar event.

The terms of the Convertible Debentures restrict the number of Convertible Debentures that may be converted during each calendar month by Yorkville at a Conversion Price below a fixed price equal to approximately \$8.9422 (i.e., the quotient of \$10.00 divided by 1.11829212 (being the number of Common Shares that were exchanged for each share of GXII at the Closing, after giving effect to the Reverse Stock Split)), subject to adjustment to give effect to any stock dividend, stock split, reverse stock split, recapitalization or similar event. The Convertible Debentures are subject to customary anti-dilution adjustments.

The terms of the Convertible Debentures restrict the conversion of Convertible Debentures by Yorkville if such a conversion would cause Yorkville to exceed certain beneficial ownership thresholds in NioCorp or such a conversion would cause the aggregate number of Common Shares issued pursuant to the Yorkville Convertible Debt Financing Agreement to exceed the thresholds for issuance of Common Shares under the rules of the TSX and Nasdaq, unless prior shareholder approval is obtained.

Pursuant to the terms of the Convertible Debentures, following certain trigger events, and until a subsequent cure event, NioCorp will be required to redeem \$1.125 million aggregate principal amount of Convertible Debentures (the "Triggered Principal Amount") each month by making cash payments to the Investors, on a pro rata basis, in an amount equal to the Triggered Principal Amount, plus accrued and unpaid interest thereon, if any, plus a redemption premium of 7% of the Triggered Principal Amount. Such monthly prepayments under the terms of the Convertible Debentures are triggered (i) at the time when NioCorp has issued 95% of the total amount of Common Shares pursuant to the Yorkville Convertible Debt Financing that it may issue under applicable TSX and Nasdaq rules or (ii) when NioCorp has delayed or suspended the effectiveness or use of the Convertible Debt Financing Registration Statement for more than 20 consecutive calendar days, and such monthly prepayment obligations will continue until, with respect to (i) above, shareholder approval is obtained or, with respect to (ii) above, the Investors may once again resell Common Shares under the Convertible Debt Financing Registration Statement, respectively.

- In connection with the GXII Transaction, on January 26, 2023, the Company and Yorkville entered into the Yorkville Equity Facility Financing Agreement.

Pursuant to the Yorkville Equity Facility Financing Agreement, Yorkville has committed to purchase up to \$65.0 million of our Common Shares (the "Commitment Amount"), at our direction from time to time for a period commencing upon the Closing Date and ending on the earliest of (i) the first day of the month next following the 36-month anniversary of the Closing, (ii) the date on which Yorkville shall have made payment

of the full Commitment Amount and (iii) the date that the Yorkville Equity Facility Financing Agreement otherwise terminates in accordance with its terms (the “Commitment Period”), subject to certain limitations and the satisfaction of the conditions in the Yorkville Equity Facility Financing Agreement. Pursuant to the terms of the Yorkville Equity Facility Financing Agreement, we issued 81,213 of our Common Shares (the “Commitment Shares”) to Yorkville as consideration for its irrevocable commitment to purchase Common Shares under the Yorkville Equity Facility Financing Agreement. Yorkville has since resold all of the Commitment Shares. On June 9, 2023, we issued and sold 100,000 Common Shares to Yorkville under the Yorkville Equity Facility Financing Agreement. Additionally, we are required to pay Yorkville an aggregate fee of \$1,500,000 in cash (the “Cash Fee”), including \$500,000 that we paid on the Closing Date and an additional \$250,000 we have paid as of June 30, 2023. We will pay the remaining \$750,000 balance in installments over a 12-month period following the Closing Date, provided that, we will have the right to prepay without penalty all or part of the remaining installments of the Cash Fee at any time. The Common Shares that may be sold pursuant to the Yorkville Equity Facility Financing Agreement would be purchased by Yorkville at a purchase price equal to 97% of the daily volume-weighted average price of the Common Shares on Nasdaq or such other principal U.S. market for the Common Shares if the Common Shares are ever listed or traded on the New York Stock Exchange or the NYSE American as reported by Bloomberg Financial Markets (or, if not available, a similar service provider of national recognized standing) during the applicable pricing period, which is a period during a single trading day or a period of three consecutive trading days, at the Company’s option and subject to certain restrictions, in each case, defined based on when an Advance Notice (as defined in the Yorkville Equity Facility Financing Agreement) is submitted, subject to certain limitations.

As of June 30, 2023, 100,000 Common Shares, representing \$488,080 in net proceeds, had been issued under the Yorkville Equity Facility Financing Agreement.

- On April 28, 2023, the Company issued and sold 314,465 Common Shares in a registered direct offering at a price of \$6.36 per share. Net proceeds to the Company from the offering were approximately \$1.8 million. NioCorp intends to use the net proceeds from the offering for working capital and general corporate purposes, including to advance its efforts to launch construction of the Elk Creek Project and move it to commercial operation.

The following is a discussion of significant financing transactions for fiscal year 2022:

- On June 30, 2022, the Company closed a non-brokered private placement (the “June 2022 Private Placement”) of units (the “June 2022 Units”) of the Company. A total of 4,981,035 June 2022 Units were issued at a price per June 2022 Unit of C\$0.96, for total gross proceeds to the Company of approximately C\$4.8 million. Each June 2022 Unit consists of one Common Share and one common share purchase warrant (“June 2022 Warrant”). Each June 2022 Warrant entitles the holder to acquire one Common Share at a price of C\$1.10 at any time prior to July 1, 2024. Proceeds of the June 2022 Private Placement will be used for continued advancement of the Company’s Elk Creek Critical Minerals Project and for working capital and general corporate purposes. The Company paid cash commissions of C\$62,000 and 65,100 warrants (the “Finder Warrants”), having the same terms as the June 2022 Warrants, to finders outside of the United States. The Finder Warrants were valued at C\$18,000 using a risk-free rate of 3.2%, expected volatility of 64% and expected life of two years.
- On July 23, 2021, the Company repaid \$358,000 to Mr. Smith, representing a partial principal repayment of \$318,000 on the Smith Credit Agreement plus accrued interest.

#### **Cash Flow Considerations**

The Company has historically relied upon debt and equity financings to finance its activities. Subject to the restrictions set forth in the Yorkville Convertible Debt Financing Agreement, the Company may pursue additional debt and/or equity financing in the medium term; 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 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, development and construction of the Elk Creek Project will require substantial additional capital resources. This includes near-term funding and, ultimately, funding for Elk Creek Project construction and other costs. See “*Liquidity and Capital Resources*” above, for the Company’s discussion of arrangements related to possible future financings.

#### ***Debt Covenants***

The Convertible Debentures contain events of default customary for instruments of their type (with customary grace periods, as applicable) and provide that, upon the occurrence of an event of default arising from certain events of bankruptcy or insolvency with respect to NioCorp, all outstanding Convertible Debentures will become due and payable immediately without further action or notice. If any other type of event of default occurs and is continuing, then any holder may declare all of its Convertible Debentures to be due and payable immediately. The Company obtained a waiver from Yorkville with respect to any acceleration rights it may have under the Convertible Debentures in connection with the restatements of the Company’s financial statements for the periods ended September 30, 2022, and December 31, 2022, and the delay in filing the Company’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023. The Yorkville Convertible Debt Financing Agreement also contains certain covenants that, among other things, limit NioCorp’s ability to use the proceeds from the Yorkville Convertible Debt Financing to repay related party debt or to enter into any variable rate transaction other than with Yorkville, subject to certain exceptions. The Company was in compliance with these covenants as of June 30, 2023.

#### **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. As of June 30, 2023 and 2022, we had accrued \$48,000 and \$48,000, respectively, 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 and Section 21E of the Exchange Act, 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 3 to the consolidated financial statements included in this Annual Report on Form 10-K.

#### **Critical Accounting Estimates and Recent Accounting Pronouncements**

Our significant accounting policies are described in Note 3 to the consolidated financial statements included in this Annual Report on Form 10-K. As described in Note 3, we are required to make estimates and assumptions that affect the reported amounts and related disclosures of assets, liabilities, revenue, and expenses. Our estimates are based on our experience and our interpretation of economic, political, regulatory, and other factors that affect our

business prospects. Many of the inputs into our estimation process are subjective and are subject to uncertainty over time and therefore, actual results may differ significantly from our estimates. Note 3 also discloses recent accounting pronouncements applicable to the Company.

We believe that our most critical accounting estimates are related to the carrying value of our long term assets; accounting for income taxes and the valuation of deferred tax assets; and the valuation of warrants and earnout shares, as they require us to make assumptions that are highly uncertain at the time the accounting estimates are made and changes in them are reasonably likely to occur from period to period. Management has discussed the development and selection of these critical accounting estimates with the Audit Committee of our board of directors, and the Audit Committee has reviewed the disclosures presented below. In addition, there are other items within our consolidated financial statements that require estimation, but are not deemed to be critical. However, changes in estimates used in these and other items could have a material impact on our consolidated financial statements.

#### *Carrying Value of Long-Lived Assets*

The recoverability of the carrying values of mineral properties is dependent upon economic reserves being discovered or developed on the properties, permitting, financing, start-up, and commercial production from, or the sale/lease of, or other strategic transactions related to these properties. Development and/or start-up of a project will depend on, among other things, management's ability to raise sufficient capital for these purposes. We assess the carrying cost of our mineral properties for impairment whenever information or circumstances indicate the potential for impairment. Key inputs include events and circumstances such as our inability to obtain all the necessary permits, changes in the legal status of our mineral properties, government actions, the results of exploration activities and technical evaluations and changes in economic conditions, including the price of commodities or input prices. Many of these inputs are subjective and are subject to uncertainty over time. Such evaluations compare estimated future net cash flows with our carrying costs and future obligations on an undiscounted basis. If it is determined that the estimated future undiscounted cash flows are less than the carrying value of the property, an impairment loss will be recorded, measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Where estimates of future net cash flows are not determinable and where other conditions indicate the potential for impairment, management uses available market information and/or third-party valuation experts to assess if the carrying value can be recovered and to estimate fair value.

We review and evaluate our long-lived assets, other than mineral properties, 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.

#### *Income Taxes*

We have assets, hold interests, and conduct activities in the U.S. and Canada and are subject to their tax regimes. Tax laws are complex and continue to evolve. While we have a history of losses, our assumptions made in tax returns are subject to review and interpretation by taxing authorities and could be modified. Management judgment is required in determining our provision for income taxes, our deferred tax assets and liabilities, and any valuation allowance recorded against our deferred tax assets. We consider factors such as the cumulative income or loss in recent years; reversal of deferred tax liabilities; projected future taxable income exclusive of temporary differences; the character of the income tax asset, including income tax positions; tax planning strategies and the period over which we expect the deferred tax assets to be recovered in the determination of the valuation allowance. In the event that actual results differ from these estimates or we adjust our estimates in the future, we may need to adjust our valuation allowance, which could materially impact our financial position and results of operations.

### *Earnout Shares and Private Warrants*

The fair values of our Earnout Shares liability and Private Warrants liability were determined using various significant unobservable inputs, including a discount rate and our best estimate of expected volatility and expected holding periods. Changes in the estimated fair values of these liabilities may have material impacts on our results of operations in any given period, as any increases in these liabilities have a corresponding negative impact on our U.S. GAAP results of operations. See Note 10 and 11c to our consolidated financial statements included in this Annual Report on Form 10-K for additional details.

### **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 October 6, 2023, is set out below, on a fully diluted basis.

	<b>Common Shares Outstanding (fully diluted)</b>
Common Shares	32,913,419
Vested Shares <sup>1</sup>	4,565,808
Stock options <sup>2</sup>	1,319,000
Warrants <sup>3</sup>	19,066,304
Convertible Debt <sup>4</sup>	2,480,900

<sup>1</sup> Each exchangeable into one Common Share at any time, and from time to time, until the tenth anniversary of the Closing Date.

<sup>2</sup> Each exercisable into one Common Share.

<sup>3</sup> Includes 15,666,626 NioCorp Assumed Warrants that are each exercisable into 1.11829212 Common Shares, and 3,399,678 Warrants that are each exercisable into one Common Share.

<sup>4</sup> Represents Common Shares issuable on conversion of Convertible Debentures with an aggregate outstanding principal and accrued interest balance of \$8.16 million as of October 6, 2023, assuming a market price per Common Share of \$3.66 on that date.

## **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 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**

## **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”) as of June 30, 2023 and 2022, the related consolidated statements of operations and comprehensive loss, shareholders’ (deficit) equity and redeemable noncontrolling interest, and cash flows for each of the three years in the period ended June 30, 2023, 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 at June 30, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended June 30, 2023, 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 an accumulated deficit and suffered recurring losses without any current revenue generating operations. These conditions raise substantial doubt about the Company’s 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.

### **Critical Audit Matters**

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing a separate opinion on the critical audit matters or on the accounts or disclosures to which they relate.

#### *Certain Financing Transactions*

As described in Notes 1 and 9 to the consolidated financial statements, the Company entered into the following financing transactions during the year ended June 30, 2023:

- On September 25, 2022, the Company and Lind Global Asset Management III, LLC (“Lind”) entered into the waiver and consent agreement (the “Lind Consent”). As consideration for entering into the Lind Consent, Lind received, amongst other things: the right to receive a cash payment; and the right to receive additional warrants (the “Contingent Consent Warrants”) if certain contingencies are met on the date that is 18 months following the closing date.
- On January 26, 2023, the Company entered into a definitive agreement with YA II PN, Ltd., an investment fund managed by Yorkville Advisors Global, LP (together with YA II PN, Ltd., “Yorkville”). Pursuant to the definitive agreement, at the closing, Yorkville advanced a total amount of \$15.36 million to the Company in consideration for \$16 million aggregate principal amount of unsecured convertible debentures (the “Yorkville Convertible Debt”) and common share purchase warrants (the “Financing Warrants”).

We identified the accounting treatment of these transactions and the inputs and valuation model used in estimating the fair value of the Contingent Consent Warrants as a critical audit matter. The principal considerations for our determination were: (i) the evaluation of the accounting treatment for the Lind Consent as to whether this agreement resulted in a debt modification or extinguishment based on the analysis of cash flows, (ii) the evaluation of the potential derivatives that may require bifurcation from the Yorkville Convertible Debt and evaluation of the appropriate accounting treatment, and (iii) the evaluation of the inputs and valuation model used in estimating the fair value of the Contingent Consent Warrants. Auditing these elements involved especially challenging auditor judgment due to the nature and extent of



audit effort required to address these matters, including the extent of specialized skills or knowledge needed.

The primary procedures we performed to address this critical audit matter included:

- Reviewing and analyzing the terms of the agreements associated with each transaction.
- Reviewing and analyzing the changes in cash flows for the Lind financing transaction.
- Utilizing personnel with specialized knowledge and skills in the relevant technical accounting guidance to assist in: (i) evaluating relevant contract terms of the financing transactions in relation to the appropriate accounting literature, and (ii) assessing the appropriateness of conclusions reached by the Company.
- Utilizing personnel with specialized knowledge and skill to assist in analyzing the Company's inputs and valuation model used in estimating the fair value for the Contingent Consent Warrants.

#### *GX Acquisition Corp. II Transaction*

As discussed in Notes 1, 5, 10, and 11 on March 17, 2023 (the "Closing Date"), the Company closed the GXII Transaction with GX Acquisition Corp. II ("GXII"), pursuant to the Business Combination Agreement, dated September 25, 2022 (the "Business Combination Agreement").

In connection with the closing, pursuant to the Business Combination Agreement, the Company assumed the GXII Warrant Agreement and each GXII Warrant thereunder that was issued and outstanding immediately prior to the Closing Date was converted into one Company assumed warrant. The Company's private warrants are required to be accounted for as a liability and are subject to remeasurement at each balance sheet date, with a June 30, 2023 value of \$3.3 million.

Certain shares of Class B common stock of Elk Creek Resource Corporation ("ECRC") (the "Earnout Shares") are subject to certain vesting conditions. The Earnout Shares are required to be accounted for as a liability and are subject to remeasurement at each balance sheet date, with a June 30, 2023 value of \$10.5 million.

We identified the accounting treatment of the GXII Transaction and the inputs and valuation models used in estimating the fair value of the private warrants and Earnout Shares included in the GXII Transaction as a critical audit matter. The principal considerations for our determination were: (i) the evaluation of the accounting treatment for the GXII Transaction, including the accounting for the private warrants and Earnout Shares, and (ii) the evaluation of the inputs and valuation models used in estimating the fair value of both the private warrants and Earnout Shares. Auditing these elements involved especially challenging auditor judgment

due to the nature and extent of audit effort required to address these matters, including the extent of specialized skills or knowledge needed.

The primary procedures we performed to address this critical audit matter included:

- Reviewing and analyzing the terms of the agreements associated with the GXII Transaction.
- Utilizing personnel with specialized knowledge and skills in the relevant technical accounting guidance to assist in: (i) evaluating relevant contract terms in relation to the appropriate accounting literature, and (ii) assessing the appropriateness of conclusions reached by the Company.
- Utilizing personnel with specialized knowledge and skill to assist in analyzing the Company's inputs and valuation models used in estimating the fair value for both the private warrants and Earnout Shares.

/s/ BDO USA, P.C.

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

Spokane, Washington

October 6, 2023

**NioCorp Developments Ltd.**  
**Consolidated Balance Sheets**

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

	Note	As of June 30,	
		2023	2022
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents		\$ 2,341	\$ 5,280
Prepaid expenses and other		1,385	402
<b>Total current assets</b>		<b>3,726</b>	<b>5,682</b>
<b>Non-current</b>			
Deposits		35	35
Investment in equity securities		9	10
Right-of-use assets	14	236	94
Land and buildings, net	6	839	850
Mineral properties	7	16,085	16,085
<b>Total assets</b>		<b>\$ 20,930</b>	<b>\$ 22,756</b>
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	8	\$ 3,491	\$ 817
Related party loan	12	-	2,000
Convertible debt, current portion	9	-	2,169
Operating lease liability	14	71	82
<b>Total current liabilities</b>		<b>3,562</b>	<b>5,068</b>
<b>Non-current</b>			
Convertible debt	9	10,561	-
Warrant liabilities, at fair value	9, 11c	4,989	-
Earnout liability, at fair value	10	10,521	-
Operating lease liability	14	164	23
<b>Total liabilities</b>		<b>29,797</b>	<b>5,091</b>
Commitments and contingencies	3k, 13		
Redeemable noncontrolling interest	10	2,100	-
<b>SHAREHOLDERS' (DEFICIT) EQUITY</b>			
Common stock, no par value, unlimited shares authorized; 31,202,131 and 27,667,060 shares outstanding as of June 30, 2023 and 2022, respectively	11	140,421	129,055
Accumulated deficit		(150,477)	(110,397)
Accumulated other comprehensive loss		(911)	(993)
<b>Total shareholders' (deficit) equity</b>		<b>(10,967)</b>	<b>17,665</b>
<b>Total liabilities, redeemable noncontrolling interest, and shareholders' (deficit) equity</b>		<b>\$ 20,930</b>	<b>\$ 22,756</b>

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)

		For the year ended June 30,		
	Note	2023	2022	2021
<b>Operating expenses</b>				
Employee related costs		\$ 2,323	\$ 2,150	\$ 1,655
Professional fees		2,581	684	386
Exploration expenditures	13	5,348	3,309	1,056
Other operating expenses		27,158	1,653	995
Total operating expenses		37,410	7,796	4,092
Change in fair value of earnout shares liability	10	(2,674)	-	-
Change in fair value of warrant liabilities	9,11c	1,414	-	-
Loss on debt extinguishment	9	1,922	-	163
Interest expense	9,12	2,336	2,827	1,543
Foreign exchange loss (gain)		216	258	(725)
Other gains		(13)	-	(208)
Change in financial instrument fair value		-	-	(32)
Loss (gain) on equity securities		1	6	(9)
Loss before income taxes		40,612	10,887	4,824
Income tax benefit	15	(304)	-	-
Net loss		40,308	10,887	4,824
Net loss attributable to redeemable noncontrolling interest	10	228	-	-
<b>Net loss attributable to the Company</b>		<b>\$ 40,080</b>	<b>\$ 10,887</b>	<b>\$ 4,824</b>
<b>Other comprehensive loss:</b>				
Net loss		\$ 40,308	\$ 10,887	\$ 4,824
Other comprehensive (gain) loss:				
Reporting currency translation		(82)	(166)	804
Total comprehensive loss		40,226	10,721	5,628
Comprehensive loss attributable to redeemable noncontrolling interest		228	-	-
<b>Comprehensive loss attributable to the Company</b>		<b>\$ 39,998</b>	<b>\$ 10,721</b>	<b>\$ 5,628</b>
<b>Loss per common share, basic and diluted</b>	3o	<b>\$ 1.34</b>	<b>\$ 0.41</b>	<b>\$ 0.20</b>
<b>Weighted average common shares outstanding</b>		<b>28,705,840</b>	<b>26,373,722</b>	<b>24,196,711</b>

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,		
	Note	2023	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net loss for the period		\$ (40,308)	\$ (10,887)	\$ (4,824)
Adjustments for:				
Initial valuation of earnout shares liability		13,195	-	-
Change in valuation of earnout shares liability		(2,674)	-	-
Initial valuation of warrant liabilities		2,987	-	-
Accretion of convertible debt		2,157	2,619	1,100
Share-based compensation		1,794	1,745	797
Loss on debt extinguishment		1,422	-	163
Change in valuation of warrant liabilities		1,414	-	-
Yorkville share issuances		663	-	-
Foreign exchange loss (gain)		200	329	(661)
Depreciation		3	3	-
Unrealized loss (gain) on equity securities		1	6	(9)
Noncash lease activity		(12)	(7)	30
Other gains	6	(13)	-	(196)
Change in financial instrument fair value		-	-	(32)
		(19,171)	(6,192)	(3,632)
Change in working capital items:				
Prepaid expenses		(985)	(377)	9
Accounts payable and accrued liabilities		2,861	419	(1,103)
<b>Net cash used in operating activities</b>		<b>(17,295)</b>	<b>(6,150)</b>	<b>(4,726)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of mineral rights		-	-	(5,468)
Acquisition of land and buildings		-	(16)	(837)
Proceeds from sale of assets		21	-	-
<b>Net cash provided by (used in) investing activities</b>		<b>21</b>	<b>(16)</b>	<b>(6,305)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Issuance of convertible debt, net of costs		14,857	-	9,477
Proceeds from issuance of capital stock		2,499	4,737	10,677
Related party debt draws		1,130	-	-
Related party debt repayments		(3,130)	(318)	(1,500)
Loan repayments		(515)	-	(406)
Share issue costs		(204)	(118)	(174)
<b>Net cash provided by financing activities</b>		<b>14,637</b>	<b>4,301</b>	<b>18,074</b>
Exchange rate effect on cash and cash equivalents		(302)	(172)	(33)
Change in cash and cash equivalents during period		(2,939)	(2,037)	7,010
Cash and cash equivalents, beginning of period		5,280	7,317	307
<b>Cash and cash equivalents, end of period</b>		<b>\$ 2,341</b>	<b>\$ 5,280</b>	<b>\$ 7,317</b>
<b>Supplemental cash flow information:</b>				
Amounts paid for interest		\$ 264	\$ 252	\$ 873
Amounts paid for income taxes		-	-	-
Non-cash investing and financing transactions:				
Conversion of debt for common shares		\$ 5,175	\$ 8,807	\$ 3,106
Recognition of operating lease liabilities		199	-	231
Derecognition of operating lease liabilities		-	-	(22)
Accounts payable to note conversion		-	-	1,640
Value of warrants issued		3,337	-	1,795

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

NioCorp Developments Ltd.

Consolidated Statements of Shareholders' (Deficit) Equity and Redeemable Noncontrolling Interest

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

	Common Shares Outstanding	Common Stock	Accumulated Deficit	Accumulated Other Comprehensive Income	Total	Redeemable Noncontrolling Interest
<b>Balance, June 30, 2020</b>	23,592,571	\$ 97,682	\$ (94,686)	\$ (355)	\$ 2,641	\$ -
Exercise of warrants	910,628	5,338	-	-	5,338	-
Exercise of options	295,229	215	-	-	215	-
Fair value of warrants granted	-	1,795	-	-	1,795	-
Private placement – May 2021	433,415	5,124	-	-	5,124	-
Debt conversions	406,151	3,106	-	-	3,106	-
Share issuance costs	-	(175)	-	-	(175)	-
Share-based compensation	-	797	-	-	797	-
Reporting currency presentation	-	-	-	(804)	(804)	-
Loss for the year	-	-	(4,824)	-	(4,824)	-
<b>Balance, June 30, 2021</b>	25,637,994	\$ 113,882	\$ (99,510)	\$ (1,159)	\$ 13,213	\$ -
Exercise of warrants	87,175	543	-	-	543	-
Exercise of options	205,153	483	-	-	483	-
Fair value of warrants granted	-	14	-	-	14	-
Private placement – June 2022	498,103	3,711	-	-	3,711	-
Debt conversions	1,238,635	8,807	-	-	8,807	-
Share issuance costs	-	(130)	-	-	(130)	-
Share-based compensation	-	1,745	-	-	1,745	-
Reporting currency presentation	-	-	-	166	166	-
Loss for the year	-	-	(10,887)	-	(10,887)	-
<b>Balance, June 30, 2022</b>	27,667,060	\$ 129,055	\$ (110,397)	\$ (993)	\$ 17,665	\$ -
Exercise of options	265,138	11	-	-	11	-
Fair value of warrants granted	-	3,338	-	-	3,338	-
Common Shares issued in the GXII Transaction	1,753,821	-	-	-	-	-
Commitment shares issued	81,213	650	-	-	650	-
Registered direct offering – May 2023	314,465	2,000	-	-	2,000	-
Shares issued under the Yorkville equity facility	100,000	501	-	-	501	-
Debt conversions	1,020,434	5,604	-	-	5,604	-
Share issuance costs	-	(204)	-	-	(204)	-
Redeemable noncontrolling interest	-	(2,328)	-	-	(2,328)	2,328
Share-based compensation	-	1,794	-	-	1,794	-
Reporting currency presentation	-	-	-	82	82	-
Loss for the year	-	-	(40,080)	-	(40,080)	(228)
<b>Balance, June 30, 2023</b>	31,202,131	\$ 140,421	\$ (150,477)	\$ (911)	\$ (10,967)	\$ 2,100

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

**NioCorp Developments Ltd.**  
**Notes to Consolidated Financial Statements**  
**June 30, 2023**

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

**1. DESCRIPTION OF BUSINESS**

NioCorp Developments Ltd. (the “Company” or “NioCorp”) 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.

As further discussed in Notes 5, 9, 10, and 11, on March 17, 2023 (the “Closing Date”), the Company closed the GXII Transaction (as defined below) with GX Acquisition Corp. II (“GXII”), pursuant to the Business Combination Agreement, dated September 25, 2022 (the “Business Combination Agreement”), among the Company, GXII and Big Red Merger Sub Ltd (the “Closing”). At the Closing, the Company also closed convertible debt financings (the “Yorkville Convertible Debt Financing”) with YA II PN, Ltd., an investment fund managed by Yorkville Advisors Global, LP (together with YA II PN, Ltd., “Yorkville”), and the standby equity purchase facility with Yorkville (the “Yorkville Equity Facility Financing” and, together with the Yorkville Convertible Debt Financing, the “Yorkville Financings”) became effective. The transactions contemplated by the Business Combination Agreement, including the GXII Transaction, the Yorkville Financings and the Reverse Stock Split (as defined below), are referred to, collectively, as the “Transactions.”

The GXII Transaction is being accounted for as an equity raise transaction in accordance with generally accepted accounting principles of the United States of America (“U.S. GAAP”). Under this method of accounting, GXII is treated as the “acquired” company for financial reporting purposes. Accordingly, the GXII Transaction is treated as the equivalent of NioCorp issuing common shares, no par value, of the Company (“Common Shares”) for the assets and liabilities of GXII. The net assets of GXII are stated at historical cost, with no goodwill or other intangible assets recorded.

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 consolidated 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 to construction and commercial operation. As further discussed in Note 4, these matters raised substantial doubt about the Company’s ability to continue as a going concern, and the Company 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 U.S. GAAP and the rules and regulations of the U.S. Securities and Exchange Commission. The consolidated financial statements include the consolidated accounts of the Company and its wholly owned subsidiaries with all significant intercompany transactions eliminated. Certain transactions include reference to Canadian dollars (“C\$”) where applicable.

**NioCorp Developments Ltd.**  
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(expressed in thousands of U.S. dollars, except share and per share data)

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.

	Jurisdiction of incorporation	Ownership at June 30,	
		2023	2022
0896800 BC Ltd. ("0896800")	British Columbia, Canada	100%	100%
Elk Creek Resources Corp.	Nebraska, USA	N/A	100% by 0896800
Elk Creek Resources Corp. ("ECRC")	Delaware, USA	100% of the Class A common stock by 0896800	N/A

b) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. 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 consolidated 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, convertible debt valuations, earnout valuation, warrant liabilities, 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) Development Stage Issuer

The Company is considered to be a development stage issuer under Subpart 1300 of Regulation S-K of the United States Securities Act of 1933, as amended ("S-K 1300"), and it 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.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in banks, investments in certificates of deposit with original maturities of 90 days or less, and money market funds. The Company maintains the majority of its cash balances with two financial institutions. Accounts at banks in the United States ("U.S.") are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250, while accounts at banks in Canada are insured by the Canada Deposit Insurance Corporation ("CDIC") up to C\$100. At June 30, 2023 and 2022, the Company had \$1,717 and \$4,721 in excess of the FDIC and CDIC insured limits, respectively.

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 reporting currency for these consolidated financial statements is U.S. dollars.

*Change in functional currency*

Prior to March 17, 2023, the Company's functional currency was the Canadian dollar. The Company re-assessed its functional currency and determined that on March 17, 2023, its functional currency changed from the Canadian dollar to the U.S. dollar based on significant changes in economic facts and circumstances in our organization. The change in functional currency was accounted for prospectively from March 17, 2023 and prior-period consolidated financial statements were not restated for the change in functional currency.



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For both monetary and non-monetary assets and liabilities, translated balances as of March 17, 2023 became the new accounting basis. The exchange rate on the date of change became the historical rate at which non-monetary assets and liabilities were translated in subsequent periods. There was no effect on the cumulative translation adjustment on the consolidated basis. Previously recorded cumulative translation adjustments were not reversed.

The functional currency for the Company's Canadian subsidiary, 0896800 BC Ltd., which has no independent operations from its parent, also changed from the Canadian dollar to the U.S. dollar. The functional currency for Elk Creek Resources Corp. remains as the U.S. dollar.

*Transactions in foreign currency*

Transactions made in a currency other than the functional currency are remeasured 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 remeasured to the functional currency at the exchange rate at that date and non-monetary assets and liabilities are remeasured at historical rates. Foreign currency translation gains and losses are included in profit or loss.

*Translation to reporting currency*

Translation gains and losses from the application of the U.S. dollar as the reporting currency for all periods prior to March 17, 2023 (when the Canadian dollar was the functional currency) are included as part of cumulative currency translation adjustment, which is reported as a component of shareholders' equity under accumulated other comprehensive loss.

d) 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 S-K 1300, and the Board of Directors has approved the commencement of formal development activities, development costs related to such reserves and incurred after such board approval 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.

The recoverability of the carrying values of mineral properties is dependent upon economic reserves being discovered or developed on the properties, permitting, financing, start-up, and commercial production from, or the sale/lease of, or other strategic transactions related to these properties. Development and/or start-up of a project will depend on, among other things, management's ability to raise sufficient capital for these purposes. We assess the carrying cost of our mineral properties for impairment whenever information or circumstances indicate the potential for impairment. This would include events and circumstances such as our inability to obtain all the necessary permits, changes in the legal status of our mineral properties, government actions, the results of exploration activities and technical evaluations and changes in economic conditions, including the price of commodities or input prices. Such evaluations compare estimated future net cash flows with our carrying costs and future obligations on an undiscounted basis. If it is determined that the estimated future undiscounted cash flows are less than the carrying value of the property, an impairment loss will be recorded. Where estimates of future net cash flows are not determinable and where other conditions indicate the potential for impairment, management uses available market information and/or third-party valuation experts to assess if the carrying value can be recovered and to estimate fair value. There was no impairment recorded to mineral properties as of June 30, 2023 or 2022, respectively.

e) Long Lived Assets

Long-lived assets, other than mineral properties, 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.

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**Notes to Consolidated Financial Statements**  
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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. There was no impairment recorded to long-lived assets as of June 30, 2023 or 2022, respectively.

f) Leases

Under Accounting Standards Codification (“ASC”) 842, “Leases,” we determine if a contractual arrangement is, or contains, a lease at the inception date. Right-of-use (“ROU”) assets and liabilities related to operating leases are separately reported in the consolidated balance sheets. The Company currently has no finance leases.

ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the lease term. When the rate implicit to the lease cannot be readily determined, we utilize our incremental borrowing rate in determining the present value of the future lease payments. The incremental borrowing rate is derived from information available at the lease commencement date and represents the rate of interest that a lessee would have to pay to borrow an amount equal to the lease payments on a collateralized basis over a similar term in a similar economic environment. Operating lease ROU assets also include any cumulative prepaid or accrued rent when the lease payments are uneven throughout the lease term. The ROU assets and lease liabilities may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option.

Lease liabilities are increased by interest and reduced by payments each period, and the ROU asset is amortized over the lease term. For operating leases, interest on the lease liability and the amortization of the ROU asset result in straight-line rent expense over the lease term. Variable lease expenses are recorded when incurred.

g) Warrants

We apply relevant accounting guidance for warrants to purchase our stock based on the nature of the relationship with the counterparty. For warrants issued to investors or lenders in exchange for cash or other financial assets, we follow guidance issued within ASC 480, Distinguishing Liabilities from Equity, and ASC Topic 815, Derivatives and Hedging, (“ASC 815”) to assist in the determination of whether the warrants should be classified as liabilities or equity. The fair value of warrants is estimated using Black Scholes modeling or Monte Carlo modeling, depending on the settlement features embedded in the warrant. Inputs under both models include inputs such as NioCorp’s Common Share price, the risk-free interest rate, the expected term, the volatility, and the dividend rate. Warrants that are determined to require liability classifications are measured at fair value upon issuance and are subsequently remeasured to their then fair value at each subsequent reporting period with changes in fair value recorded in current earnings. Warrants that are determined to require equity classifications measured at fair value upon issuance and are not subsequently remeasured unless they are required to be reclassified.

h) Earnout Shares

Earnout Shares are classified as a liability due to failure to meet the equity classification criteria under ASC 815-40. The fair value of the Earnout Shares on the date of issuance and on each measurement date is estimated using a Monte Carlo simulation methodology, which includes inputs such as NioCorp’s Common Share price, the risk-free interest rate, the expected term, the implied volatility underlying the Company’s Public Warrants, the dividend rate, the conversion price, and the number of Earnout Shares outstanding. Assumptions used in the model are subjective and require significant judgment.

i) Financial Instruments

The Company’s financial instruments consist of cash and cash equivalents, receivables, equity 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.

j) Concentration of Credit Risk

The financial instrument which potentially subjects the Company to credit risk is cash and cash equivalents. The Company holds investments or maintains available cash primarily in two commercial banks located in Vancouver,

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British Columbia and Santa Clara, California. As part of its cash management process, the Company regularly monitors the relative credit standing of these institutions.

k) **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 \$48 as an accrued liability related to estimated obligations as of June 30, 2023 (2022 - \$48).

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 and comprehensive loss in the period an estimate is revised.

l) **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. ASC 740-10-50, "*Income Taxes – Disclosure,*" requires the Company to evaluate its income tax positions and recognize a liability for uncertain tax positions that are not more likely than not to be sustained by tax authorities. As of June 30, 2023 and 2022, the Company believes it had no income tax uncertainties that required recognition of a liability. If the Company were to determine that uncertain tax positions meet the criteria for recognition, an estimated liability and related interest and penalties would be recognized as income tax expense.

m) **Reverse Stock Split**

On March 17, 2023, the Company effected a reverse stock split (the "Reverse Stock Split") on the basis of one (1) post-Reverse Stock Split Common Share for every ten (10) pre-Reverse Stock Split Common Shares issued and outstanding, with any fractional shares resulting from the Reverse Stock Split rounded down to the nearest whole share. Immediately after the Reverse Stock Split, there were 30,000,442 Common Shares issued and outstanding. All references to share and per share amounts (excluding authorized shares) in the consolidated financial statements and accompanying notes have been retroactively restated to reflect the Reverse Stock Split.

n) **Redeemable Noncontrolling Interest**

Redeemable Noncontrolling Interest refers to non-controlling interest associated with the Vested Shares that are redeemable upon the occurrence of an event that is not solely within the Company's control and is reported in the mezzanine section between total liabilities and shareholders' deficit, as temporary equity in the Company's consolidated balance sheets. The Company's non-controlling interest is redeemable at fair value, and no adjustment to the earnings per share numerator is required because redemption at fair value is not considered an economic distribution different from other common stockholders.

o) **Basic and Diluted Per Share Disclosure**

Basic earnings (loss) per share represents net earnings (loss) attributable to common shareholders divided by the weighted average number of Common Shares outstanding during the period. The Company considers Vested Shares and Released Earnout Shares (each as defined in Note 10), to be participating securities, requiring the use of the two-class method. Diluted earnings (loss) per share represents net earnings (loss) attributable to common shareholders divided by the weighted average number of Common Shares outstanding, inclusive of the dilutive impact of all potentially dilutive securities outstanding during the period, as applicable.

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

The Company utilizes the weighted average method to determine the impact of changes in a participating security on the calculation of loss per share. The following table sets forth the computation of the Company's basic and diluted net loss per share attributable to common shareholders:

	For the year ended June 30,		
	2023	2022	2021
Net loss	\$ 40,308	\$ 10,887	\$ 4,824
Adjust: Net loss attributable to noncontrolling interest	(251)	-	-
Net loss available to participating securities	40,057	10,887	4,824
Net loss attributable to Vested Shares	(1,528)	-	-
Net loss attributed to common shareholders - basic and diluted	\$ 38,529	\$ 10,887	\$ 4,824
Denominator:			
Weighted average shares outstanding – basic and diluted	28,705,840	26,373,722	24,196,711
Loss per Common Share outstanding – basic and diluted	\$ 1.34	\$ 0.41	\$ 0.20

The following shares underlying options, warrants, and outstanding convertible debt were antidilutive due to a net loss in the periods presented and, therefore, were excluded from the dilutive securities computation for the years ended June 30, 2023 and 2022, as indicated below.

	For the year ended June 30,		
	2023	2022	2021
Excluded potentially dilutive securities <sup>(1)(2)</sup> :			
Options	1,541,500	1,446,400	1,596,500
Warrants	18,816,304	1,851,622	1,434,186
Convertible debt	2,871,660	415,200	1,455,700
Total potentially dilutive securities	23,229,464	3,713,222	4,486,386

(1) The number of shares is based on the maximum number of shares issuable on exercise or conversion of the related securities as of the period end. Such amounts have not been adjusted for the treasury stock method or weighted average outstanding calculations as required if the securities were dilutive.

(2) Earnout Shares (as defined below) are excluded as the vesting terms were not met as of the end of the reporting period.

p) Share Based Compensation

The Company grants stock options to directors, officers, employees, and business advisors. Option terms and vesting conditions are at the discretion of the Board of Directors. Prior to March 21, 2023, the option exercise price was equal to the closing market price on The Toronto Stock Exchange (the "TSX") on the day preceding the date of grant. Effective March 21, 2023, the option exercise price is equal to the closing market price on the Nasdaq Stock Market LLC ("Nasdaq") on the day preceding the date of the grant.

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

q) Recent Accounting Standards

Issued and Adopted

In August 2020, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2020-06, Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40) ("ASU 2020-06"), which simplifies the accounting for convertible instruments. ASU 2020-06 removes certain accounting models which separate the embedded conversion features from the host contract for convertible instruments. Either a modified retrospective method of transition or a fully retrospective method of transition is permissible for the adoption of this standard. ASU 2020-06 is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal

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years. The Company adopted ASU 2020-06 on July 1, 2022, with no material effect on the Company's current financial position, results of operations or financial statement 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.

r) Revision of Financial Statements (Unaudited)

During the fourth quarter of fiscal year 2023, the Company determined that it had used an incorrect strike price while valuing the Private Warrants (as defined below in Note 11c) at both the March 17, 2023, issuance date and as of March 31, 2023. This resulted in an overstatement of other operating expenses, at fair value, and an understatement of change in fair value of warrant liabilities in condensed consolidated statement of operations and comprehensive loss for both the three- and nine-month periods ended March 31, 2023. In addition, warrant liabilities, at fair value and accumulated deficit were overstated and understated, respectively, as of March 31, 2023.

The Company determined that these errors were immaterial to the previously issued consolidated financial statements, and as such no restatement was necessary. Periods not presented herein will be revised, as applicable, in future filings.

The effects of the revision on the previously issued consolidated financial statements are as follows:

**Revision Impacts to the Condensed Consolidated Balance Sheet (unaudited)**  
**As of March 31, 2023**

	<b>As Previously Reported</b>	<b>Revision Impacts</b>	<b>Revised</b>
Warrant liabilities, at fair value	\$ 5,303	\$ (665)	\$ 4,638
Total liabilities	34,735	(665)	34,070
Accumulated deficit	(146,046)	665	(145,381)
Total shareholders' deficit	(12,512)	665	(11,847)

**Revision Impacts to the Condensed Consolidated Statement of Operations and Comprehensive Loss (unaudited)**  
**For the Three Months Ended March 31, 2023**

	<b>As Previously Reported</b>	<b>Revision Impacts</b>	<b>Revised</b>
Other operating expense	\$ 26,220	\$ (861)	\$ 25,359
Total operating expenses	29,192	(861)	28,331
Change in fair value of warrant liability	784	196	980
Loss before income taxes	29,621	(665)	28,956
Net loss	29,435	(665)	28,770
Net loss attributable to the Company	29,343	(665)	28,678
Total comprehensive loss	29,323	(665)	28,658
Comprehensive loss attributable to the Company	29,231	(665)	28,566
Loss per common share, basic and diluted	\$ 1.00	\$ (0.02)	\$ 0.98

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**Revision Impacts to the Condensed Consolidated Statement of Operations and Comprehensive Loss (unaudited)**  
**For the Nine Months Ended March 31, 2023**

	<b>As Previously Reported</b>	<b>Revision Impacts</b>	<b>Revised</b>
Other operating expense	\$ 26,888	\$ (861)	\$ 26,027
Total operating expenses	33,475	(861)	32,614
Change in fair value of warrant liability	868	196	1,064
Loss before income taxes	35,927	(665)	35,262
Net loss	35,741	(665)	35,076
Net loss attributable to the Company	35,649	(665)	34,984
Total comprehensive loss	35,659	(665)	34,994
Comprehensive loss attributable to the Company	35,567	(665)	34,902
Loss per common share, basic and diluted	\$ 1.26	\$ (0.02)	\$ 1.24

**Revision Impacts to the Condensed Consolidated Statement of Cash Flows (unaudited)**  
**For the Nine Months Ended March 31, 2023**

	<b>As Previously Reported</b>	<b>Revision Impacts</b>	<b>Revised</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss for the period	\$ (35,741)	\$ 665	\$ (35,076)
Initial valuation of warrants	3,848	(861)	2,987
Change in fair value of warrants	868	196	1,064

**4. GOING CONCERN ISSUES**

The Company incurred a net loss of \$40,080 for the year ended June 30, 2023 (2022 - \$10,887 and 2021 - \$4,824) and had an accumulated deficit of \$150,477 as of June 30, 2023. As a development stage issuer, the Company has not yet commenced its mining operations and accordingly does not generate any revenue. As of June 30, 2023, the Company had cash and cash equivalents of \$2,341 which is not sufficient to fund normal operations for the next twelve months without deferring payment on certain liabilities or raising additional funds. In addition, the Company will be required to raise additional funds for construction and commencement of operations. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to continue operations and fund its expenditures, which have historically averaged approximately \$2,350 per quarter over the preceding three-year period, is dependent on management's ability to secure additional financing. NioCorp expects to have access to up to \$62,577 in net proceeds from the Yorkville Equity Facility Financing through April 1, 2026, as discussed in Note 11d. Management is actively pursuing 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. Other than the potential issuance of Common Shares under the Yorkville Equity Facility Financing Agreement, the Company did not have any further funding commitments or arrangements for additional financing as of June 30, 2023. 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 consolidated financial statements.

Recent worldwide events have created general global economic uncertainty as well as uncertainty in capital markets, supply chain disruptions, increased interest rates and inflation, and the potential for geographic recessions. We believe this could have an adverse impact on our ability to obtain financing, development plans, results of operations, financial position, and cash flows during the current fiscal year. The full extent to which these events and our precautionary measures may continue to impact our business will depend on future developments, which continue to be highly uncertain and cannot be predicted at this time.

**5. GXII TRANSACTION**

Pursuant to the Business Combination Agreement, the following transactions (collectively, the "GXII Transaction") occurred on the Closing Date:

- As a result of a series of transactions, GXII became an indirect, majority-owned subsidiary of NioCorp and changed its name to "Elk Creek Resources Corp" ("ECRC").
- As the parent company of the merged entity, NioCorp issued 1,753,821 post-Reverse Stock Split Common Shares in exchange for all of the Class A shares of GXII issued and outstanding immediately prior to the Closing, including 83,770 Common Shares issued to BTIG, LLC in exchange for Class A shares of GXII that it received as partial payment for advisory services.
- All of the Class B shares of GXII issued and outstanding immediately prior to the Closing (after giving effect to the surrender of certain Class B shares of GXII in accordance with the Sponsor Support Agreement, dated September 25, 2022 (the "Sponsor Support Agreement"), among GX Sponsor II LLC (the "Sponsor"), GXII, NioCorp and the other persons party thereto) were converted into 7,957,404 shares of Class B common stock of GXII (now known as ECRC) as the surviving entity of the mergers that occurred on the Closing Date as part of the GXII Transaction. Pursuant to the Business Combination Agreement, the Sponsor Support Agreement and the Exchange Agreement, dated as of March 17, 2023 (as amended, supplemented or

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otherwise modified, the “Exchange Agreement”), by and among NioCorp, ECRC and the Sponsor, after the Closing, the shares of Class B common stock of ECRC are exchangeable into Common Shares on a one-for-one basis, subject to certain equitable adjustments, under certain conditions. See Note 10 for additional information regarding the Class B common stock of ECRC.

- NioCorp assumed GXII’s obligations under the agreement (the “GXII Warrant Agreement”) governing the GXII share purchase warrants (the “GXII Warrants”) and issued an aggregate of 15,666,626 warrants (the “NioCorp Assumed Warrants”) to purchase up to an aggregate of 17,519,864 Common Shares. See Note 11c for additional information regarding the NioCorp Assumed Warrants.

After the distribution of funds to GXII redeeming shareholders and prior to paying transaction costs incurred by GXII, \$15,676 became available to the Company. The following table summarizes the elements of the GXII Transaction allocated to the Consolidated Statements of Operations and Comprehensive Loss:

	Amount
Gross cash proceeds, net of transaction costs incurred by GXII	\$ 2,168
Less:	
Cash costs associated with the Transactions:	
Net liabilities assumed	392
Yorkville Equity Facility Financing Agreement – cash costs	1,996
Transaction costs expensed	6,715
Non-cash costs associated with the Transactions:	
Private Warrants assumed at fair value	2,987
Earnout Shares assumed at fair value	13,195
Yorkville Equity Facility Financing Agreement – shares issued	650
Total transaction related losses incurred	<u>\$ 23,767</u>

The number of Common Shares issued and outstanding immediately following the consummation of the Transactions were as follows:

	Common Shares	Percentage
Legacy NioCorp Shareholders	28,246,621	93.90%
Former GXII Class A Shareholders <sup>1</sup>	1,753,821	5.83%
Other <sup>2</sup>	81,213	0.27%
Total Common Shares Outstanding Upon Completion of Transactions	<u>30,081,655</u>	<u>100%</u>

1 Includes 83,770 Common Shares issued to BTIG, LLC in exchange for Class A shares of GXII that it received as partial payment for advisory services.

2 Represents Commitment Shares (as defined in Note 11d) issued under the Yorkville Equity Facility Financing Agreement.

In connection with the GXII Transaction, the Company also closed the Yorkville Convertible Debt Financing and the Yorkville Equity Facility Financing, as discussed in Notes 9 and 11d.

**6. LAND AND BUILDINGS, NET**

As of June 30,								
	Cost	2023 Accumulated Depreciation	Net		Cost	2022 Accumulated Depreciation	Net	
Land	\$ 807	\$ -	\$ 807		\$ 811	\$ -	\$ 811	
Buildings and other	41	9	32		45	6	39	
	<u>\$ 848</u>	<u>\$ 9</u>	<u>\$ 839</u>		<u>\$ 856</u>	<u>\$ 6</u>	<u>\$ 850</u>	

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In October 2022, the Company entered into an agreement with the State of Nebraska (the “State”) to sell a strip of Company-owned land totaling approximately 1.27 acres located adjacent to State Highway 50 in connection with highway improvements to be completed by the State, for \$21, inclusive of estimated fence replacement costs. The Company retained ownership of the mineral rights associated with this 1.27-acre parcel. The Company recorded a gain on this sale of \$13 in other gains in the consolidated statement of operations and comprehensive loss.

**7. MINERAL PROPERTIES**

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 ECRC. The Company issued 1,899,053 Common Shares to acquire all of the issued and outstanding shares of 0859404 BC Ltd. and issued 103,434 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, “Business Combinations,” 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.

On April 23, 2021, ECRC formally closed the purchase of two parcels of land and associated buildings and mineral rights in Johnson County, Nebraska, associated with the Elk Creek Project, pursuant to an Amended and Restated Option to Purchase, dated as of April 29, 2020 (the “Option Agreement”). Pursuant to the terms of the Option Agreement, the Owner sold, transferred, conveyed and assigned all of the rights, privileges, title and interest in and to the real property to ECRC, including any associated mineral rights. The Option Agreement provided for a purchase price calculated based on the appraised value per acre of the parcels of land, the mineral rights and the structures erected on the land. The purchase price was approximately \$6,300, including indirect costs of \$57. Of this amount, \$837 was allocated to land and buildings and the remaining \$5,468 was allocated to mineral properties as costs related to mineral rights acquisition.

In addition to the land and mineral rights currently owned by the Company, the property interests of Elk Creek include eight prepaid mineral exploration option-to-purchase agreements and include a pre-determined buyout for permanent ownership of the mineral and/or surface rights. Terms of the agreements require no further significant payments, and the Company may negotiate lease extensions or elect to purchase the mineral and/or surface rights any time. Agreements that allow for the purchase of mineral rights contain provisions whereby the landowners would retain a 2% net smelter return.

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	As of June 30,	
	2023	2022
Accounts payable, trade	\$ 1,990	\$ 115
Trade payable accruals	1,324	654
Income taxes payable	101	-
Environmental accruals	48	48
Loan origination fees payable to related party	28	-
Total accounts payable and accrued liabilities	<u>\$ 3,491</u>	<u>\$ 817</u>

**9. CONVERTIBLE DEBT**

	As of June 30,	
	2023	2022
Current Portion:		
Lind III convertible security	\$ -	\$ 2,169
Noncurrent Portion:		
Yorkville convertible debentures	<u>\$ 10,561</u>	<u>\$ -</u>



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Lind III Convertible Security

On February 16, 2021, the Company issued to Lind Global Asset Management III, LLC (“Lind”), an entity managed by The Lind Partners, the convertible security (the “Lind III Convertible Security”) pursuant to the Convertible Security Funding Agreement, dated February 16, 2021, as amended by Amendment #1 to the Convertible Security Funding Agreement, dated December 2, 2021, between the Company and Lind (as amended, the “Lind III Agreement”). The Lind III Convertible Security had a face value of \$11,700 (representing \$10,000 in funding plus an implied 8.5% interest rate per annum for the term of the Lind III Convertible Security). After deducting a \$350 commitment fee as set forth in the Lind III Agreement, NioCorp received net proceeds of \$9,650 from the funding of the Lind III Convertible Security. The Company used a portion of the proceeds from the funding of the Lind III Convertible Security to purchase a key land parcel associated with the Company’s Elk Creek Project, with the remainder spent for general corporate purposes.

The Lind III Convertible Security had a term of (i) 24 months or (ii) 30 calendar days after the date on which the face value of the Lind III Convertible Security is nil due to such amount having been fully converted and/or fully repaid (including with any applicable premium) in accordance with the terms of the Lind III Agreement, whichever is earlier.

Pursuant to the Lind III Agreement, Lind was entitled to convert the Lind III Convertible Security into Common Shares in monthly installments over its term at a price per Common Share equal to 85% of the volume-weighted average price Common Shares on the TSX for the five trading days immediately preceding to the date on which Lind provides notice to the Company of its election to convert. The Lind III Agreement provided that Common Shares issuable upon conversion, together with the number of Common Shares issued upon exercise of Warrants, shall not exceed 4,358,800 Common Shares.

On February 19, 2021, in connection with the funding and issuance of the Lind III Convertible Security, the Company issued 855,800 Common Share purchase warrants, exercisable at a price per Common Share of C\$9.70, expiring February 19, 2025 (the “Lind III Warrants”), to Lind pursuant to the Lind III Agreement.

The Company identified embedded derivatives in the Lind III Convertible Security that were evaluated to be immaterial at both the closing date and at June 30, 2022.

The Company allocated the net proceeds of \$9,477 from the Lind III Convertible Security as follows:

- \$1,712 was allocated to Common Stock, representing the fair value of the Lind III Warrants based on the Black Scholes pricing model using a risk-free interest rate of 0.40%, an expected dividend yield of 0%, a volatility of 51.60%, and an expected life of 4.0 years.
- \$7,938 was allocated to the convertible debt liability. Transaction costs of \$173, in addition to a commitment fee of \$350, were recognized as a direct deduction from the debt liability, resulting in a net opening balance of \$7,765. This balance was accreted up to the face value of the Lind III Convertible Security at maturity using the effective interest method and recorded as non-cash interest expense in the consolidated statement of operations and comprehensive loss.

Changes in the Lind III Convertible Security are as follows:

	For the year ending June 30,	
	2023	2022
Beginning balance	\$ 2,169	\$ 7,234
Fair value increase due to debt extinguishment	201	-
Conversions	(1,950)	(7,635)
Accretion expense	95	2,570
Payment at maturity	(515)	-
Balance, end of period	\$ -	\$ 2,169

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On September 25, 2022, the Company and Lind entered into the Waiver and Consent Agreement, dated September 25, 2022, between the Company and Lind (the “Lind Consent”), which included the following principal terms: (i) the consent of Lind to the GXII Transaction disclosed in Note 5 and Yorkville Financings disclosed below and in Note 11d, including all actions taken by NioCorp as set out in the Business Combination Agreement to permit the completion of the Transactions; (ii) the consent of Lind to NioCorp’s expected cross-listing to the Nasdaq and the consolidation of the Common Shares in order to meet the minimum listing requirements thereof; (iii) the waiver of Lind of its participation right for up to 15% of the total offering in the Yorkville Equity Facility Financing; and (iv) the waiver of Lind of certain restrictive covenants in the Lind III Agreement.

As consideration for entering into the Lind Consent, Lind received, amongst other things: (i) the right to receive a payment of \$500, which would have been reduced to \$200 if the Transactions had not been consummated on or before April 30, 2023 (collectively, the “Consent Payment”); (ii) an extension of its existing participation rights under the Lind III Agreement in future financings of NioCorp for a further two-year period, subject to certain exceptions as well as an extension of such participation rights beyond the additional two-year period if Yorkville or any affiliate is a party to any such applicable transaction; and (iii) the right to receive additional Warrants (the “Contingent Consent Warrants”) if on the date that is 18 months following the Closing Date, the closing trading price of the Common Shares on the TSX or such other stock exchange on which such shares may then be listed, is less than C\$10.00 (on a post-Reverse Stock Split basis), subject to adjustments. The number of Contingent Consent Warrants to be issued, if any, is based on the Canadian dollar equivalent (based on the then current Canadian to US dollar exchange rate as reported by Bloomberg, LP) of \$5,000 divided by the five-day volume weighted average price of the Common Shares on the date of issuance. Further, the number of Contingent Consent Warrants issued will be proportionately adjusted based on the percentage of Warrants currently held by Lind that are exercised, if any, prior to the issuance of any Contingent Consent Warrants. The Lind Consent was signed as an amendment to the existing Lind III Agreement.

Management determined that the Lind Consent should be evaluated using ASC 470, which requires an evaluation of the contract amendment under debt modification guidance. The Company performed a comparison of the discounted cash flows of the Lind III Convertible Security pursuant to the existing Lind III Agreement and pursuant to the Lind III Agreement as amended by the Lind Consent and determined that a debt extinguishment loss of \$201 had occurred. Further, ASC 470 requires that the minimum estimated Consent Payment of \$200 also be included in the calculation of the initial loss on debt extinguishment. The Company also evaluated the Contingent Consent Warrant feature included in the Lind Consent and determined that the Contingent Consent Warrants meet the criteria to be considered separate, freestanding instruments, should be accounted for as a liability under ASC 480, and should be booked at fair value on the date of the Lind Consent, with subsequent changes in valuation recorded as a non-operating gain or loss in the consolidated statement of operations and comprehensive loss. The following table summarizes the components of the initial loss and final loss on extinguishment:

Component of loss	Amount
Minimum Consent Payment at inception	\$ 200
Loss on debt extinguishment	201
Initial fair value of Contingent Consent Warrants	1,221
Initial loss on debt extinguishment	1,622
Additional Consent Payment booked <sup>1</sup>	300
Total loss on debt extinguishment	\$ 1,922

1 Represents the difference between the accrual of the minimum Consent Payment at September 25, 2022 and the actual payment made on March 17, 2023.

The change in the fair value of the Contingent Consent Warrants is presented below:

	Amount
Initial valuation, September 25, 2022	\$ 1,221
Change in valuation	489
Valuation at June 30, 2023	\$ 1,710

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The Contingent Consent Warrants are classified as a Level 3 financial instrument and were valued utilizing a Monte Carlo simulation pricing model, which calculates multiple potential outcomes for future share prices based on historic volatility of the Common Shares to determine the probability of issuance at 18 months following the applicable valuation date and to determine the value of the Contingent Consent Warrants. The following table discloses the primary inputs into the Monte Carlo model at each valuation date, and the probability of issuance calculated by the model.

Key Valuation Input	September 25, 2022		June 30, 2023	
Share price on valuation date	\$	7.82	\$	5.03
Volatility		62.4%		63.0%
Risk free rate		3.93%		4.11%
Probability of issuance		59.4%		80.8%

Loss on debt extinguishment is presented as a non-operating expense in the Company's consolidated statements of operations and comprehensive loss. This accounting also resulted in a decrease in the amount of accretion to be recognized over the remaining life of the Lind III Convertible Security through February 2023. Accretion expenses are disclosed as a part of interest expense, which is not included as a component of operating costs.

Yorkville Convertible Debentures

In connection with the GXII Transaction, on January 26, 2023, NioCorp entered into definitive agreements with respect to the Yorkville Financings, including a Securities Purchase Agreement, dated January 26, 2023 (as amended the "Yorkville Convertible Debt Financing Agreement"), between the Company and Yorkville, and a Standby Equity Purchase Agreement, dated January 26, 2023 (the "Yorkville Equity Facility Financing Agreement"), between the Company and Yorkville.

Pursuant to the Yorkville Convertible Debt Financing Agreement, at the Closing, Yorkville advanced a total amount of \$15,360 to NioCorp in consideration of the issuance by NioCorp to Yorkville of (i) \$16,000 aggregate principal amount of unsecured convertible debentures (the "Convertible Debentures") and (ii) Common Share purchase warrants, exercisable for up to 1,789,267 Common Shares for cash or, if at any time there is no effective registration statement registering, or no current prospectus available for, the resale of the underlying Common Shares, on a cashless basis, at the option of the holder, at a price per Common Share of approximately \$8.9422, subject to adjustment to give effect to any stock dividend, stock split, reverse stock split or similar transaction (the "Financing Warrants").

Each Convertible Debenture issued under the Yorkville Convertible Debt Financing Agreement is an unsecured obligation of NioCorp, has an 18-month term from the Closing Date, which may be extended for one six-month period in certain circumstances at the option of NioCorp, and incurs a simple interest rate obligation of 5.0% per annum (which will increase to 15.0% per annum upon the occurrence of an event of default). The outstanding principal amount of, accrued and unpaid interest, if any, on, and premium, if any, on the Convertible Debentures must be paid by NioCorp in cash when the same becomes due and payable under the terms of the Convertible Debentures at their stated maturity, upon their redemption or otherwise.

Subject to certain limitations contained within the Yorkville Convertible Debt Financing Agreement and the Convertible Debentures, including those as described below, holders of the Convertible Debentures will be entitled to convert the principal amount of, and accrued and unpaid interest, if any, on each Convertible Debenture, in whole or in part, from time to time over their term, into a number of Common Shares equal to the quotient of the principal amount and accrued and unpaid interest, if any, being converted divided by the Conversion Price. The "Conversion Price" means, as of any Conversion Date (as defined below) or other date of determination, the greater of (i) 90% of the average of the daily U.S. dollar volume-weighted average price of the Common Shares on the principal U.S. market for the Common Shares as reported by Bloomberg Financial Markets during the five consecutive trading days immediately preceding the date on which the holder exercises its conversion right in accordance with the requirements of the Yorkville Convertible Debt Financing Agreement (the "Conversion Date") or other date of determination, but not lower than the Floor Price (as defined below), and (ii) the five-day volume-weighted average price of the Common

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Shares on the TSX (or on the principal U.S. market if the majority of the trading volume and value of the Common Shares occurred on Nasdaq during the relevant period) for the five consecutive trading days immediately prior to the Conversion Date or other date of determination less the maximum applicable discount allowed by TSX. The “Floor Price” means a price of \$2.1435 per share, which is equal to the lesser of (a) 30% of the average of the daily volume-weighted average price of the Common Shares on the principal U.S. market for the Common Shares as reported by Bloomberg Financial Markets during the five consecutive trading days immediately preceding the Debenture Closing and (b) 30% of the average of the volume-weighted average price of the Common Shares on the principal U.S. market for the Common Shares as reported by Bloomberg Financial Markets during the five consecutive trading days immediately following the Debenture Closing, subject to certain adjustments to give effect to any stock dividend, stock split, reverse stock split, recapitalization or similar event.

The terms of the Convertible Debentures restrict the number of Convertible Debentures that may be converted during each calendar month by Yorkville at a Conversion Price below a fixed price equal to approximately \$8.9422 (i.e., the quotient of \$10.00 divided by 1.11829212 (being the number of Common Shares that were exchanged for each share of GXII at the Closing, after giving effect to the Reverse Stock Split)), subject to adjustment to give effect to any stock dividend, stock split, reverse stock split, recapitalization or similar event. The Convertible Debentures are subject to customary anti-dilution adjustments.

The terms of the Convertible Debentures restrict the conversion of Convertible Debentures by Yorkville if such a conversion would cause Yorkville to exceed certain beneficial ownership thresholds in NioCorp or such a conversion would cause the aggregate number of Common Shares issued pursuant to the Yorkville Convertible Debt Financing Agreement to exceed the thresholds for issuance of Common Shares under the rules of the TSX and Nasdaq, unless prior shareholder approval is obtained.

Pursuant to the terms of the Convertible Debentures, following certain trigger events, and until a subsequent cure event, NioCorp will be required to redeem \$1,125 aggregate principal amount of Convertible Debentures (the “Triggered Principal Amount”) each month by making cash payments to the Investors, on a pro rata basis, in an amount equal to the Triggered Principal Amount, plus accrued and unpaid interest thereon, if any, plus a redemption premium of 7% of the Triggered Principal Amount. Such monthly prepayments under the terms of the Convertible Debentures are triggered (i) at the time when NioCorp has issued 95% of the total amount of Common Shares pursuant to the Yorkville Convertible Debt Financing that it may issue under applicable TSX and Nasdaq rules or (ii) when NioCorp has delayed or suspended the effectiveness or use of the Convertible Debt Financing Registration Statement for more than 20 consecutive calendar days, and such monthly prepayment obligations will continue until, with respect to (i) above, shareholder approval is obtained or, with respect to (ii) above, the Investors may once again resell Common Shares under the Convertible Debt Financing Registration Statement, respectively.

The Convertible Debentures may also be redeemed at NioCorp’s option at any time and from time to time over their term at a redemption price equal to 110% of the principal amount being redeemed, plus accrued and unpaid interest, if any.

In conjunction with the issuance of the Convertible Debentures, NioCorp issued to Yorkville 1,789,267 Financing Warrants at an exercise price of approximately \$8.9422 per Common Share (the “Financing Warrant Exercise Price”), subject to adjustment to give effect to any stock dividend, stock split, reverse stock split recapitalization or similar event.

The Financing Warrants are exercisable, in whole or in part, but not in increments of less than \$50 aggregate Financing Warrant Exercise Price (unless the remaining aggregate Financing Warrant Exercise Price is less than \$50), beginning on May 4, 2023, and may be exercised at any time prior to their expiration. Holders of the Financing Warrants may exercise their Financing Warrants, at their election, by paying the Financing Warrant Exercise Price in cash or, if at any time there is no effective registration statement registering, or no current prospectus available for, the resale of the underlying Common Shares, on a cashless exercise basis. 1/12th of the Financing Warrants will expire on each of the first 12 monthly anniversaries of the date that is six months following the Closing Date.

The Financing Warrants have customary anti-dilution adjustments to be determined in accordance with the requirements of the applicable stock exchanges, including the TSX. The terms of the Financing Warrants restrict the

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exercise of Financing Warrants by Yorkville if such an exercise would cause Yorkville to exceed certain beneficial ownership thresholds in NioCorp or such an exercise would cause the aggregate number of Common Shares issued pursuant to the Yorkville Convertible Debt Financing Agreement to exceed the thresholds for issuance of Common Shares under the rules of the Nasdaq and the TSX, unless prior shareholder approval is obtained.

The Financing Warrants were originally recorded as a \$2,704 contingent liability on January 26, 2023, and were subsequently marked to market of \$3,337 through March 16, 2023. The change in fair value during this period resulted in a loss of \$633, which was booked to change in fair value of warrant liability in the consolidated statement of operations and comprehensive loss. The Financing Warrants were reclassified to shareholders equity on March 17, 2023, in connection with the closing of the Convertible Debentures as noted below.

The Company allocated the net proceeds of \$15,360 from the Convertible Debentures as follows:

- \$2,704 was booked to Common Shares, representing the initial fair value of the Financing Warrant tranches on January 26, 2023 based on the Black Scholes pricing model using a risk-free interest rate of 4.33%, an expected dividend yield of 0%, a volatility of 64.6%, and an expected life of 6 months to 18 months.
- \$12,656 was booked to the convertible debt liability. In addition, transaction costs of \$503 were recognized as a direct deduction from the debt liability, resulting in a net opening balance of \$12,153 at an effective interest rate of 18.4%. This balance will be accreted to face value of the Convertible Debentures at maturity using the effective interest method and recorded as non-cash interest expense in the consolidated statement of operations and comprehensive loss.

Changes in the Convertible Debentures are as follows:

	Amount
Opening balance, March 17, 2023	\$ 12,153
Accretion expense	1,962
Principal and accrued interest converted	(3,554)
Balance, June 30, 2023	\$ 10,561
Add: Unamortized debt issuance costs	2,439
Remaining principal balance, June 30, 2023	\$ 13,000

Upon conversion, the portion of remaining unamortized issuance costs associated with the conversion are recognized as a component of interest expense.

The Convertible Debentures contain events of default customary for instruments of their type (with customary grace periods, as applicable) and provide that, upon the occurrence of an event of default arising from certain events of bankruptcy or insolvency with respect to NioCorp, all outstanding Convertible Debentures will become due and payable immediately without further action or notice. If any other type of event of default occurs and is continuing, then any holder may declare all of its Convertible Debentures to be due and payable immediately. The Company obtained a waiver from Yorkville with respect to any acceleration rights it may have under the Convertible Debentures in connection with the restatements of the Company's consolidated financial statements for the periods ended September 30, 2022 and December 31, 2022 and the delay in filing the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023. The Yorkville Convertible Debt Financing Agreement also contains certain covenants that, among other things, limit NioCorp's ability to use the proceeds from the Yorkville Convertible Debt Financing to repay related party debt or to enter into any variable rate transaction other than with Yorkville, subject to certain exceptions.

Based on the Company's closing Common Share price of \$5.03 as of June 30, 2023, conversion of the remaining Convertible Debenture principal balance of \$13.0 million, including accrued interest, would require the issuance of approximately 2,871,660 Common Shares. For each \$0.10 change in the fair value of one Common Share, the total shares the Company would be obligated to issue would change by approximately 58,300 shares.

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

#### 10. CLASS B COMMON STOCK OF ECRC

Pursuant to the Business Combination Agreement, the Sponsor Support Agreement, and the Exchange Agreement, after the Closing, the GXII founders have the right to exchange shares of Class B common stock of ECRC for Common Shares on a one-for-one basis, subject to certain equitable adjustments, under certain conditions. All 7,957,404 shares of Class B common stock of ECRC that were issued in connection with the Closing were issued and outstanding as of June 30, 2023. Of the issued and outstanding shares of Class B common stock of ECRC, 4,565,808 shares (the "Vested Shares") were vested as of the Closing Date and are exchangeable at any time, and from time to time, until the tenth anniversary of the Closing Date (the "Ten-Year Anniversary") and 3,391,596 shares (the "Earnout Shares") are exchangeable until the Ten-Year Anniversary, subject to certain vesting conditions. Under certain circumstances, and subject to certain exceptions, NioCorp may instead settle all or a portion of any exchange pursuant to the terms of the Exchange Agreement in cash, in lieu of Common Shares, based on a volume-weighted average price of Common Shares.

All of the shares of Class B common stock of ECRC are subject to the Amended and Restated Registration Rights Agreement, dated as of March 17, 2023 (the "Registration Rights and Lock-up Agreement"), among NioCorp, GXII, the Sponsor, the pre-Closing directors and officers of NioCorp and the other parties thereto, including the members of the Sponsor. Pursuant to Registration Rights and Lock-up Agreement, all shares of Class B common Stock of ECRC (including the Vested Shares and the Released Earnout Shares) are subject to certain "lock-up" restrictions on transfer beginning upon the Closing and ending upon the earlier of (i) one year after the Closing and (ii) the date on which the trading price of Common Shares exceeds certain thresholds or the date on which NioCorp completes a transaction that results in all of NioCorp's shareholders having the right to exchange their Common Shares for cash, securities or other property. Both Vested Shares and Released Earnout Shares may be exchanged by the holders into Common Shares at any time. Under the Exchange Agreement, all Vested Shares and Earnout Shares must be exchanged for Common Shares by the Ten-Year Anniversary except for Released Earnout Shares that have been vested for a period of fewer than twenty-four months as of the Ten-Year Anniversary. Such Released Earnout Shares will be forfeited if not exchanged for Common Shares by the date that is twenty-four months after the vesting date.

##### *Vested Shares*

As the exchange of Vested Shares are contingently redeemable at the option of the noncontrolling interest shareholders, the Company classifies the carrying amount of the redeemable noncontrolling interest in the mezzanine section on the consolidated balance sheet, which is presented above the equity section and below liabilities. The redeemable noncontrolling interests are classified as a Level 1 financial instrument and are measured at the fair value of the Company's Common Shares at each reporting period. Adjustments to the carrying value of the redeemable noncontrolling interest are recorded through retained earnings.

##### *Earnout Shares*

The Earnout Shares vest (the "Released Earnout Shares") in two equal tranches based upon achieving market share price milestones of approximately \$12.00 per Common Share and approximately \$15.00 per Common Share, respectively, prior to the Ten-Year Anniversary, or upon a change in control as defined in the underlying agreement. These shares will be forfeited if the market share price milestones or an acceleration event is not reached prior to the Ten-Year Anniversary. At such time that the Earnout Shares shall become vested, and therefore, become Released Earnout Shares, the shares will be transferred to the redeemable noncontrolling interest in the mezzanine section of the Consolidated Balance Sheet.

The Earnout Shares were classified as a liability due to failure to meet the equity classification criteria under ASC 815-40, as Level 3 instruments under the fair value hierarchy and are considered a financial liability under ASC 480, Distinguishing Liabilities from Equity. The Earnout Shares were measured at fair value on the Closing Date with subsequent changes in fair value recorded in earnings. The Earnout Shares were valued utilizing a Monte Carlo simulation pricing model, which calculates multiple potential outcomes for future share prices and establishes current fair value based on the most likely outcome. The following table discloses the primary inputs into the Monte Carlo models.

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Key Valuation Input	Transaction Close	June 30, 2023
Closing Common Share price	\$7.00	\$5.03
Term (expiry)	March 17, 2033	March 17, 2033
Implied volatility of Public Warrants	19.5%	33.5%
Risk-free rate	3.39%	3.83%

The following table sets forth a summary of the changes in the fair value of the Earnout Shares liability for the year ended June 30, 2023:

	Amount
Fair value as of March 17, 2023	\$ 13,195
Change in fair value	(2,674)
Fair value as of June 30, 2023	\$ 10,521

## 11. COMMON SHARES

### a) Issuances

#### *Fiscal Year 2023 Issuances*

In addition to the Common Shares issued in connection with the GXII Transaction, as discussed in Note 5, the following Common Share issuances occurred during fiscal year 2023:

On April 28, 2023, the Company closed a registered direct offering and issued 314,465 Common Shares for \$2.0 million, before deducting share issuance costs of \$172. The Common Shares were sold pursuant to a securities purchase agreement, dated April 26, 2023, between the Company and a fund managed by Kingdon Capital Management, LLC.

On June 9, 2023, the Company issued 100,000 Common Shares under the Yorkville Equity Facility Financing Agreement (discussed below) in exchange for \$488 in cash proceeds. The Company recorded a non-cash operating expense of \$13 which represented the difference between the proceeds received and the fair value of the Common Shares issued based on Nasdaq closing price per Common Share on the issuance date.

#### *Fiscal Year 2022 Issuances*

On June 30, 2022, the Company closed a non-brokered private placement (the "June 2022 Private Placement") of units (the "Units") of the Company. A total of 498,103 Units were issued at a price per Unit of C\$0.96, for total gross proceeds to the Company of approximately C\$4.8 million. Each Unit consists of one Common Share and one common share purchase warrant ("June 2022 Warrant"). Each June 2022 Warrant entitles the holder to acquire one Common Share at a price of C\$1.10 at any time prior to July 1, 2024. Proceeds of the June 2022 Private Placement will be used for continued advancement of the Company's Elk Creek Critical Minerals Project and for working capital and general corporate purposes. The Company paid cash commissions of C\$62 and 6,510 warrants (the "Finder Warrants"), having the same terms as the June 2022 Warrants, to finders outside of the United States. The Finder Warrants were valued at C\$18 using a risk-free rate of 3.2%, expected volatility of 64% and expected life of two years.

### b) Stock Options

On November 5, 2020, the Company's shareholders voted to approve an amendment and restatement of its long-term incentive plan (the "2017 Amended Long-Term Incentive Plan") and the granting of incentive securities thereunder until November 5, 2023. Under the 2017 Amended Long-Term Incentive Plan, the Board may, in its discretion from time to time, grant Options and share units (in the form of restricted share units and performance

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share units) to directors, employees and certain other service providers (as defined in the 2017 Amended Long-Term Incentive Plan) of the Company and affiliated entities selected by the Board.

Subject to adjustment as described in the 2017 Amended Long-Term Incentive Plan, the aggregate number of Common Shares that may be reserved for issuance to participants under the 2017 Amended Long-Term Incentive Plan, together with all other security-based compensation arrangements of the Company, 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 will not exceed 5% of the issued and outstanding Common Shares from time to time. The 2017 Amended 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 2017 Amended Long-Term Incentive Plan) to 10% of the then issued and outstanding Common Shares. The 2017 Amended Long-Term Incentive Plan also limits the aggregate number of Common Shares that may be reserved for issuance to any one participant under the 2017 Amended 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). Subject to the adjustment provisions of the 2017 Amended 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 be limited as described above.

The Board has 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, June 30, 2020	1,912,940	C\$6.20
Granted	370,000	C\$7.80
Exercised	(295,229)	C\$6.10
Cancelled/expired	(391,212)	C\$6.40
Balance, June 30, 2021	1,596,499	C\$6.50
Granted	447,500	C\$13.30
Exercised	(205,153)	C\$7.00
Cancelled/expired	(392,446)	C\$7.70
Balance, June 30, 2022	1,446,400	C\$8.27
Granted	578,000	\$6.95
Exercised	(265,129)	C\$4.99
Cancelled/expired	(217,771)	C\$5.87
Balance, June 30, 2023	1,541,500	C\$9.64



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The following table summarizes information about stock options outstanding at June 30, 2023:

Exercise Price	Expiry Date	Number Outstanding	Aggregate Intrinsic Value	Number Exercisable	Aggregate Intrinsic Value
C\$8.40	September 18, 2023	105,000	C\$-	105,000	C\$-
C\$5.40	November 15, 2023	208,500	263	208,500	263
C\$7.50	December 14, 2023	170,000	-	170,000	-
C\$7.50	December 16, 2023	52,500	-	52,500	-
C\$13.60	December 17, 2024	377,500	-	377,500	-
C\$11.00	May 30, 2025	50,000	-	50,000	-
\$6.95	March 27, 2026	578,000	-	578,000	-
Balance, June 30, 2023		1,541,500	C\$263	1,541,500	C\$263

The aggregate intrinsic value in the preceding table represents the total intrinsic value, based on the Company's closing stock price of C\$6.68 as of June 30, 2023, 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, 2023, was 208,500. The total intrinsic value of options exercised during the year ended June 30, 2023, was C\$1,592.

As of June 30, 2023, there were no unrecognized compensation costs related to unvested share-based compensation arrangements granted.

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

	Year ended June 30,		
	2023	2022	2021
Fair value per option granted during the period	\$3.09	C\$4.90	C\$2.50
Risk-free interest rate	3.30%	1.33%	0.26%
Expected dividend yield	0%	0%	0%
Expected stock price volatility (historical basis)	63.6%	54.4%	54.1%
Expected option life in years	3.0	3.0	3.0

c) Warrants

Warrant transactions are summarized as follows. Weighted average exercise prices related to Canadian dollar denominated warrants were converted to U.S. dollars using end of period foreign currency exchange rates.

	Warrants	Weighted Average Exercise Price
Balance, June 30, 2020	1,237,645	\$ 5.43
Granted:		
Nordmin warrants	50,000	6.45
Lind III warrants	855,800	7.83
April 2021 private placement	441,211	13.15
Exercised	(910,628)	6.05
Expired	(239,845)	5.89
Balance, June 30, 2021	1,434,183	9.36
Granted:		
June 2022 private placement	504,614	8.54
Exercised	(87,175)	6.05
Balance, June 30, 2022	1,851,622	8.99
Granted:		
Yorkville financing warrants	1,789,267	8.94
GXII warrants	15,666,626	11.50
Expired	(491,211)	11.67
Balance, June 30, 2023	18,816,304	\$ 10.98

At June 30, 2023, the Company has outstanding exercisable warrants, as follows:

Number	Exercise Price	Expiry Date
504,611	C\$11.00	June 30, 2024
855,800	C\$9.70	February 19, 2025
1,789,267	\$8.94	(1)
15,666,626	\$11.50	March 17, 2028
18,816,304		

(1) Expires in 12 equal monthly tranches beginning October 17, 2023

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In connection with the Closing, pursuant to the Business Combination Agreement, the Company assumed the GXII Warrant Agreement and each GXII Warrant thereunder that was issued and outstanding immediately prior to the Closing Date was converted into one NioCorp Assumed Warrant pursuant to the GXII Warrant Agreement, as amended by an Assignment, Assumption and Amendment Agreement, dated March 17, 2023, among the Company, GXII, Continental Stock Transfer & Trust Company, as the existing warrant agent, and Computershare Inc. and its affiliate, Computershare Trust Company, N.A, together as the successor warrant agent (the “NioCorp Assumed Warrant Agreement”). In connection with the Closing, NioCorp issued (a) 9,999,959 public NioCorp Assumed Warrants (the “Public Warrants”) in respect of the GXII Warrants that were publicly traded prior to the Closing and (b) 5,666,667 NioCorp Assumed Warrants (the “Private Warrants”) to the Sponsor in respect of the GXII Warrants that it held prior to the Closing, which NioCorp Assumed Warrants were subsequently distributed by the Sponsor to its members in connection with the Closing.

Each NioCorp Assumed Warrant entitles the holder to the right to purchase 1.11829212 Common Shares at an exercise price of \$11.50 per 1.11829212 Common Shares (subject to adjustments for stock splits, stock dividends, reorganizations, recapitalizations and the like). No fractional shares will be issued upon exercise of any NioCorp Assumed Warrants, and fractional shares that would otherwise be due to the exercising holder will be rounded down to the nearest whole Common Share. In no event will the Company be required to net cash settle any NioCorp Assumed Warrant.

*Public Warrants*

The Company may elect to redeem the Public Warrants subject to certain conditions, in whole and not in part, at a price of \$0.01 per Public Warrant if (i) 30 days’ prior written notice of redemption is provided to the holders, (ii) the last reported sale price of the Common Shares equals or exceeds approximately \$16.10 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending on the third business day prior to the date on which the Company sends the notice of redemption to the warrant holders and (iii) there is an effective registration statement covering the Common Shares issuable upon exercise of the Public Warrants, and a current prospectus relating thereto, available through the redemption date. Upon issuance of a redemption notice by the Company, the warrant holders will have until the redemption date to exercise for cash, or, at the Company’s election, on a cashless basis. The Public Warrants are not precluded from equity classification and are accounted for as such on the date of issuance, and each balance sheet date thereafter. Because the Transactions resulted in an excess of liabilities over assets acquired, no value was ascribed to the Public Warrants.

*Private Warrants*

The Private Warrants: (i) will be exercisable either for cash or on a cashless basis at the holder’s option and (ii) will not be redeemable by the Company, in either case as long as the Private Warrants are held by the Sponsor, its members or any of their permitted transferees (as prescribed in the NioCorp Assumed Warrant Agreement). In accordance with the NioCorp Assumed Warrant Agreement, any Private Warrants that are held by someone other than the Sponsor, its members or any their permitted transferees are treated as Public Warrants.

The Company accounts for the Private Warrants assumed in the Transactions in accordance with the guidance contained in ASC 815-40. Such guidance provides that because the Private Warrants do not meet the criteria for equity treatment thereunder, each Private Warrant must be recorded as a liability. This liability is carried as a component of Warrant Liabilities on the consolidated balance sheet and is subject to re-measurement at each balance sheet date. With each such re-measurement, the warrant liability will be adjusted to its current fair value, with the change in fair value recognized in the consolidated statement of operations and comprehensive loss. The Company will reassess the classification at each balance sheet date.

The Company classifies Private Warrants as Level 2 instruments under the fair value hierarchy and estimated the fair value using a Black Scholes model with the following assumptions:

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Key Valuation Input	March 17, 2023	June 30, 2023
Stock price on valuation date	\$ 7.00	\$ 5.03
Strike price	\$ 11.50	\$ 11.50
Implied volatility of Public Warrants	19.5%	33.5%
Risk free rate	3.47%	4.18%
Dividend yield	0%	0%
Expected warrant life in years	5.0	4.73

The change in the Private Warrants liability is presented below:

	Amount
Initial valuation, March 17, 2023	\$ 2,987
Change in valuation	292
Valuation at June 30, 2023	\$ 3,279

d) Yorkville Equity Facility Financing

Concurrent with the closing of the GXII Transaction, the Yorkville Equity Facility Financing became effective. Pursuant to the Yorkville Equity Facility Financing Agreement, Yorkville committed to purchase up to \$65,000 of Common Shares (the “Commitment Amount”), at NioCorp’s direction from time to time for a period commencing upon the Closing Date and ending on the earliest of (i) the first day of the month next following the 36-month anniversary of the Closing, (ii) the date on which Yorkville shall have made payment of the full Commitment Amount and (iii) the date that the Yorkville Equity Facility Financing Agreement otherwise terminates in accordance with its terms (the “Commitment Period”), subject to certain limitations and the satisfaction of the conditions in the Yorkville Equity Facility Financing Agreement. The Common Shares that may be sold pursuant to the Yorkville Equity Facility Financing Agreement would be purchased by Yorkville at a purchase price equal to 97% of the daily volume-weighted average price of the Common Shares on Nasdaq or such other principal U.S. market for the Common Shares if the Common Shares are ever listed or traded on the New York Stock Exchange or the NYSE American as reported by Bloomberg Financial Markets (or, if not available, a similar service provider of national recognized standing) during the applicable pricing period, which is a period during a single trading day or a period of three consecutive trading days, at the Company’s option and subject to certain restrictions, in each case, defined based on when an Advance Notice (as defined in the Yorkville Equity Facility Financing Agreement) is submitted, subject to certain limitations.

Pursuant to the terms of the Yorkville Equity Facility Financing Agreement, NioCorp issued 81,213 of Common Shares (the “Commitment Shares”) valued at \$650 to Yorkville as consideration for its irrevocable commitment to purchase Common Shares under the Yorkville Equity Facility Financing Agreement. On June 9, 2023, NioCorp issued and sold 100,000 Common Shares to Yorkville under the Yorkville Equity Facility Financing Agreement. Additionally, NioCorp is required to pay Yorkville an aggregate fee of \$1,500 in cash (the “Cash Fee”), including \$500 that NioCorp paid on the Closing Date and an additional \$250 NioCorp was paid as of June 30, 2023. NioCorp will pay the remaining \$750 balance in installments over a 12-month period following the Closing Date, provided that it will have the right to prepay without penalty all or part of the remaining installments of the Cash Fee at any time. In addition, legal and other costs of \$496 were incurred in connection with the Yorkville Equity Facility Financing and were expensed on the effective date. The following amounts related to the Yorkville Equity Facility Financing Agreement were expensed as other operating costs:

	Amount
Yorkville Cash Fee	\$ 1,500
Fair value of Commitment Shares issued	650
Legal and other related costs	496
Net costs expensed to other operating expense	\$ 2,646

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**12. RELATED PARTY TRANSACTIONS AND BALANCES**

Borrowings under the non-revolving credit facility agreement (the “Smith Credit Facility”) with Mark Smith, Chief Executive Officer, President, and Executive Chairman of NioCorp, bear interest at a rate of 10% and drawdowns from the Smith Credit Facility are subject to a 2.5% establishment fee. Amounts outstanding under the Smith Credit Facility are secured by all of the Company’s assets pursuant to a general security agreement. The Smith Credit Facility contains financial and non-financial covenants customary for a facility of its size and nature. The maturity date for the Smith Credit Facility was June 30, 2023. On February 28, 2023, the Smith Credit facility was amended to increase the borrowing limit to \$4,000 from the previous limit of \$3,500. The Company subsequently drew down \$1,130, leaving an available balance under the Smith Credit Facility of \$52.

Changes in the Smith Credit Agreement principal balance are as follows:

	For the year ending June 30,	
	2023	2022
Beginning balance	\$ 2,000	\$ 2,318
Amounts advanced	1,130	-
Repayments	(3,130)	(318)
Balance, end of period	\$ -	\$ 2,000

On March 22, 2023, the Company repaid Mr. Smith \$1,841 of principal borrowed under the Smith Credit Facility. This repayment was made out of funds transferred to the Company from the GXII trust account on the Closing Date. The Company repaid the remaining principal balance of \$1,289 on May 31, 2023. The Smith Credit Facility expired on June 30, 2023. Accounts payable and accrued liabilities as of June 30, 2023 includes \$28 of origination fees payable under the Smith Credit Agreement.

During fiscal year 2023 and 2022, the Company paid a total of \$183 and \$252, respectively, representing accrued interest on the Smith Credit Agreement.

**13. EXPLORATION EXPENDITURES**

	For the year ended June 30,		
	2023	2022	2021
Feasibility study and engineering	\$ 410	\$ 334	\$ 79
Field management and other	738	569	656
Metallurgical	4,174	2,218	272
Geologists and field staff	26	188	49
Total	\$ 5,348	\$ 3,309	\$ 1,056

**14. LEASES**

Effective February 2023, the Company entered into a 39-month corporate office lease extension and recognized the corresponding ROU asset and lease liability of \$198 associated with this extension, based on a discount rate of 16%.

As of June 30, 2023 and 2022, the Company had one corporate office lease with a remaining lease term of 3.6 years and 1.3 years, respectively. During the year ended June 30, 2023 and 2022, operating cash flows included cash payments of \$93 and \$90, respectively related to the measurement of lease liabilities.

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The Company incurred lease costs as follows:

	For the year ended June 30,		
	2023	2022	2021
Operating Lease Cost:			
Fixed rent expense	\$ 83	\$ 83	\$ 106
Variable rent expense	13	12	7
Short term lease cost	10	16	13
Sublease income	(33)	(26)	(18)
Net lease cost	\$ 73	\$ 85	\$ 108
Lease cost – other operating expense	\$ 73	\$ 85	\$ 89
Lease cost – exploration expenditures	-	-	19
Net lease cost	\$ 73	\$ 85	\$ 108

The maturity of lease liabilities is as follows at June 30, 2023:

	Fiscal Year Lease Maturities
2024	\$ 71
2025	96
2026	98
2027	50
Total lease payments	315
Less amount of payments representing interest	(80)
Present value of lease payments	235
Less current portion of operating lease liability	(71)
Noncurrent operating lease liability	\$ 164

15. INCOME TAXES

Domestic and foreign components of loss before income taxes for the years ended June 30, 2023, 2022, and 2021 are as follows:

	For the year ended June 30,		
	2023	2022	2021
Canada	\$ 34,606	\$ 6,918	\$ 3,362
United States	6,006	3,969	1,462
Total	\$ 40,612	\$ 10,887	\$ 4,824

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

	For the year ended June 30,		
	2023	2022	2021
Loss before income taxes	\$ 40,612	\$ 10,887	\$ 4,824
Combined federal and provincial statutory income tax rate	27%	27%	27%
Income tax benefit at statutory tax rates	10,965	2,940	1,303
Foreign rate differential	(131)	(72)	(31)
Earnout shares liability	(2,841)	-	-
Warrant liability	(1,518)	-	-
GXII transaction costs	(925)	-	-
Share based compensation	(412)	(462)	(212)
Accretion expense	(496)	(407)	(158)
Loss on debt extinguishment	(54)	-	-
Capital loss rate differential	(2)	(38)	182
Change in estimates related to prior years	14	(274)	739
Other	45	26	18
Change in valuation allowance	(4,341)	(1,713)	(1,841)
Income tax benefit	\$ 304	\$ -	\$ -

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,	
	2023	2022
Deferred tax assets		
Net operating losses available for future periods	\$ 11,893	\$ 8,977
Mineral interests	9,477	9,477
Startup and organizational costs	2,132	-
Research and development costs	1,060	-
Share issuance costs	446	-
Capital losses available for future periods	419	420
Other	36	74
Total deferred tax assets	25,463	18,948
Valuation allowance	(25,463)	(18,948)
Net deferred tax assets	\$ -	\$ -

During the year ended June 30, 2022, we identified errors in the recognition of capital losses related to realized mineral property write downs and foreign exchange gains and losses in Canada which resulted in changes to capital losses available for future periods and other of \$(221) and \$(3), respectively. These changes primarily related to adjustments to deferred tax assets recorded during fiscal year 2021. In addition, during the year ended June 30, 2022, we identified an error in the recognition of net operating losses related to disallowed interest expense for the prior year which resulted in a decrease to net operating loss carryforwards of \$19. After evaluation and consideration of the full valuation allowance historically applied against total deferred tax assets, we determined that the impact of the adjustments was not material to the previously issued consolidated financial statements, nor are the out of period adjustments material to the estimated results for the year ended June 30, 2022.

Changes in the valuation allowance are as follows:

	For the year ended June 30,	
	2023	2022
Valuation allowance, beginning of year	\$ (18,948)	\$ (17,235)
Current year additions	(4,341)	(1,713)
Startup and organizational costs acquired	(2,174)	-
Valuation allowance, end of year	\$ (25,463)	\$ (18,948)

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The Company acquired a federal income tax payable of \$406 in connection with the GXII Transaction. As a result of a post-transaction loss at ECRC, a partial release of the valuation allowance attributed to the reduction of the acquired federal income tax payable of \$304 has been recorded as an income tax benefit in the consolidated statement of operations and comprehensive loss for the year ended June 30, 2023. 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 \$25,463 at June 30, 2023, relates mainly to net operating loss carryforwards in Canada and mineral interests due to deferred exploration expenditures in the United States, where the utilization of such attributes is not more likely than not.

The Company has the following cumulative net operating losses for Canadian and U.S. income tax purposes and these carryforwards will generally expire between 2026 and 2043. As a result of the Tax Cuts and Jobs Act of 2017, U.S. tax losses incurred for tax years ending on and after June 30, 2019, totaling \$2,510, have no expiration..

Jurisdiction	As of June 30,	
	2023	2022
Canada	\$ 40,267	\$ 31,551
United States	3,491	2,460
Total	\$ 43,758	\$ 34,011

In addition, the Company has a Canadian capital loss carryforward of \$3,375 as of June 30, 2023, which has no expiration date and can be used to offset future capital gains, and U.S. state net operating loss carryforwards of \$4,943 as of June 30, 2023 which generally expire between 2031 and 2043.

The Company had no unrecognized tax benefits as of June 30, 2023 or 2022. 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 consolidated 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.

#### 16. FAIR VALUE MEASUREMENTS

The Company measures the fair value of financial assets and liabilities based on U.S. 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, including investments in equity securities, are measured at fair value, with unrealized gains and losses being recognized in income.

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 tables present information about the assets and liabilities that are measured at fair value on a recurring basis as of June 30, 2023, and June 30, 2022, respectively, and indicate 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 include situations where there is little, if any, market activity for the instrument.

**NioCorp Developments Ltd.**  
**Notes to Consolidated Financial Statements**  
**June 30, 2023**

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

		As of June 30, 2023			
	Note	Total	Level 1	Level 2	Level 3
Assets:					
Cash and cash equivalents		\$ 2,341	\$ 2,341	\$ -	\$ -
Investment in equity securities		9	9	-	-
Total		\$ 2,350	\$ 2,350	\$ -	\$ -
Liabilities:					
Earnout Shares liability	10	\$ 10,521	\$ -	\$ -	\$ 10,521
Warrant liabilities	9,11c	4,989	-	3,279	1,710
Total		\$ 15,510	\$ -	\$ 3,279	\$ 12,231

	As of June 30, 2022			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	\$ 5,280	\$ 5,280	\$ -	\$ -
Investment in equity securities	10	10	-	-
Total	\$ 5,290	\$ 5,290	\$ -	\$ -

The Yorkville Convertible Debt Financing discussed in Note 9 was initially recorded at fair value, which represented a nonrecurring fair value measurement using a Level 3 input. At June 30, 2023, the estimated fair value of this instrument approximated carrying value given that the instrument was issued in March 2023 and has a short time period until maturity.

#### 17. SUBSEQUENT EVENTS

On September 1, 2023, the Company closed a non-brokered private placement (the “September 2023 Private Placement”) of units of the Company (the “September 2023 Units”). A total of 250,000 September 2023 Units were issued at a price per September 2023 Unit of \$4.00, for total gross proceeds to the Company of \$1.0 million. Each September 2023 Unit consists of one Common Share and one Common Share purchase warrant (“September 2023 Warrant”). Each September 2023 Warrant entitles the holder to acquire one Common Share at a price of \$4.60 at any time prior to September 1, 2025. Proceeds of the September 2023 Private Placement will be used for continued advancement of the Company’s Elk Creek Critical Minerals Project and for working capital and general corporate purposes.

On September 12 and September 18, 2023, the Company issued 70,000 and 75,000 Common Shares, respectively, under the Yorkville Equity Facility Financing Agreement in exchange for \$0.5 million in gross cash proceeds.



## 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 (“CEO”) and Chief Financial Officer (“CFO”), the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2023. Based on that evaluation, the CEO and the CFO have concluded that, as of June 30, 2023, our disclosure controls and procedures were not effective due to the material weaknesses in internal control over financial reporting described below.

The Company’s disclosure controls and procedures have been designed to ensure that: (i) information required to be disclosed by us in reports that we file or submit to the SEC under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in applicable rules and forms and (ii) material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including the CEO and the CFO, as appropriate, to allow for accurate and timely decisions regarding required disclosures.

Management does not expect that our disclosure controls and procedures will prevent all error and all fraud. The effectiveness of our or any system of disclosure controls and procedures, however well designed and operated, can provide only reasonable assurance that the objectives of the system will be met and is subject to certain limitations, including the exercise of judgment in designing, implementing, and evaluating controls and procedures and the assumptions used in identifying the likelihood of future events.

### *Management’s Report on Internal Control over Financial Reporting*

The management of NioCorp Developments Ltd. 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, 2023. 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 (the “COSO Framework”). Based on that evaluation, the CEO and the CFO have concluded that, as of the end of the period covered by this Annual Report, our internal control over financial reporting was not effective due to the material weaknesses in internal control over financial reporting described below.

### *Material Weaknesses in Internal Control over Financing Reporting Existing as of June 30, 2023*

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

Management concluded that the previously disclosed material weakness relating to the Company’s controls over the accounting for non-routine transactions continued to exist as of June 30, 2023. Specifically, such controls were not adequately designed to ensure the consideration of all related relevant accounting guidance when such transactions were recorded. As disclosed in the Company’s Amendment No. 1 on Form 10-K/A to its Annual Report on Form 10-K for the fiscal year ended June 30, 2022, and in the Company’s Quarterly Reports on Form 10-Q for the quarterly periods ended September 30, 2022, December 31, 2022 and March 31, 2023, this material weakness resulted in the restatement of the Company’s consolidated financial statements as of and for the fiscal years ended June 30, 2022 and 2021, as well as the restatement of the Company’s condensed consolidated financial statements as of and for the interim periods ended September 30, 2021, December 31, 2021, and March 31, 2022.

The Company identified an additional error during the quarter ended March 31, 2023 relating to the accounting treatment of the Lind Consent. The error required the restatement of the Company’s condensed consolidated financial statements as of and for the periods ended September 30, 2022 and December 31, 2022. The Company determined

that the error was partially caused by the same material weakness that existed as of June 30, 2022, September 30, 2022 and December 31, 2022. The material weakness discussed above continued to exist as of June 30, 2023.

In addition to the material weakness discussed above, our management concluded that three other material weaknesses in internal control over financial reporting existed as of June 30, 2023. A cumulative listing of our material weaknesses is disclosed below:

- **Control Environment:** Management did not design and maintain an effective control environment based on the criteria established by the COSO Framework. Specifically, the Company does not have sufficient personnel with the appropriate levels of knowledge, experience, and training in accounting and internal control over financial reporting commensurate with the complexity of the Company's business. This material weakness contributed to additional material weaknesses related to the Company's control activities as further described below.
- **Risk Assessment:** Management did not design and maintain effective controls over the risk assessment process. Specifically, management does not have a formal process to identify, update, and assess risks due to changes in the Company's business practices, including entering into increasingly complex transactions that could significantly impact the design and operation of the Company's control activities.
- **Control Activities:** Management did not design and maintain effective controls, including management review controls, related to non-routine transactions. Specifically, management did not maintain effective controls over monitoring and assessing the work of third-party specialists, including the evaluation of the appropriateness of accounting conclusions that has resulted in misstatements. In addition, the Company did not design and maintain effective controls related to the evaluation of certain inputs and assumptions used to estimate the fair value of instruments and features associated with complex debt and equity transactions. Finally, management did not have policies and procedures for the reconsideration of existing agreements when infrequent transactions occur.
- **Monitoring Activities:** Management did not design and maintain effective monitoring controls to support timely evaluation of remediation of identified internal control deficiencies.

Additionally, these material weaknesses could result in a misstatement of the account balances or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or timely detected.

#### ***Remediation Plan for the Material Weakness***

To address our material weaknesses existing as of June 30, 2023, we are currently devising a detailed plan to address each individual material weakness identified, as well as the overall monitoring process, including the following:

- In order to remediate the material weaknesses relating to the Company's control environment and risk assessment process, we plan to develop and implement controls to ensure work performed by Company personnel and other experts is reviewed by individuals with the appropriate level of U.S. GAAP knowledge and experience. This may include separating the performance and review of certain close procedures among current accounting personnel and/or engaging third party accounting consultants with the requisite U.S. GAAP knowledge and experience to perform work under the control and oversight of Company personnel. In addition, we plan to enhance the design of our controls over the consideration of all related relevant accounting guidance for the initial recording and subsequent measurements of non-routine transactions.
- In order to remediate the material weakness relating to the Company's controls activities, we are in the process of designing and implementing controls over the completeness and accuracy of identifying and adequately assessing the assumptions utilized in the valuation analysis of complex financial instruments, as well as engaging third party consultants with the relevant background and expertise to perform the appropriate complex valuation analyses under the control and oversight of Company personnel.
- In order to remediate the material weakness relating to the Company's controls over monitoring activities, we plan to design and implement controls to manage and monitor our progress towards the remediation of

internal control deficiencies and material weaknesses, including oversight by, and periodic reporting to, the Audit Committee.

The process of designing and maintaining effective internal control over financial reporting is a continuous effort that requires management to anticipate and react to changes in our business, economic and regulatory environments and to expend significant resources. As we continue to evaluate our internal control over financial reporting, we may take additional actions to remediate the material weaknesses or modify the remediation actions described above.

While we continue to devote significant time and attention to these remediation efforts, the material weaknesses will not be considered remediated until management completes the design and implementation of the actions described above and the controls operate for a sufficient period of time, and management has concluded, through testing, that these controls are effective.

***Changes in Internal Control over Financial Reporting***

Other than as discussed above, there has been no change in our internal control over financial reporting during the quarter ended June 30, 2023, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 9B. OTHER INFORMATION**

During the quarter ended June 30, 2023, no director or officer (as defined in Rule 16a-1(f) promulgated under the Exchange Act) of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” (as each term is defined in Item 408 of Regulation S-K).

**ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTION**

Not applicable.

## PART III

### ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

#### Directors and Executive Officers

The following table sets forth as of October 6, 2023, the names and ages of, and position or positions held by, our executive officers and directors, the employment background of these persons, and any directorships held by the current directors during the last five years.

Name	Age	Position	Date of Appointment
Mark A. Smith	64	Chief Executive Officer, President, Executive Chairman, and Director	Chief Executive Officer and Director: September 23, 2013 President and Executive Chairman: May 31, 2015
Neal Shah	49	Chief Financial Officer and Corporate Secretary	Chief Financial Officer: July 1, 2016 Corporate Secretary: December 3, 2021
Scott Honan	52	Chief Operating Officer	May 6, 2014
Jim Sims	62	Chief Communications Officer	November 2, 2015
Michael J. Morris	77	Lead Director	July 27, 2014
David C. Beling	82	Director	June 6, 2011
Anna Castner Wightman	56	Director	February 23, 2016
Nilsa Guerrero-Mahon	62	Director	September 28, 2017
Dean C. Kehler	66	Director	March 17, 2023
Michael G. Maselli	63	Director	March 17, 2023
Peter Oliver	60	Director	May 25, 2022

The following sets forth a brief description of the business experience of each executive officer and director of the Company, including current directorships and directorships held in, at least, the past five years for each director:

#### *Mark A. Smith – Executive Chairman, Director, President, and Chief Executive Officer*

Mr. Smith has over 41 years of experience in operating, developing, and financing mining and strategic materials projects in the Americas and abroad. In September 2013, he was appointed CEO and a Director of NioCorp. From April 2015 to September 2019, Mr. Smith served as the President and Director for Largo Resources Ltd. (“Largo”), a mineral company with an operating property in Brazil and projects in Brazil and Canada. In addition, from April 2015 to October 2018, Mr. Smith also served as the CEO of Largo. Mr. Smith has also served on the board of directors of IBC Advanced Alloys Corp., a leading beryllium and copper advanced alloys company (“IBC”), since May 2016 and as CEO of IBC since July 2020. From October 2008 through December 2012, Mr. Smith served as President, CEO and Director of Molycorp, Inc., a rare earths producer (“Molycorp”), where he was instrumentally involved in taking it from a private company to a publicly traded company with a producing mine. From November 2011 through May 2015, he served on the board of directors at Avanti Mining, a mining company (TSX-V: AVT; Avanti Mining changed its name to AlloyCorp in early 2015). From December 2012 through September 2013, he served as the Managing Director of KMSmith LLC, a business strategy and finance advisory firm, where he served as a consultant.

Prior to Molycorp, Mr. Smith held numerous engineering, environmental, and legal positions within Unocal Corporation, a former petroleum explorer and marketer (“Unocal”), and later served as the President and CEO of Chevron Mining Inc., a coal and metal mining company and wholly owned subsidiary of Chevron Corporation (“Chevron Mining”). Mr. Smith also served for over seven years as the shareholder representative of Companhia Brasileira Metalúrgica e Mineração (“CBMM”), a private company that currently produces approximately 85% of the world supply of niobium. During his tenure with Chevron Mining, Mr. Smith was responsible for Chevron Mining’s three coal mines, one molybdenum mine, a petroleum coke calcining operation and Molycorp’s Mountain Pass mine. At Unocal, he served as the Vice-President from June 2000 to April 2006, and managed the real estate, remediation, mining and carbon divisions. Mr. Smith is a Registered Professional Engineer and serves as an active member of the State Bars of California and Colorado. He received his Bachelor of Science degree in Agricultural

Engineering from Colorado State University in 1981 and his Juris Doctor, cum laude, from Western State University, College of Law, in 1990.

***Neal Shah – Chief Financial Officer and Corporate Secretary***

Mr. Shah joined NioCorp in September 2014 as Vice President of Finance, and now serves as the Company's CFO and Corporate Secretary. Mr. Shah served as Finance Manager at Covidien Ltd., a medical device company since acquired by Medtronic, from May 2014 through September 2014. From April 2011 until May 2014, he held the positions of Senior Manager of Corporate Development and M&A and more recently the Director of Strategy and Business Planning at Molycorp. Mr. Shah graduated from the University of Colorado with a BSc in Mechanical Engineering in 1996, and from Purdue University with an MBA in 2002. Since the completion of his MBA, Mr. Shah also held key finance roles with Intel Corporation and IBM.

***Scott Honan – Chief Operating Officer***

Mr. Honan joined NioCorp in May 2014 as Vice President, Business Development, and since July 2020, has served as the Company's Chief Operating Officer ("COO"). He also serves as President of Elk Creek Resources Corporation, the NioCorp subsidiary that is developing the Elk Creek Project in Nebraska. Prior to his work at NioCorp, Mr. Honan served in several leadership capacities at Molycorp from February 2001 until May 2014, including as Vice President/Director Health, Environment, Safety and Sustainability and General Manager and Environmental Manager from July 2011 to May 2014. With over 30 years of experience in the gold and rare earth industries, Mr. Honan is a graduate of Queen's University in Mining Engineering in both Mineral Processing (B.Sc. Honors) and Environmental Management (M.Sc.) disciplines.

***Jim Sims – Chief Communications Officer***

Mr. Sims has more than 30 years of experience in devising and executing marketing, media relations, public affairs, and investor relations operations for companies in the mining, chemical, manufacturing, utility, and renewable energy sectors. He joined NioCorp in November 2015 as Vice President, External Affairs, and now serves as its Chief Communications Officer, effective June 7, 2022. Prior to NioCorp, Mr. Sims served for more than five years as Director (and then Vice President) of Corporate Communications for Molycorp from March 2010 through November 2015. Since May 2016, Mr. Sims has also served as Director of Investor and Public Relations for IBC. Mr. Sims was President and CEO of Policy Communications, Inc. from 1998 until 2010, and served as White House Director of Communications for the Energy Policy Development Group. A former U.S. Senate Chief of Staff, he is the co-founder and former Executive Director of the Geothermal Energy Association, and he has served as Board Chairman of the Rare Earth Technology Alliance. He is an honors graduate of Georgetown University.

***Michael J. Morris – Director***

Mr. Morris was formerly the Chairman of the board of directors of Heritage Oaks Bankcorp ("Heritage Oaks"), the holding company of Heritage Oaks Bank. When Heritage Oaks Bank merged with Pacific Premier Bancorp on April 1, 2017, Mr. Morris became a member of the Pacific Premier Bancorp's board of directors, a position he held until May 31, 2020. He joined Heritage Oaks' board of directors in January 2001 and assumed the board's chairmanship in 2007. In addition, Mr. Morris has worked since 1972 at Andre, Morris & Buttery, a professional law corporation, where he serves as Senior Principal and has served as Chairman of the board since 2005. From 2000 to late 2006, Mr. Morris served on the board of Molycorp, a rare earths producer, which at the time was a wholly owned subsidiary of Unocal and then Chevron Mining. Mr. Morris was the only independent director of Molycorp at that time. Mr. Morris is a graduate of Georgetown University and received his law degree from the University of San Francisco School of Law. He has practiced business and environmental law for over 40 years. Mr. Morris served as a member of the Board of Governors and Vice President of the State Bar of California. He served as a 1st Lieutenant in the U.S. Army from 1970 to 1972.

***David C. Beling – Director***

Mr. Beling is a Registered Professional Mining Engineer with 58 years of project and corporate experience. He has served as a director on the boards of 14 mining companies starting in 1981, including NioCorp since 2011. Mr. Beling is the owner of D.C. Beling & Assoc., LLC, which provides strategic advisory, project, and corporate development services to the mining industry. His previous employment and consulting included 14 years with five

major mining companies and then 44 years with 30+ U.S. and Canadian junior mining companies. He was the President, CEO, and Director of Bullfrog Gold Corp. from 2011 until October 2020; and the Executive Vice President and COO of Geovic Mining Corp. from 2004 through 2010. Mr. Beling has examined, significantly reviewed, or been directly involved with 90 underground mines, 136 open pit mines, and 174 process plants in the global metal, energy, and industrial mineral sectors.

***Anna Castner Wightman – Director***

A sixth generation Nebraskan and a graduate of Nebraska Wesleyan University, Ms. Wightman serves as a Senior Director of Government Relations for First National Bank of Omaha, Nebraska, a position she has held since 2000. Prior to that, she worked for the Greater Omaha Chamber of Commerce and served in the U.S. Congress for former Congressman Bill Barrett and former Congresswoman Virginia Smith, both of whom represented the 3rd Congressional District of Nebraska. Ms. Wightman serves on the board of directors for the Nebraska Chamber of Commerce, Rose Theater for Performing Arts, and Joslyn Castle.

***Nilsa Guerrero-Mahon – Director***

A former CFO and Controller for global corporations in the technology, energy, and government sectors, Ms. Guerrero-Mahon provides consulting services to domestic and international corporations as the principal at NG Mahon Business Consulting, LLC. In addition, Ms. Guerrero-Mahon was appointed to the Board of FinGoal Inc. in April 2022, a finance technology company building artificial intelligence tools for the financial services industry and other financial technology developers. She also serves on the Board of the State of Colorado Division of Securities. From 2016 to August 2019, she served on the board of directors of Centura Health Mountains & North Denver Operating Group, the largest division in the Centura Health Care System. From 2014 to 2016, she served as the Vice Chair of the board of directors and Chaired the Strategy Committee at St. Anthony Hospital. From 2009 to 2017, Ms. Guerrero-Mahon served as a gubernatorial appointed Board Member of the State of Colorado Financial Services Commission. Among other prior positions, from 2004 to 2007, she was the Global Services Controller at Microsoft Corporation, overseeing internal controls and corporate finance activities.

Ms. Guerrero-Mahon stays current with the latest Corporate Governance practices and the integration of ESG into the strategy. She is an NACD Board Leadership Fellow, a member of the SASB Alliance, holds a CERT Certificate in Cybersecurity Oversight from the Carnegie Mellon University and is currently enrolled in the Climate Leadership Certification program with Diligent Corporation. Ms. Guerrero-Mahon received an Executive MBA from the Daniels College of Business at the University of Denver, a BS in Business Administration - Accounting from the Interamerican University in San Juan, Puerto Rico, and an AS in Computer Science from the EDP School of Computer Programming in San Juan, Puerto Rico. She is a Certified Public Accountant registered in the State of Colorado.

***Peter Oliver – Director***

With a background in chemistry, Mr. Oliver began working at Greenbushes, Western Australia, for Sons of Gwalia, a mining company, in May 2003. After Sons of Gwalia went into administration in 2004, Mr. Oliver was hired by Talison Lithium Limited (“Talison”), a mining company, where he served as General Manager of Talison’s Greenbushes and Wodgina Mines and as Talison’s COO, until Mr. Oliver was appointed as the CEO/Managing director. As Talison’s CEO/Managing director, Mr. Oliver led the listing of Talison on the Toronto Stock Exchange in September 2010.

Mr. Oliver guided Talison through its acquisition in 2013 by Tianqi Lithium Corporation (“Tianqi”). He then served as a corporate adviser to Tianqi, focusing on M&A opportunities and global expansion, including advising on the sale of 49% of Talison to Albemarle Corp. and the acquisition of 24% of Sociedad Química y Minera de Chile S.A., as well as significant expansions of Talison’s Greenbushes lithium concentrate production.

Mr. Oliver also was a founding member of Tianqi Lithium Energy Australia Pty Ltd, a wholly owned subsidiary of Tianqi, which was established to build a major Lithium Hydroxide manufacturing facility in Western Australia. Until June 2021, Mr. Oliver remained as a director of Talison, a joint venture between Tianqi and Albemarle Corp. In September 2022, Mr. Oliver was appointed to the Board of Latin Resources, a lithium exploration company in Australia.

**Dean C. Kehler – Director**

Mr. Kehler co-founded Trimaran Fund Management, L.L.C. (“Trimaran Fund”) in 1998, where he is a Managing Partner, and serves as a Manager of Trimaran Fund II. Mr. Kehler was also the Co-Chairman and Chief Executive Officer of GX Acquisition Corp. II, a position he has held from August 2018 to March 2023. From 1995 to 2000, Mr. Kehler held senior positions at Canadian Imperial Bank of Commerce (“CIBC”), including Vice Chairman of CIBC World Markets Corp. Mr. Kehler currently serves on the Boards of Directors of Portman Ridge Finance Corporation (formerly KCAP Financial Inc.) and Celularity, Inc. Within the last five years, he has served a director of Inviva Inc., Security First Corp. and Graphene Frontiers, LLC. He holds a bachelor’s degree from the Wharton School of the University of Pennsylvania.

**Michael G. Maselli – Director**

Mr. Maselli is a managing director of Trimaran Fund, a position he has held since 2006, and was the President of Acquisitions of GX Acquisition Corp. II from August 2018 to March 2023. Before joining Trimaran Fund in February 2006, Mr. Maselli worked in the Corporate and Leverage Finance Groups of CIBC World Markets. Prior to joining CIBC in 1997, Mr. Maselli served as a Managing Director in Bear Stearns’ corporate finance group and, prior to that, as a Vice President at Kidder Peabody & Co. Incorporated. Since 2010, Mr. Maselli has served on the board of directors of El Pollo Loco Holdings, and he served as their Chairman of the Board from 2011 to 2023. He served on the board of ChanceLight, Inc. (f/k/a Educational Services of America, Inc.) until 2018. From 2013 to 2015, he served on the board of directors of Norcraft Companies, Inc., and also served on the board of managers of its predecessor company beginning in 2003. Additionally, Mr. Maselli served on the board of directors of Standard Steel, LLC, and was director as well as Chairman of the Board of CB Holding Corp. Mr. Maselli received an MBA with distinction from The A.B. Freeman School at Tulane University and a bachelor’s degree in economics from the University of Colorado.

**Fiscal 2023 Director Compensation**

Effective at the Closing on March 17, 2023, the Company increased the size of its Board to nine directors and appointed Michael G. Maselli and Dean C. Kehler. On May 15, 2023, Fernanda Reda Fenga Viana Klamas resigned from the Board. One of the directors serving on the Board (Mark A. Smith) is also a named executive officer. For a description of the compensation paid to Mr. Smith, see “Fiscal 2023 Summary Compensation Table” below.

The following table sets forth all compensation the Company granted to our directors, other than Mr. Smith, for the fiscal year ended June 30, 2023:

Name	Fees Earned or Paid in Cash (\$)	Option Awards \$(1)	All Other Compensation \$(2)	Total (\$)
David C. Beling	-	\$ 123,600	\$ 59,000	\$ 182,600
Michael J. Morris	-	154,500	43,200	197,700
Anna Castner Wightman	-	123,600	35,500	159,100
Nilsa Guerrero-Mahon	-	139,050	27,500	166,550
Fernanda Reda Fenga Viana Klamas	-	123,600	11,500	135,100
Peter Oliver	-	123,600	4,000	127,600
Dean C. Kehler	-	-	-	-
Michael G. Maselli	-	-	-	-

- (1) Reflects the grant date fair value of stock options (“Options”) granted during the 2023 fiscal year, consisting of 50,000 Options for Mr. Morris, 45,000 Options for Ms. Guerrero-Mahon, and 40,000 Options each for Ms. Wightman, Ms. Fenga, Mr. Beling, and Mr. Oliver, in each case at an exercise price of \$6.95 per share, computed in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 718. Assumptions used in the calculation of these amounts are described in Note 11 in the Company’s consolidated financial statements included in this Annual Report on Form 10-K. These Options were fully vested on the grant date and generally remain exercisable until three years after the grant date.

- (2) The amounts in this column reflect a special cash bonus paid to directors equal to \$5,000 per year of service or portion thereof, based on their individual years of service on the Board.

For the fiscal year ended June 30, 2023, the directors of the Company did not receive any cash fees for serving on the Board, other than the special cash bonuses set forth in the table above. The directors of the Company have no standard compensation arrangements, or any other arrangements, with the Company, except as herein disclosed. Option grants are determined by the Compensation and Organization Committee of the Board (the “Compensation Committee”) on a discretionary basis each year. Executive officers of the Company who also act as directors of the Company do not receive any additional compensation for services rendered in such capacity. See “Fiscal 2023 Summary Compensation Table” below.

The aggregate number of Option awards outstanding at the end of fiscal year 2023 for each non-employee director who served during fiscal 2023 was as follows: Mr. Beling, 122,500 Options; Mr. Morris, 107,500 Options; Ms. Wightman, 122,500 Options; Ms. Guerrero-Mahon, 105,000 Options; Ms. Fenga, 117,500 Options; Mr. Oliver, 90,000 Options; Mr. Kehler, 0 Options; and Mr. Maselli, 0 Options. As of June 30, 2023, all the above Options were 100% vested.

#### Other Directorships

The following is a list of directorships held over the past five years by our directors. Except as listed below, no directors of the Company are also directors of reporting issuers.

Name of Director	Other Reporting Issuer (or equivalent)	Exchange
David C. Beling	Bullfrog Gold	CSE
Michael J. Morris	Pacific Premier Bancorp	Nasdaq
Mark A. Smith	Largo Resources Ltd.	TSX
	IBC Advanced Alloys Corp.	TSX-V
Peter Oliver	Latin Resources	ASX
Dean C. Kehler	El Pollo Loco Holdings, Inc.	Nasdaq
	Portman Ridge Finance Corporation	Nasdaq
	Celularity, Inc.	Nasdaq
	GX Acquisition Corp. II	Nasdaq
Michael G. Maselli	El Pollo Loco Holdings, Inc.	Nasdaq

#### Legal Proceedings

No director or executive officer of the Company is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries.

During the past ten years, none of the persons serving as executive officers and/or directors of the Company and, with respect to promoters or control persons, for the past five years, none have been the subject matter of any of the legal proceedings that are required to be disclosed pursuant to Item 401(f) of Regulation S-K. Further, no such legal proceedings are believed to be contemplated by governmental authorities against any director or executive officer.

#### Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company’s business plan and to meet performance goals and objectives according to the highest ethical standards.

In addition, directors and senior officers are bound by the provisions of the Company’s Articles and the British Columbia Business Corporations Act (“BCBCA”), which set forth how any conflicts of interest are to be dealt with. In particular, any director who has a material interest in a particular transaction is required to disclose such interest and to refrain from voting with respect to the approval of any such transaction.



## Code of Business Conduct and Ethics

Our Board has adopted a written Code of Business Conduct and Ethics applicable to our employees, officers, and directors, including those officers responsible for financial reporting. The Code of Business Conduct and Ethics is available on our website at [www.niocorp.com](http://www.niocorp.com). If the Board amends the Code of Business Conduct and Ethics or grants a waiver, including an implicit waiver, from the Code of Business Conduct and Ethics, the Company will disclose the information on its internet website. The waiver information will remain on the website for at least 12 months after the initial disclosure of such waiver. Given the current size of the Company workforce, and the lack of significant operations, the Board monitors compliance through periodic discussions with executive management.

## Audit Committee and Audit Committee Financial Experts

Our Audit Committee is currently comprised of Anna Castner Wightman, Michael J. Morris, and Nilsa Guerrero-Mahon, all of whom are independent directors. Our Board has determined that Mr. Morris and Ms. Guerrero-Mahon are audit committee financial experts, as defined by the rules of the SEC. Further, all Audit Committee members are financially literate as defined in NI 52-110. The Audit Committee was established in accordance with Section 3(a)(58)(A) of the Exchange Act.

## ITEM 11. EXECUTIVE COMPENSATION

The following table sets out the compensation for the fiscal years ended June 30, 2023 and 2022 for the individual who served as the Company's CEO during fiscal year 2023, as well as the Company's two other most highly compensated executive officers other than the CEO who were serving at the end of the last fiscal year (collectively, the "named executive officers"):

**Fiscal 2023 Summary Compensation Table**

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus (\$)	Option Awards (1) (\$)	Total (\$)
Mark A. Smith, Chief Executive Officer, President (2)	2023	\$ 304,000	\$ 100,000	\$ 216,300	\$ 620,300
	2022	297,000	—	256,471	553,471
Scott Honan, Chief Operating Officer	2023	265,000	50,000	123,600	438,600
	2022	260,000	—	118,371	378,371
Neal Shah, Chief Financial Officer and Corporate Secretary	2023	227,500	50,000	123,600	401,100
	2022	220,000	—	118,371	338,371

- (1) Reflects the grant date fair value of the Options granted during the reported fiscal years. Fiscal year 2023 grants consisted of 70,000 Options for Mr. Smith and 40,000 Options for each of Messrs. Honan and Shah, in each case at an exercise price of \$6.95 per share. Grant date fair values were computed in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are described in Note 11 in the Company's consolidated financial statements included in this Annual Report on Form 10-K. These Options were fully vested on the grant date and generally remain exercisable until three years after the grant date.
- (2) Disclosed amounts paid to 76 Resources, LLC, an entity controlled by Mr. Smith, as further described below under "Employment Agreements."

## Narrative Disclosure to Summary Compensation Table

### Compensation Governance

The Company's Compensation Committee determines an appropriate amount of compensation for the Company's executives, reflecting the need to provide incentives and compensation for the time and effort expended by the executives while taking into account the financial and other resources of the Company. The Compensation Committee has the authority to engage and compensate, at the expense of the Company, any outside advisor that it determines to be necessary to permit it to carry out its duties (including compensation consultants and advisers), and utilized information provided by Insperity PEO Services LP ("Insperity"), the Company's Professional Employer Organization, in February 2023, to assess employee salaries relative to industry and market peers.

### Compensation Program Design

The Board, in conjunction with the Compensation Committee, determines compensation and rewards to senior management on the basis of individual and corporate performance, both in the short term and the long term, while at the same time being mindful of the responsibility that the Company has to its shareholders. In general, the Compensation Committee considers that its compensation program should be relatively simple in concept, given the current stage of the Company's development, and that its focus should be balanced between reasonable current compensation and longer-term compensation tied to performance of the Company as a whole.

The Compensation Committee has not established a formal set of benchmarks or performance criteria to be met by the Company's named executive officers; rather, the members of the Compensation Committee use the information provided by Insperity and their own subjective assessments of the level of success of the Company to determine, collectively, whether or not the named executive officers are successfully achieving the Company's business plan and strategy and the degree to which they have performed in that regard. The Compensation Committee has not established any set or formal formula for determining named executive officer compensation, either as to the amount thereof or the specific mix of compensation elements, and compensation (and adjustments from time to time) is set through informal discussions at the Compensation Committee level.

### Key Elements of Named Executive Officer Compensation

#### Base Salaries

The members of the Compensation Committee use their own experience and familiarity with the industry, and consider the factors described above, to determine what they believe to be reasonable base salaries for our named executive officers. The base salaries of the named executive officers are set at levels which are considered by the members of the Compensation Committee to be competitive, thereby enabling the Company to compete for and retain executives critical to the long-term success of the Company. Initially, base salaries (or, for Mr. Smith, base consulting fees) are set through negotiation when executive officers join the Company (with direct input from the Compensation Committee) and are subsequently reviewed each fiscal year to determine if adjustments are required.

Effective April 1, 2023, the Compensation Committee approved the following increases to the named executive officers' base salaries to reflect each executive's experience, contribution, responsibilities and pay relative to market and among senior executives at the Company.

NEO	Prior Base Salary Rate (\$)	New Base Salary Rate (\$)
Mark A. Smith	\$ 297,000	\$ 325,000
Scott Honan	260,000	280,000
Neal Shah	220,000	250,000

#### Bonus Compensation

The Board has discretion, where deemed appropriate and financially affordable for the Company, to grant a cash bonus to a named executive officer based on the performance of both the individual named executive officer and the Company. In March 2023, the Compensation Committee approved the following discretionary bonuses for the named executive officers, each of which was paid in April 2023:

NEO	Bonus Amount (\$)
Mark A. Smith	\$ 100,000
Scott Honan	50,000
Neal Shah	50,000

These one-time bonuses were intended to reflect the Compensation Committee’s desire to reward individual performance and teamwork across the senior leadership level.

#### *Option-Based Awards*

The incentive portion of each named executive officer’s compensation package consists primarily of Options awarded under the 2017 Amended Long-Term Incentive Plan. Share ownership opportunities through the grant of Options are provided to align the interests of senior management of the Company with the longer-term interests of the shareholders of the Company.

The 2017 Amended Long-Term Incentive Plan is administered by the Compensation Committee, and is intended to advance the interests of the Company through the motivation, attraction and retention of officers and other key employees, directors and consultants of the Company and affiliates of the Company and to secure for the Company and its shareholders the benefits inherent in the ownership of Common Shares of the Company by officers and other key employees, directors and consultants of the Company and affiliates of the Company. Grants of Options under the 2017 Amended Long-Term Incentive Plan are proposed/recommended by the CEO, and reviewed by the Compensation Committee. The Compensation Committee can approve, modify, or reject any proposed grants, in whole or in part. In general, the allocation of available Options among the eligible participants in the 2017 Amended Long-Term Incentive Plan is on an ad hoc basis, and there is no set formula for allocating available Options, nor is there any fixed benchmark or performance criteria to be achieved in order to receive an award of or vest in Options.

The Compensation Committee does not consider the accounting value of any such Option grants in determining the number of Options to award to any individual, as any such “value” is an accounting measure that is not relevant to incentivizing the individual. The timing of the grants of Options is determined by the Compensation Committee, and there is no regular interval for the awarding of Option grants. In general, a higher level of responsibility will result in a larger grant of Options. Because the number of Options available is limited, in general, the Compensation Committee aims to have individuals at what it subjectively considers to be the same levels of responsibility holding equivalent numbers of Options, with additional grants being allocated for individuals who the Compensation Committee believes are in a position to more directly affect the success of the Company through their efforts.

The Compensation Committee looks at the overall number of Options held by an individual (plus the exercise prices and remaining terms of existing Options and whether any previously granted Options have expired out of the money or were exercised) and takes such information into consideration when reviewing proposed new grants. After considering the CEO’s recommendations and the foregoing factors, the resulting proposed Option grant (if any) is then submitted to the Board for approval.

During the fiscal year ended June 30, 2023, the Compensation Committee approved all recommendations for the grant of Options proposed by management, and the named executive officers were granted the following number of Options effective March 27, 2023, each with an exercise price per share of \$6.95 per share: Mr. Smith, 70,000 Options; Mr. Honan, 40,000 Options; and Mr. Shah, 40,000 Options. These Options were fully vested on the grant date and generally remain exercisable until three years after the grant date.

#### *Employment Agreements and Severance Arrangements*

The Company and KMSmith, LLC (“KMSmith”), an entity controlled by Mark A. Smith, entered into a Consulting Agreement effective September 23, 2013 (as amended, the “Smith Agreement”). On August 31, 2020, the Company, KMSmith and 76 Resources, Inc., an entity controlled by Mr. Smith, entered into a Contract Assignment and Novation Agreement, pursuant to which KMSmith assigned all of its rights under the Smith Agreement to 76 Resources, Inc. and 76 Resources, Inc. assumed all of KMSmith’s obligations under the Smith Agreement by novation. On August 1, 2021, the Company, 76 Resources, Inc. and 76 Resources, LLC, an entity controlled by Mr. Smith, entered into a Contract Assignment and Novation Agreement, pursuant to which 76 Resources, Inc. assigned all of its rights under the Smith Agreement to 76 Resources, LLC and 76 Resources, LLC assumed all of 76 Resources, Inc.’s obligations

under the Smith Agreement by novation. Under the terms of the Smith Agreement, 76 Resources, LLC (as ultimate successor in interest to KMSmith), through Mr. Smith, performs the duties and responsibilities of the CEO of the Company and related services, for an indefinite term at a base rate of \$297,000 per year, generally payable in equal monthly installments of \$24,750. During fiscal 2023, the Smith Agreement was amended to increase the base rate to \$325,000 per year. Any bonuses and incentive payments are payable at the discretion of the Board. Mr. Smith is eligible to receive Options under the 2017 Amended Long-Term Incentive Plan, as determined by the Board.

The Company may terminate the Smith Agreement at any time without notice or payment if (1) 76 Resources, LLC commits a material breach of the Smith Agreement (subject to a cure period in certain circumstances), (2) Mr. Smith dies or becomes permanently disabled, or (3) certain other “for cause” scenarios occur (as further described in the Smith Agreement). In the event the Smith Agreement is terminated by the Company for any other reason or if 76 Resources, LLC terminates the Smith Agreement on the occurrence of a Triggering Event, the Company shall pay 76 Resources, LLC a lump sum termination fee equal to the base fee in effect at the termination date as well as the average of any annual bonuses or other cash incentive payments for two calendar years immediately preceding the year the termination occurs. A Triggering Event is defined as: a substantial change in the nature of services to be performed by 76 Resources, LLC; a material breach by the Company of the Smith Agreement that is not remedied within 30 days of notice; the cessation of the Company as a going concern; the failure of the Company to pay a material amount due pursuant to the Smith Agreement within 30 days of the due date; or a material reduction in base fee or any other form of compensation payable by the Company to 76 Resources, LLC, except where all senior executives or consultants of the Company are subject to relatively similar reductions in such values. 76 Resources, LLC may terminate the Smith Agreement for a reason other than a Triggering Event on 90 days’ written notice and, should the Company immediately accept such termination notice, it shall pay 76 Resources, LLC the sum of \$69,904. Should a change of control of the Company occur (as that term is defined in the Smith Agreement) and, within one year, either a Triggering Event occurs and 76 Resources, LLC terminates the Smith Agreement or 76 Resources, LLC’s engagement is terminated by the Company under circumstances that would give rise to a termination payment in the absence of a change of control, then 76 Resources, LLC shall be entitled to receive an amount equal to the base fee in effect at the termination date as well as the average of any annual bonuses or other cash payments for two calendar years immediately preceding the year the termination occurs. In the event 76 Resources, LLC is entitled to a termination payment with respect to a change of control, any Options previously granted to Mr. Smith shall become fully vested and shall remain exercisable for the original term of grant despite a termination of 76 Resources, LLC. Termination payments under the Smith Agreement are generally contingent on a release of claims by 76 Resources, LLC. The Smith Agreement also includes customary confidentiality and six-month employee non-solicitation provisions.

If the Smith Agreement is terminated by the Company for any reason other than as set out in the Smith Agreement, if 76 Resources, LLC terminates the Smith Agreement on the occurrence of a Triggering Event, or should a change of control of the Company occur and within one year, either a Triggering Event occurs and 76 Resources, LLC terminates the Smith Agreement or 76 Resources, LLC’s engagement is terminated without the occurrence of a Triggering Event, effective as of June 30, 2023, 76 Resources, LLC (as ultimate successor in interest to KMSmith) would have been entitled to a payment of \$325,000.

As previously disclosed, on September 25, 2022, in connection with our entry into the Business Combination Agreement, Messrs. Shah and Honan (the “Covered Officers”) entered into employment agreements with a United States affiliate (the “U.S. Affiliate”) of the Company (the “Employment Agreements”). The Employment Agreements became effective upon the closing of the GXII Transaction, and will continue until either the Covered Officer or the U.S. Affiliate terminates the Covered Officer’s employment for any reason. Pursuant to the Employment Agreements, Mr. Shah continues to serve as Chief Financial Officer of the Company, and Mr. Honan continues to serve as the COO of the Company and serves as President of the U.S. Affiliate.

The Employment Agreement for Mr. Shah provides for an annual base salary of \$220,000 per year, and Mr. Honan’s Employment Agreement provides for an annual base salary of \$260,000 per year. The annual base salary rates for the Covered Officers will be reviewed at least annually for potential increases. As described above, the base salary rates of Messrs. Shah and Honan were increased in fiscal 2023. The Employment Agreements also provide each of the Covered Officers with eligibility to participate in (1) any annual cash bonus plan and/or any long-term incentive compensation plan as may be established by the U.S. Affiliate or its affiliates, and (2) any employee benefit plan, program, or policy of the U.S. Affiliate or its affiliates as may be in effect for senior executives of the U.S. Affiliate or its affiliates generally. The Employment Agreements also include the following additional features: (1) severance benefits upon certain qualifying terminations of employment, consisting of: (a) for a qualifying termination of the

Covered Officer's employment by the U.S. Affiliate without Cause (as such term is defined in the Employment Agreements) that does not occur within two years after a Change in Control of the U.S. Affiliate (as defined in the Employment Agreements), certain accrued obligations, plus 12 months of salary continuation, and (b) for a qualifying termination of the Covered Officer's employment by the U.S. Affiliate without Cause or by the Covered Officer for Good Reason (as such term is defined in the Employment Agreements) that occurs within two years after a Change in Control (a "Change in Control Termination"), certain accrued obligations, and a lump sum cash amount equal to two times the Covered Officer's annual base salary as in effect at the time of such termination; and (2) a requirement that each Covered Executive execute a customary release of claims in favor of the U.S. Affiliate to receive severance compensation. In connection with the Covered Officers entering into the Employment Agreements each Covered Officer also entered into a restrictive covenant agreement (a "Restrictive Covenant Agreement"). The Restrictive Covenant Agreements will include customary restrictive covenants, including non-competition and non-solicitation obligations that remain in effect both during the employment term and for one year following termination of the Covered Officer's employment other than a Change in Control Termination (in which case the period will be two years following such Change in Control Termination), as well as other customary restrictive covenants, such as confidentiality provisions.

#### ***Stock Options Under the 2017 Amended Long-Term Incentive Plan***

In accordance with the 2017 Amended Long-Term Incentive Plan, the Company granted Options to its named executive officers during the Company's 2023 fiscal year; no other equity-based awards were granted to the named executive officers during the 2023 fiscal year.

The following table sets forth the outstanding equity awards for each named executive officer at June 30, 2023. The Company has not granted full value stock-based awards to any of its named executive officers.

#### **Outstanding Equity Awards at 2023 Fiscal Year-End**

Name	Grant Date	Option Awards <sup>(1)</sup>		Option Exercise Price (\$)	Option Expiration Date
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable		
Mark A. Smith	12/14/2020	50,000	—	5.66 <sup>(2)</sup>	12/14/2023
	12/17/2021	65,000	—	10.27 <sup>(2)</sup>	12/17/2024
	03/27/2023	70,000	—	6.95	03/27/2026
Scott Honan					
	11/15/2018	35,000	—	4.08 <sup>(2)</sup>	11/15/2023
	12/14/2020	25,000	—	5.66 <sup>(2)</sup>	12/14/2023
	12/17/2021	30,000	—	10.27 <sup>(2)</sup>	12/17/2024
	03/27/2023	40,000	—	6.95	03/27/2026
Neal Shah					
	11/15/2018	35,000	—	4.08 <sup>(2)</sup>	11/15/2023
	12/14/2020	25,000	—	5.66 <sup>(2)</sup>	12/14/2023
	12/17/2021	30,000	—	10.27 <sup>(2)</sup>	12/17/2024
	03/27/2023	40,000	—	6.95	03/27/2026

(1) In connection with a reverse stock split effected by the Company on March 17, 2023, each then-outstanding Option then held by our named executive officers was adjusted as follows: (a) the number of shares subject to each such Option was divided by ten, with the resulting number rounded down to the nearest whole share; and (b) the exercise price applicable to each such outstanding Option was multiplied by ten, with the resulting price rounded up to the nearest whole cent. The amounts set forth in the table above with respect to options granted prior to March 27, 2023 reflect such adjustments.

(2) Option exercise price based on a spot exchange rate of C\$1.324 to US\$1.00 on June 30, 2023.

### ***Retirement Plan Benefits***

Messrs. Honan and Shah are each eligible to participate in the Company's 401(k) savings plan, which is designed to reward continued employment with the Company and assist participants with financial preparation for retirement. All amounts credited under the 401(k) savings plan relate to participant contributions. The Company does not currently make matching or other contributions to the 401(k) savings plan.

### ***Termination and Change of Control Benefits***

Except as described above, the Company has not entered into any plans or arrangements in respect of remuneration received or that may be received by the named executive officers in respect of compensating such officers or directors in the event of a change of control, termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control. Options are generally subject to clawback provisions, and provide for post-employment exercise periods, pursuant to the terms of such awards and the 2017 Amended Long-Term Incentive Plan.

## **EQUITY COMPENSATION PLANS**

The Company has maintained equity compensation plans under which Options have been granted. Option grants have been determined by the Company's directors and are only provided in compliance with applicable laws and regulatory policy. The following information is provided with respect to compensation plans (including individual compensation arrangements) under which equity securities were authorized for issuance as of June 30, 2023.

### **Equity Compensation Plan Information**

<b>Plan Category</b>	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants, and Rights</b>	<b>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Second Column)</b>
Equity Compensation Plans Approved by Security Holders <sup>(1)</sup>	1,541,500	\$ 7.28	1,578,713 <sup>(2)</sup>
Equity Compensation Plans Not Approved by Security Holders	-	-	-
Total <sup>(3)</sup>	1,541,500	\$ 7.28	1,578,713 <sup>(3)</sup>

(1) Represents Options granted pursuant to the 2017 Amended Long-Term Incentive Plan.

(2) Generally, the aggregate number of Common Shares reserved for issuance to participants under the 2017 Amended Long-Term Incentive Plan, together with all other security-based compensation arrangements of the Company 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. Common Shares subject to any grant (or any portion thereof) that are issued upon exercise or settlement, forfeited, surrendered, cancelled, unearned, or otherwise terminated will again be available for grant under the 2017 Amended Long-Term Incentive Plan.

(3) As of the date of this report there are: (i) 1,319,000 outstanding securities awarded under the 2017 Amended Long-Term Incentive Plan representing 4.01% of the Company's currently issued and outstanding Common Shares; and (ii) 1,972,341 remaining securities available for grant representing 5.99% of the Company's currently issued and outstanding Common Shares.

### **Description of the 2017 Amended Long-Term Incentive Plan**

On November 5, 2020, NioCorp's shareholders approved the adoption of the 2017 Amended Long-Term Incentive Plan.

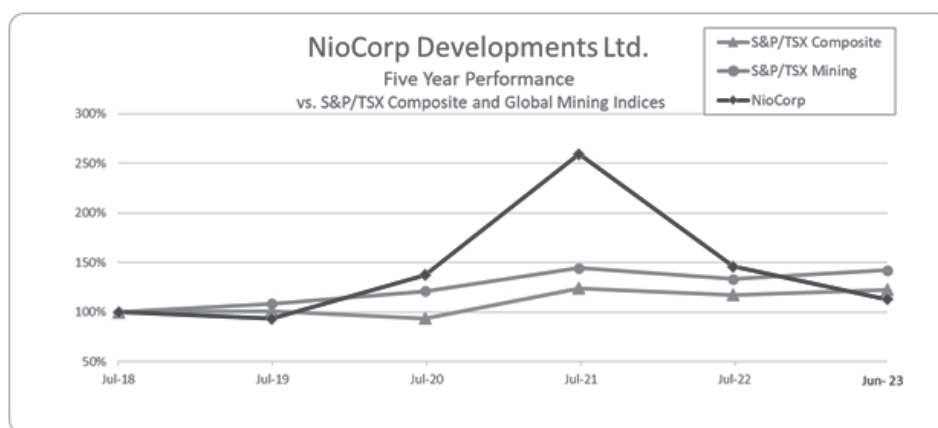
The following table presents the burn rates for the 2017 Amended Long-Term Incentive Plan since inception:

Fiscal Year Ending June 30	Number of awards granted (1)	Weighted average number of Common Shares outstanding (1)	Burn rate
2023	578,000	28,705,840	2.0%
2022	447,500	26,373,722	1.7%
2021	370,000	24,196,711	1.5%
2020	—	23,461,012	0.0%

- (1) As noted above, the Company completed a Reverse Stock Split. For purposes of comparability across fiscal years in this table, amounts in these columns with respect to fiscal years prior to 2023 represent the original amounts adjusted to reflect the Reverse Stock Split. With respect to the number of awards granted in fiscal 2023, any actual grants made prior to the Reverse Stock Split have also been adjusted.

#### PERFORMANCE GRAPH

The following graph compares total cumulative shareholder return for \$100 invested in Common Shares from July 1, 2018, to June 30, 2023, with cumulative total returns for the S&P/TSX Composite Index and S&P/TSX Mining Index:



Overall, the Company's cumulative return for the five-year period ended slightly below the range of returns for the two selected indices. As an exploration stage company, executive officer compensation has not historically been adjusted to reflect share performance trends. Compensation to executive officers remained flat from 2013 through February 2023, except for increases supported by additional job responsibilities and/or job promotions. Effective September 1, 2019, the Board approved a 10% base rate increase for all NioCorp employees and effective April 1, 2023, the Compensation Committee approved a base rate average increase of 12% for all NioCorp employees.

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

The following table sets forth the beneficial ownership of Common Shares of NioCorp for the following: (1) each person who is known by NioCorp to beneficially own more than 5% of the outstanding shares of NioCorp's Common

Shares; (2) each of the named executive officers (as defined in the “Fiscal 2023 Summary Compensation Table,” above); (3) each of NioCorp’s directors; and (4) all directors and executive officers of NioCorp as a group.

Beneficial ownership of Common Shares in the table below is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the Common Shares. Common Shares that may be acquired by an individual or group within 60 days of October 6, 2023, pursuant to the exercise of options to purchase Common Shares (“Options”), the exercise of Common Share purchase warrants (“Warrants”) or the exchange of shares of Class B common stock of ECRC (formerly known as GXII), are deemed to be outstanding for the purpose of computing the percentage ownership of such individual or group but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person shown in the table. Percentage of ownership is based on 32,913,419 Common Shares outstanding as of October 6, 2023. Unless otherwise noted in the table below, Options vested at the grant date.

Except as indicated in footnotes to this table, we believe that the shareholders named in this table have sole voting and investment power with respect to all Common Shares shown to be beneficially owned by them, based on information provided to us by such shareholders. Unless otherwise indicated, the address for each director and executive officer listed is: c/o NioCorp Developments Ltd., 7000 South Yosemite Street, Suite 115, Centennial, CO 80112.

Name and Address of Beneficial Owner	Position	Amount and Nature of Beneficial Ownership (1)(2)	Percent of Common Shares
<b>Mark A. Smith, PE, Esq.</b> Highlands Ranch, Colorado, USA	Chief Executive Officer, President, Executive Chairman and Director	2,226,795(3)	6.73%
<b>Neal Shah</b> Superior, Colorado, USA	Chief Financial Officer and Corporate Secretary	185,000(4)	*
<b>Scott Honan</b> Centennial, Colorado, USA	Chief Operating Officer	184,452(5)	*
<b>Jim Sims</b> Golden Colorado, USA	VP – External Affairs	152,928(6)	*
<b>Michael J. Morris</b> San Luis Obispo, California, USA	Lead Director	144,698(7)	*
<b>David C. Beling</b> Grand Junction, Colorado, USA	Director	168,391(8)	*
<b>Anna Castner Wightman</b> Omaha, Nebraska, USA	Director	127,462(9)	*
<b>Nilsa Guerrero-Mahon</b> Brighton, Colorado, USA	Director	121,068(10)	*
<b>Dean Kehler</b> New York, New York, USA	Director	4,364,991(11)	13.26%
<b>Michael Maselli</b> Pelham, New York, USA	Director	778,231(12)	2.36%
<b>Peter Oliver</b> Bunbury, Western Australia, Australia	Director	90,000(13)	*
All current directors, executive officers and named executive officers as a group (11 persons)		8,544,016	25.21%

\* Represents ownership of less than 1%.

(1) Calculated in accordance with Rule 13d-3 of the Exchange Act.



- (2) On March 17, 2023, NioCorp effected a 1-to-10 Reverse Stock Split of the Common Shares, with any fractional shares resulting from the Reverse Stock Split rounded down to the nearest whole share. All Options and Warrants outstanding as of March 17, 2023 were adjusted to reflect the Reverse Stock Split. Such Options and Warrants initially covered a number of shares equal to the amount reported herein times 10 (and at an exercise price equal to the amount reported herein divided by 10). Class B common stock of ECRC, which may be exchanged for Common Shares upon certain conditions, were issued on a post-Reverse Stock Split basis.
- (3) As of October 6, 2023, Mr. Smith beneficially owns 2,041,795 outstanding Common Shares. In addition, he beneficially owns 185,000 vested Options comprised of the following: (i) on December 14, 2020, Mr. Smith was granted 50,000 Options for a period of three years at a price of C\$7.50 per Common share; (ii) on December 17, 2021, Mr. Smith was granted 65,000 Options for a period of three years at a price of C\$13.60 per Common Share; and (iii) on March 27, 2023, Mr. Smith was granted 70,000 Options for a period of three years at a price of \$6.95 per Common Share.
- (4) As of October 6, 2023, Mr. Shah beneficially owns 55,000 outstanding Common Shares. In addition, he beneficially owns 130,000 vested Options comprised of the following: (i) on November 15, 2018, Mr. Shah was granted 35,000 Options for a period of five years at a price of C\$5.40 per Common Share, which vest over a period of 18 months with 100% having vested at this time; (ii) on December 14, 2020, Mr. Shah was granted 25,000 Options for a period of three years at a price of C\$7.50 per Common share; (iii) on December 17, 2021, Mr. Shah was granted 30,000 Options for a period of three years at a price of C\$13.60 per Common Share; and (iv) on March 27, 2023, Mr. Shah was granted 40,000 Options for a period of three years at a price of \$6.95 per Common Share.
- (5) As of October 6, 2023, Mr. Honan beneficially owns 54,452 outstanding Common Shares. In addition, he beneficially owns 130,000 vested Options comprised of the following: (i) on November 15, 2018, Mr. Honan was granted 35,000 Options for a period of five years at a price of C\$5.40 per Common Share, which vest over a period of 18 months with 100% having vested at this time; (ii) on December 14, 2020, Mr. Honan was granted 25,000 Options for a period of three years at a price of C\$7.50 per Common share; (iii) on December 17, 2021, Mr. Honan was granted 30,000 Options for a period of three years at a price of C\$13.60 per Common Share; and (iv) on March 27, 2023, Mr. Honan was granted 40,000 Options for a period of three years at a price of \$6.95 per Common Share.
- (6) As of October 6, 2023, Mr. Sims beneficially owns 57,928 outstanding Common Shares. In addition, he beneficially owns 95,000 vested Options comprised of the following: (i) on December 14, 2020, Mr. Sims was granted 25,000 Options for a period of three years at a price of C\$7.50 per Common share; (ii) on December 17, 2021, Mr. Sims was granted 30,000 Options for a period of three years at a price of C\$13.60 per Common Share; and (iii) on March 27, 2023, Mr. Sims was granted 40,000 Options for a period of three years at a price of \$6.95 per Common Share.
- (7) As of October 6, 2023, Mr. Morris beneficially owns 62,198 outstanding Common Shares. He shares both voting and investment power with respect to 5,525 of such Common Shares with his wife as the only trustees of the Michael and Sandra Morris Trust. In addition, he beneficially owns 82,500 vested Options comprised of the following: (i) on December 17, 2021, Mr. Morris was granted 32,500 Options for a period of three years at a price of C\$13.60 per Common Share; and (ii) on March 27, 2023, Mr. Morris was granted 50,000 Options for a period of three years at a price of \$6.95 per Common Share.
- (8) As of October 6, 2023, Mr. Beling beneficially owns 70,891 outstanding Common Shares. In addition, he beneficially owns 97,500 vested Options comprised of the following: (i) on November 15, 2018, Mr. Beling was granted 30,000 Options for a period of five years at a price of C\$5.40 per Common Share, which vest over a period of 18 months with 100% having vested at this time; (ii) on December 17, 2021, Mr. Beling was granted 27,500 Options for a period of three years at a price of C\$13.60 per Common Share; and (iii) on March 27, 2023, Mr. Beling was granted 40,000 Options for a period of three years at a price of \$6.95 per Common Share.
- (9) As of October 6, 2023, Ms. Wightman beneficially owns 29,562 outstanding Common Shares. She shares both voting and investment power with respect to (i) 100 such Common Shares with her husband, (ii) 50

such Common Shares with a minor child and (iii) 50 such Common Shares with a minor child. In addition, she beneficially owns 97,500 vested Options comprised of the following: (i) on November 15, 2018, Ms. Wightman was granted 30,000 Options for a period of five years at a price of C\$5.40 per Common Share, which vest over a period of 18 months with 100% having vested at this time; (ii) on December 17, 2021, Ms. Wightman was granted 27,500 Options for a period of three years at a price of C\$13.60 per Common Share; and (iii) on March 27, 2023, Ms. Wightman was granted 40,000 Options for a period of three years at a price of \$6.95 per Common Share.

- (10) As of October 6, 2023, Ms. Guerrero-Mahon beneficially owns 46,068 Common Shares. In addition, she beneficially owns 75,000 vested Options comprised of the following: (i) on December 17, 2021, Ms. Guerrero-Mahon was granted 30,000 Options for a period of three years at a price of C\$13.60 per Common Share; and (ii) on March 27, 2023, Ms. Guerrero-Mahon was granted 45,000 Options for a period of three years at a price of \$6.95 per Common Share.
- (11) As of October 6, 2023, Mr. Kehler beneficially owns 2,511,918 Common Shares issuable upon the exchange of shares of Class B common stock of ECRC comprised of the following: (i) 1,441,290 Common Shares issuable upon the exchange of shares of Class B common stock of ECRC that are vested as of the date hereof (“Vested Shares”); (ii) 535,314 Common Shares issuable upon the exchange of shares of Class B common stock of ECRC that will vest when the volume-weighted average price of the Common Shares on the principal exchange of the Common Shares as reported by Bloomberg (“VWAP”) equals or exceeds approximately \$12.00 per share for 20 of any 30 consecutive trading days during from March 17, 2023 to March 17, 2033 (such period, the “Earnout Share Period”) on any stock exchange on which the Common Shares are then trading (such Common Shares, the “Tranche I Earnout Shares”); and (iii) 535,314 Common Shares issuable upon the exchange of shares of Class B common stock of ECRC that will vest when the VWAP of the Common Shares equals or exceeds approximately \$15.00 per share for 20 of any 30 consecutive trading days during the Earnout Share Period on any stock exchange on which the Common Shares are then trading (such Common Shares, the “Tranche II Earnout Shares”). He shares both voting and investment power with respect to (i) 318,480 such Vested Shares with U.S. Trust Company of Delaware, as co-trustee of the Elizabeth Kehler 2012 Family Trust under Declaration of Trust dated December 12, 2012 (the “Elizabeth Kehler Trust”); (ii) 118,284 such Tranche I Earnout Shares with U.S. Trust Company of Delaware, as co-trustee of the Elizabeth Kehler Trust; and (iii) 118,284 such Tranche II Earnout Shares with U.S. Trust Company of Delaware, as co-trustee of the Elizabeth Kehler Trust. In addition, Mr. Kehler beneficially owns 1,853,073 Common Shares issuable upon exercise of 1,657,057 Warrants issued in connection with the transactions contemplated by the Business Combination Agreement, dated as of September 25, 2022, among the Company, GX Acquisition Corp. II and Big Red Merger Sub Ltd. (the “NioCorp Assumed Warrants”), held by Mr. Kehler.
- (12) As of October 6, 2023, Mr. Maselli beneficially owns 563,081 Common Shares issuable upon the exchange of shares of Class B common stock of ECRC comprised of the following: (i) 323,085 Vested Shares; (ii) 119,998 Tranche I Earnout Shares; and (iii) 119,998 Tranche II Earnout Shares. In addition, Mr. Maselli beneficially owns 215,150 Common Shares issuable upon exercise of 192,392 NioCorp Assumed Warrants held by Mr. Maselli.
- (13) As of October 6, 2023, Mr. Oliver beneficially owns 90,000 vested Options comprised of the following: (i) on May 30, 2022, Mr. Oliver was granted 50,000 Options for a period of three years at a price of C\$11.00; and (ii) on March 27, 2023, Mr. Oliver was granted 40,000 Options for a period of three years at a price of \$6.95 per Common Share.

#### **Security Ownership of Certain Beneficial Owners**

As of October 6, 2023, the Company is not aware of any persons that beneficially own more than 5% of its outstanding Common Shares who does not serve as an executive officer or director of the Company.

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

The following sets forth certain information regarding transactions between the Company (and its subsidiaries) and its officers, directors, and significant shareholders. There have been no other transactions since the end of the Company's most recently completed fiscal year and there are no currently proposed transactions in which the Company was or is to be a participant and the amount involved exceeds \$120,000, and in which any related person (for purposes of Item 404 of Regulation S-K) had or will have a direct or indirect material interest.

#### *Loan Transactions:*

Mr. Smith is our Chief Executive Officer, President, Executive Chairman, and Director. On January 16, 2017, the Company and Mr. Smith entered into a credit agreement (the "Smith Credit Agreement") pursuant to which Mr. Smith agreed to make available to the Company a credit facility of initially up to \$2,000,000. On January 17, 2020, the Company entered into an amending agreement to the Smith Credit Agreement, increasing the limit of the credit facility to \$2,500,000 from the previous limit of \$2,000,000. On April 3, 2020, the Smith Credit Agreement was amended to increase the limit of the credit facility to \$3,000,000 and on June 10, 2020, the Smith Credit Agreement was amended to increase the limit of the credit facility to \$3,500,000. In addition, on June 10, 2020, the maturity date for the Smith Credit Agreement was extended to December 15, 2020. On December 14, 2020, the maturity date for the Smith Credit Agreement was extended to December 15, 2021. On December 13, 2021, the maturity date for the Smith Credit Agreement was extended to June 30, 2022. On June 29, 2022, the maturity date for the Smith Credit Agreement was extended to June 30, 2023. On February 28, 2023, the Smith Credit Agreement was amended to increase the borrowing limit to \$4,000,000 from the previous limit of \$3,500,000. The Company subsequently drew down \$1,130,000, leaving an available balance under the Smith Credit Agreement of \$52,000.

The largest aggregate amount of principal outstanding under the Smith Credit Agreement during the years ended June 30, 2023 and 2022 was \$3,130,000 and \$2,318,000, respectively. Principal repayments of \$3,130,000 and \$318,000 were made under the Smith Credit Agreement during the years ended June 30, 2023 and 2022, respectively. In addition, interest payments of \$183,343 and \$251,741 were paid under the Smith Credit Agreement during the years ended June 30, 2023 and 2022, respectively, and \$0 of interest remained payable as of June 30, 2023. As of June 30, 2023, all principal and accrued interest outstanding under the Smith Credit Agreement had been repaid and the Smith Credit Agreement expired on June 30, 2023. Accounts payable and accrued liabilities as of June 30, 2023, includes \$28,250 of origination fees payable under the Smith Credit Agreement.

#### **Review, Approval or Ratification of Related Person Transactions**

Other than as described below, the Company does not currently have in place any specific policy or procedure in respect of the review, approval or ratification of any transaction required to be reported under Item 404(a) of Regulation S-K. Sections 147-153 of the BCBCA set out rules and procedures applicable to all British Columbia corporations, pursuant to which a director presented with a resolution in respect of any matter (including an equity issuance) in respect of which he/she has an interest must disclose that interest in writing to the corporation's board of directors prior to the approval of such matter. This procedure ensures that each equity issuance to a director or officer of the Company is approved by all directors of the Company not involved in such sale. All loan transactions from directors and officers are subject to review and approval by the Board prior to acceptance and are documented in the meeting minutes.

### ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The following table presents fees for professional services rendered by BDO USA, P.C. (formerly known as BDO USA, LLP) Certified Public Accountants ("BDO") for each of the last two fiscal years for the audit of the Company's annual consolidated financial statements and review of consolidated financial statements included in the Company's filings and fees billed for other services rendered by BDO during those periods.

<b>Fiscal Year Ending June 30,</b>	<b>Audit Fees<sup>(1)</sup> (\$)</b>	<b>Audit-Related Fees<sup>(2)</sup> (\$)</b>	<b>Tax Fees<sup>(3)</sup> (\$)</b>	<b>All Other Fees<sup>(4)</sup> (\$)</b>
2023	1,205,765	—	23,356	—
2022	181,920	—	14,551	—

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the consolidated financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees.” This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities. For the financial years ended June 30, 2023 and 2022, these tax services included the preparation of Canadian and U.S. federal and state tax returns and tax planning and tax advice services.
- (4) “All Other Fees” includes all other non-audit services.

#### **Pre-approval Policies**

The policy of the Audit Committee of the Board (the “Audit Committee”) has been to pre-approve all audit, audit-related and non-audit services performed by our independent auditors and to subsequently review the actual fees and expenses paid to our independent auditors. Accordingly, the Audit Committee pre-approved all audit, audit-related and non-audit services performed by BDO and subsequently reviewed the actual fees and expenses paid to BDO. The Audit Committee has determined that the fees paid to BDO for services are compatible with maintaining BDO’s independence as our auditors. All of the services provided by BDO during the year ended June 30, 2023, were approved by the Audit Committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

## PART IV

### ITEM 15. EXHIBITS AND 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 report thereon of BDO USA, P.C. dated October 6, 2023, are included as part of Item 8, “Financial Statements and Supplementary Data,” commencing on page 60 above.

	<u>Page</u>
<u>Report of Independent Registered Public Accounting Firms</u> <u>(BDO USA, P.C.; Spokane, Washington; PCAOB ID#243)</u>	60
<u>Consolidated Balance Sheets</u>	64
<u>Consolidated Statements of Operations and Comprehensive Loss</u>	65
<u>Consolidated Statements of Cash Flows</u>	66
<u>Consolidated Statements of Shareholders’ (Deficit) Equity and Redeemable Noncontrolling Interest</u>	67
<u>Notes to Consolidated Financial Statements</u>	68

#### (a) Exhibits

<u>Exhibit No.</u>	<u>Title</u>
<u>2.1(1)***</u>	<u>Business Combination Agreement, dated September 25, 2022, by and among NioCorp Developments Ltd., GX Acquisition Corp. II and Big Red Merger Sub Ltd</u>
<u>3.1(2)</u>	<u>Notice of Articles of NioCorp Developments Ltd., dated April 5, 2016</u>
<u>3.2(2)</u>	<u>Articles of NioCorp Developments Ltd., as amended, effective as of January 27, 2015</u>
<u>3.3(3)</u>	<u>Amendment to Articles, effective March 17, 2023</u>
<u>4.1(4)</u>	<u>Convertible Security Funding Agreement, dated February 16, 2021, between the Company and Lind Global Asset Management III, LLC</u>
<u>4.2(4)</u>	<u>Form of Lind III Warrant Certificate</u>
<u>4.3(5)</u>	<u>Amendment #1 to Convertible Security Funding Agreement, dated December 2, 2021, between the Company and Lind Global Asset Management III, LLC</u>
<u>4.4(6)</u>	<u>Waiver and Consent Agreement, dated September 25, 2022, between NioCorp Developments Ltd. and Lind Global Asset Management III, LLC</u>
<u>4.5(7)</u>	<u>Form of Subscription Agreement in respect of units of the Company issued in June 2022</u>
<u>4.6(7)</u>	<u>Form of Warrants issued in June 2022</u>
<u>4.7(8)</u>	<u>Non-Transferable Broker Warrant Certificate, dated June 30, 2022, in respect of non-transferable broker warrants issued to Research Capital Corporation</u>
<u>4.8(8)</u>	<u>Non-Transferable Broker Warrant Certificate, dated June 30, 2022, in respect of non-transferable broker warrants issued to Red Cloud Securities, Inc.</u>
<u>4.9(1)</u>	<u>Sponsor Support Agreement, dated as of September 25, 2022, by and among GX Acquisition Corp. II, NioCorp Developments Ltd., GX Sponsor II LLC, in its capacity as a shareholder of GX Acquisition Corp. II, and certain other shareholders of GX Acquisition Corp. II</u>
<u>4.10(9)</u>	<u>Joinder to Sponsor Support Agreement, dated as of March 17, 2023, by and among NioCorp Developments Ltd. and each of the Holders party thereto</u>
<u>4.11(3)</u>	<u>Amended and Restated Registration Rights Agreement, dated as of March 17, 2023, by and among NioCorp Developments Ltd., GX Acquisition Corp. II, GX Sponsor II LLC, certain holders of the common shares of the NioCorp Developments Ltd. listed on Schedule 1 thereto,</u>

4.12(3)	<u>certain current and former stockholders of GX Acquisition Corp. II, and other persons and entities listed on Schedule 2 thereto</u>
4.13(3)	<u>Registration Rights Agreement Joinder, dated as of March 17, 2023, by and among NioCorp Developments Ltd. and each of the parties listed on Schedule A thereto</u>
4.14(9)	<u>Exchange Agreement, dated as of March 17, 2023, by and among NioCorp Developments Ltd., GX Acquisition Corp. II and GX Sponsor II LLC</u>
4.15(10)	<u>Joinder to Exchange Agreement, dated as of March 17, 2023, by and among NioCorp Developments Ltd., Elk Creek Resources Corp (f/k/a GX Acquisition Corp. II) and each of the Holders party thereto</u>
4.16(3)	<u>Warrant Agreement, dated March 17, 2021, by and between GX Acquisition Corp. II and Continental Stock Transfer &amp; Trust Company</u>
4.17(3)	<u>Assignment, Assumption and Amendment Agreement, dated as of March 17, 2023, by and among GX Acquisition Corp. II, NioCorp Developments Ltd., Continental Stock Transfer &amp; Trust Company, as the existing Warrant Agent, and Computershare Inc. and its affiliate</u>
4.18(11)	<u>Computershare Trust Company, N.A., as the successor Warrant Agent</u>
4.19(12)	<u>Form of Warrant (included in Exhibit 4.16)</u>
4.20(12)	<u>Securities Purchase Agreement, dated as of January 26, 2023, by and between NioCorp Developments Ltd. and each of the investors listed on the Schedule of Buyers attached thereto</u>
4.21(11)	<u>Amendment No. 1 to Securities Purchase Agreement, dated February 24, 2023, by and between NioCorp Developments Ltd. and YA II PN, Ltd.</u>
4.22(11)	<u>Form of Convertible Debenture (included in Exhibit 4.19)</u>
4.23(13)	<u>Form of Financing Warrants (included in Exhibit 4.18)</u>
4.24(13)	<u>Registration Rights Agreement, dated as of January 26, 2023, by and between NioCorp Developments Ltd. and YA II PN, Ltd.</u>
4.25	<u>Form of Subscription Agreement in respect of units issued in September 2023</u>
10.1(14)#	<u>Form of Warrants issued in September 2023</u>
10.2(2)#	<u>Description of Securities</u>
10.3(15)#	<u>NioCorp Developments Ltd. Long Term Incentive Plan, effective as of November 9, 2017</u>
10.4(15)#	<u>Consulting Agreement, dated May 13, 2014, between the Company and KMSmith, LLC</u>
10.5(16)#	<u>Amendment to Contract, dated September 1, 2019, between the Company and KMSmith, LLC</u>
10.6(17)#	<u>Contract Assignment and Novation Agreement, dated as of August 31, 2020, among the Company, KMSmith, LLC and 76 Resources, Inc.</u>
10.7(18)*	<u>Contract Assignment and Novation Agreement, dated as of August 1, 2021, among the Company, 76 Resources, Inc. and 76 Resources, LLC</u>
10.8(19)	<u>Amendment to Contract, dated April 1, 2023, between the Company and 76 Resources, LLC</u>
10.9(20)	<u>Offtake agreement, dated June 13, 2006, between the Company and CMC Cometals, a division of Commercial Metals Company</u>
10.10(15)** , ***	<u>Amendment No. 1 to Offtake Agreement, dated April 13, 2020, between the Company and Traxys North America LLC, as assignee</u>
10.11(15)** , ***	<u>Offtake agreement with ThyssenKrupp Metallurgical Products GmbH</u>
10.12(21)	<u>Woltemath 003J Amended and Restated Option to Purchase, dated January 4, 2017, among ECRC and Victor L. and Juanita E. Woltemath</u>
10.13(22)#	<u>Woltemath 003J Extension to Option to Purchase, dated December 23, 2019, among ECRC and Victor L. and Juanita E. Woltemath</u>
10.14(11)	<u>Security Agreement, dated June 17, 2015, from the Company to Mark Smith</u>
10.15(3)#	<u>NioCorp Developments Ltd. Long Term Incentive Plan, as amended</u>
10.16(1)#	<u>Standby Equity Purchase Agreement, dated as of January 26, 2023, by and between NioCorp Developments Ltd. and YA II PN, Ltd.</u>
10.17(1)#	<u>Form of Director and Officer Indemnification Agreement</u>
10.18(1)#	<u>Employment Agreement, dated as of September 25, 2022, by and between Elk Creek Resources Corporation and Neal Shah</u>
10.19(1)#	<u>Employment Agreement, dated as of September 25, 2022, by and between Elk Creek Resources Corporation and Scott Honan</u>
21.1	<u>Employment Agreement, dated as of September 25, 2022, by and between Elk Creek Resources Corporation and Jim Sims</u>
	<u>Form of Restrictive Covenant Agreement</u>
	<u>Subsidiaries of NioCorp Developments Ltd.</u>

<u>23.1</u>	<u>Consent of BDO USA, P.C.</u>
<u>23.2</u>	<u>Consent of Dahrouge Geological Consulting USA Ltd.</u>
<u>23.3</u>	<u>Consent of Understood Mineral Resources Ltd.</u>
<u>23.4</u>	<u>Consent of Optimize Group Inc.</u>
<u>23.5</u>	<u>Consent of Tetra Tech</u>
<u>23.6</u>	<u>Consent of Adrian Brown Consultants Inc.</u>
<u>23.7</u>	<u>Consent of Magemi Mining Inc.</u>
<u>23.8</u>	<u>Consent of L3 Process Development</u>
<u>23.9</u>	<u>Consent of Olsson</u>
<u>23.10</u>	<u>Consent of A2GC</u>
<u>23.11</u>	<u>Consent of Metallurgy Concept Solutions</u>
<u>23.12</u>	<u>Consent of Scott Honan, M.Sc., SME-RM, NioCorp</u>
<u>23.13</u>	<u>Consent of Everett Bird, P.E., Cementation</u>
<u>23.14</u>	<u>Consent of Matt Hales, P.E., Cementation</u>
<u>23.15</u>	<u>Consent of Mahmood Khwaja, P.E., CDM Smith</u>
<u>23.16</u>	<u>Consent of Martin Lepage, P.Eng., Cementation</u>
<u>23.17</u>	<u>Consent of Wynand Marx, M.Eng., BBE Consulting</u>
<u>31.1</u>	<u>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</u>
<u>31.2</u>	<u>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</u>
<u>32.1</u>	<u>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</u>
<u>32.2</u>	<u>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</u>
<u>96.1(8)</u>	<u>S-K 1300 Elk Creek Technical Report Summary</u>
101.INS(23)	XBRL Instance Document
101.SCH(23)	XBRL Taxonomy Extension – Schema
101.CAL(23)	XBRL Taxonomy Extension – Calculations
101.DEF(23)	XBRL Taxonomy Extension – Definitions
101.LAB(23)	XBRL Taxonomy Extension – Labels
101.PRE(23)	XBRL Taxonomy Extension – Presentations
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

# Management compensation plan, arrangement or agreement.

\*\* Portions of this exhibit have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K, which portions will be furnished to the Securities and Exchange Commission upon request.

\*\*\* Certain exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted exhibit will be furnished to the Securities and Exchange Commission upon request.

- (1) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on September 29, 2022 and incorporated herein by reference.
- (2) 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.
- (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 March 17, 2023 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 17, 2021 and incorporated herein by reference.

- (5) Previously filed as an exhibit to the Company's Current Report on Form 10-Q (File No. 000-55710) filed with the SEC on February 4, 2022 and incorporated herein by reference.
- (6) Previously filed as an exhibit to the Company's Registration Statement on Form S-4 (Registration No. 333-268227) filed with the SEC on November 7, 2022 and incorporated herein by reference.
- (7) Previously filed as an exhibit to the Company's Current Report on Form 8-K (File No. 000-55710) filed with the SEC on June 30, 2022 and incorporated herein by reference.
- (8) Previously filed as an exhibit to the Company's Annual Report on Form 10-K (File No. 000-55710) filed with the SEC on September 6, 2022 and incorporated herein by reference.
- (9) Previously filed as an exhibit to the Company's Registration Statement on Form S-3 (File No. 333-271268) filed with the SEC on April 14, 2023 and incorporated herein by reference.
- (10) Previously filed as an exhibit to Elk Creek Resources Corp.'s (f/k/a GX Acquisition Corp. II) Current Report on Form 8-K (File No. 001-40226) filed with the SEC on March 22, 2021 and incorporated herein by reference.
- (11) 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 27, 2023 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 February 24, 2023 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 September 1, 2023 and incorporated herein by reference.
- (14) 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.
- (15) Previously filed as an exhibit to the Company's Annual Report on Form 10-K (File No. 000-55710) filed with the SEC on September 16, 2020 and incorporated herein by reference.
- (16) Previously filed as an exhibit to the Company's Annual Report on Form 10-K (File No. 000-55710) filed with the SEC on September 8, 2021 and incorporated herein by reference.
- (17) Previously filed as an exhibit to the Company's Post-Effective Amendment No. 1 to the Registration Statement on Form S-3 on Form S-1 (File No. 333-271268) filed with the SEC on August 22, 2023 and incorporated herein by reference.
- (18) 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.
- (19) Previously filed as an exhibit to Amendment No. 1 to the Company's Annual Report on Form 10-K/A (File No. 000-55710) filed with the SEC on October 31, 2022 and incorporated herein by reference.
- (20) 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.
- (21) 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.
- (22) 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 6, 2020 and incorporated herein by reference.
- (23) 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, 2023 and June 30,



2022, (ii) the Consolidated Statements of Operations and Comprehensive Loss for the years ended June 30, 2023, 2022 and 2021, (iii) the Consolidated Statements of Cash Flows for the years ended June 30, 2023, 2022 and 2021, (iv) the Consolidated Statements of Changes in Equity for the years ended June 30, 2023, 2022 and 2021, (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

October 6, 2023

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 October 6, 2023.

Signature	Title
<u>/s/ Mark A. Smith</u> Mark A. Smith	President, Chief Executive Officer (Principal Executive Officer and Authorized U.S. Representative) and Chairman of the Board of Directors
<u>/s/ Neal Shah</u> Neal Shah	Chief Financial Officer (Principal Financial and Accounting Officer)
<u>/s/ Michael Morris</u> Michael Morris	Director
<u>/s/ David C. Beling</u> David C. Beling	Director
<u>/s/ Anna Castner Wightman</u> Anna Castner Wightman	Director
<u>/s/ Nilsa Guerrero-Mahon</u> Nilsa Guerrero-Mahon	Director
<u>/s/ Dean C. Kehler</u> Dean C. Kehler	Director
<u>/s/ Michael G. Maselli</u> Michael G. Maselli	Director
<u>/s/ Peter Oliver</u> Peter Oliver	Director

## DESCRIPTION OF SECURITIES

### Common Shares

The authorized capital of NioCorp Developments Ltd., a British Columbia corporation (the “Company”), consists of an unlimited number of Common Shares, without par value. The holders of Common Shares are entitled to receive notice of and attend all meetings of shareholders, with each Common Share held entitling the holder to one vote on any resolution to be passed at such shareholder meetings. The holders of Common Shares are entitled to dividends if, as and when declared by the Company’s Board of Directors. The Common Shares are entitled, upon liquidation, dissolution, or winding up of the Company, to receive the remaining assets of the Company available for distribution to shareholders. There are no pre-emptive, conversion, or redemption rights attached to the Common Shares.

### 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 the Company, other than as discussed below and Canadian withholding tax. See “*Certain Canadian Federal Income Tax Considerations for U.S. Residents*” below.

### Competition Act

Limitations on the ability to acquire and hold Common Shares may be imposed by the Competition Act (Canada). This legislation permits the Commissioner of Competition of Canada (the “Commissioner”) to review any acquisition of a significant interest in the Company. This legislation grants the Commissioner jurisdiction to challenge such an acquisition before the Canadian Competition Tribunal if the Commissioner believes that it would, or would be likely to, result in a substantial lessening or prevention of competition in any market in Canada.

### Investment Canada Act

The Investment Canada Act subjects an acquisition of control of a company by a non-Canadian to government review if the enterprise value (or in some cases, asset value) of such company, as calculated pursuant to the legislation, exceeds a threshold amount. A reviewable acquisition may not proceed unless the relevant minister is satisfied that the investment is likely to result in a net benefit to Canada. Under the national-security-review regime in the Investment Canada Act, review on a discretionary basis may also be undertaken by the federal government in respect of a broad range of investments by a non-Canadian. No financial threshold applies to a national security review. The relevant test is whether such investment by a non-Canadian could be “injurious to national security.”

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

The following generally 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 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 for tax purposes, (ii) is a “qualifying person” under and entitled to the benefits of the Convention, (iii) holds all Common Shares as capital property, (iv) holds no Common Shares that are “taxable Canadian property” (as defined in the Canadian Tax Act) of the holder, (v) deals at arm’s length with and is not affiliated with the Company, (vi) does not and is not deemed to use or hold any Common Shares in a business carried on in Canada, (vii) is not an insurer that carries on business in Canada and elsewhere, and (viii) is not an “authorized foreign bank” (as defined in the Canadian Tax Act) (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 entitled to the benefits of the Convention.

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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 benefits of the Convention will apply to the entity in respect of its Common Shares.

Generally, a U.S. Resident Holder's Common Shares will be considered to be capital property of such holder provided that the U.S. Resident 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.

This summary is based on the current provisions of the Canadian Tax Act and the Convention in effect as of the date prior to 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) prior to the date hereof, and the current published administrative policies and assessing practices of the Canada Revenue Agency (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 policy or assessing practice, whether by way of judicial, legislative or governmental decision or action, although no assurance can be given in these respects. This summary is not exhaustive of all possible Canadian federal income tax considerations. 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.

Generally, a U.S. Resident Holder's Common Shares will not constitute "taxable Canadian property" of such holder at a particular time at which the Common Shares are listed on a "designated stock exchange" (which currently includes the Toronto Stock Exchange (the "TSX") and the Nasdaq) unless both of the following conditions are concurrently met:

- (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 the Company were owned by or belonged to one or any combination of:
  - (A) the U.S. Resident Holder;
  - (B) persons with whom the U.S. Resident Holder did not deal at arm's length; and
  - (C) partnerships in which the U.S. Resident 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.

Common Shares may also be deemed to be "taxable Canadian property" in certain circumstances set out in the Canadian Tax Act.

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 the Company pays or credits or is deemed to pay or credit a dividend on such holder's Common Shares will be subject to Canadian withholding tax, and the Company will be required to

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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 the Company, 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 the Company owned by an entity that is considered fiscally transparent under the laws of the United States and that is not a resident of Canada, in proportion to such company's ownership interest in that entity.

## **Warrants**

From time to time, the Company has outstanding Common Share purchase warrants, with each Common Share purchase warrant exercisable for one Common Share. The exercise price per Common Share and the number of Common Shares issuable upon exercise of Common Share purchase warrants is subject to adjustment upon the occurrence of certain events, including, but not limited to, the following:

- the subdivision or re-division of the outstanding Common Shares into a greater number of Common Shares;
- the reduction, combination or consolidation of the outstanding Common Shares into a lesser number of Common Shares;
- the issuance of Common Shares or securities exchangeable for, or convertible into, Common Shares to all or substantially all of the holders of Common Shares by way of stock dividend or other distribution (other than a distribution of Common Shares upon the exercise of Common Share purchase warrants or any outstanding options);
- the reorganization of the Company or the consolidation or merger or amalgamation of the Company with or into another corporate body; and
- a reclassification or other similar change to the outstanding Common Shares.

The Company will issue the Common Shares issuable upon exercise of Common Share purchase warrants within five business days following its receipt of notice of exercise and payment of the exercise price, subject to surrender of the Common Share purchase warrants. Prior to the exercise of any Common Share purchase warrants, holders of the Common Share purchase warrants will not have any of the rights of holders of the Common Shares issuable upon exercise, including the right to vote or to receive any payments of dividends on the Common Shares issuable upon exercise.

## **NioCorp Assumed Warrants**

On March 17, 2023 (the "Closing Date"), the Company closed a series of transactions (the "GXII Transaction") pursuant to the Business Combination Agreement, dated as of September 25, 2022 (the "Business Combination Agreement"), by and among the Company, GX Acquisition Corp. II, a Delaware corporation ("GXII"), and Big Red Merger Sub Ltd., a Delaware corporation and a direct, wholly owned subsidiary of the Company. In connection with the closing of the GXII Transaction (the "Closing"), pursuant to the Business Combination Agreement, the Company assumed GXII's obligations under the Warrant Agreement, dated as of March 17, 2021 (the "GXII Warrant Agreement"), by and between GXII and Continental Stock Transfer & Trust Company ("CST"), as warrant agent, and each share purchase warrant of GXII thereunder (the "GXII Warrants") that was issued and outstanding immediately prior to the Closing Date was converted into one Common Share purchase warrant (the "NioCorp Assumed Warrants") pursuant to the GXII Warrant Agreement, as amended by an Assignment, Assumption and Amendment Agreement, dated the Closing Date (the GXII Warrant Agreement, as so amended, the "NioCorp Assumed Warrant Agreement"), among the Company, GXII, CST, as existing warrant agent, and Computershare Inc. and its affiliate Computershare Trust Company, N.A., together as successor warrant agent (the "NioCorp Assumed Warrant Agent"). In connection with the Closing, NioCorp issued (a) 9,999,959 public NioCorp Assumed Warrants in respect of the GXII Warrants that were publicly traded prior to the Closing and (b) 5,666,667 NioCorp Assumed Warrants to GX Sponsor II LLC (the "Sponsor") in respect of the GXII Warrants that it held prior to the

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Closing, which NioCorp Assumed Warrants were subsequently distributed by the Sponsor to its members in connection with the Closing.

Both the public NioCorp Assumed Warrants and the NioCorp Assumed Warrants issued to the Sponsor are subject to the terms of the NioCorp Assumed Warrant Agreement and are identical, with certain exceptions applicable to the NioCorp Assumed Warrants issued to the Sponsor for so long as such NioCorp Assumed Warrants are held by the Sponsor, its members, or their respective affiliates and other permitted transferees. In accordance with the NioCorp Assumed Warrant Agreement, any NioCorp Assumed Warrants issued to the Sponsor that are held by someone other than the Sponsor, its members, or their respective affiliates and other permitted transferees, are treated as public NioCorp Assumed Warrants.

Each NioCorp Assumed Warrant is exercisable on and after April 16, 2023 until its expiration for 1.11829212 Common Shares at a price of \$11.50 per 1.11829212 Common Shares (subject to adjustments for stock splits, stock dividends, reorganizations, recapitalizations and the like). Under the terms of NioCorp Assumed Warrant Agreement, for so long as the NioCorp Assumed Warrants issued to the Sponsor are held by the Sponsor, its members, or their respective affiliates and other permitted transferees, such holders have the right to elect to exercise those NioCorp Assumed Warrants on a cashless basis. For such NioCorp Assumed Warrants exercised on a cashless basis after the Closing, the holder will be entitled to pay the exercise price for those NioCorp Assumed Warrants by surrendering all or portion of the cash and/or Common Shares (valued at their fair market value) into which those NioCorp Assumed Warrants are exercisable as shall be elected by the holder. For this purpose, Common Shares so surrendered will be deemed to have a “fair market value” equal to the average reported last sale price of the Common Shares for the 10 trading days ending on the third trading day prior to the date of exercise of the applicable NioCorp Assumed Warrants.

The NioCorp Assumed Warrants will expire at 5:00 p.m., New York City time, on March 17, 2028 or earlier upon redemption or liquidation.

The Company will not be obligated to deliver any Common Shares pursuant to the exercise of a NioCorp Assumed Warrant and will have no obligation to settle such exercise unless a registration statement under the Securities Act with respect to the Common Shares underlying the NioCorp Assumed Warrants is then effective and a prospectus relating thereto is current, subject to the Company satisfying its obligations described below with respect to registration. No NioCorp Assumed Warrant will be exercisable and the Company will not be obligated to issue Common Shares upon exercise of a NioCorp Assumed Warrant unless Common Shares issuable upon such exercise have been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the NioCorp Assumed Warrants. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a NioCorp Assumed Warrant, the holder of such NioCorp Assumed Warrant will not be entitled to exercise such NioCorp Assumed Warrant and such NioCorp Assumed Warrant may have no value and expire worthless. In no event will the Company be required to net cash settle any NioCorp Assumed Warrant.

The NioCorp Assumed Warrants, and the underlying Common Shares issuable upon the exercise thereof, were registered under the Securities Act pursuant to the Company’s registration statement on Form S-4, originally filed on November 7, 2022, as subsequently amended, which was declared effective by the SEC on February 8, 2023. The Company expects the ongoing registered offering of the Common Shares underlying the NioCorp Assumed Warrants to be conducted pursuant to the Company’s registration statement on Form S-3, which was filed on April 14, 2023 and which the Company expects to post-effectively amend to convert such registration statement to Form S-1.

The Company will have the right to call the public NioCorp Assumed Warrants for redemption at any time following the Closing Date:

- in whole and not in part;
  - at a price of \$0.01 per NioCorp Assumed Warrant;
  - upon not less than 30 days’ prior written notice of redemption (the “30-day redemption period”) to each public NioCorp Assumed Warrant holder;
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- if, and only if, the reported last sale price of the Common Shares equals or exceeds approximately \$16.10 per share (subject to certain adjustments) for any 20 trading days within a 30-trading day period commencing once the NioCorp Assumed Warrants become exercisable and ending three business days before the Company sends the notice of redemption to the public NioCorp Assumed Warrant holders; and
- if there is an effective registration statement covering the Common Shares issuable upon exercise of the NioCorp Assumed Warrants, and a current prospectus relating thereto, available throughout the 30-day redemption period.

The NioCorp Assumed Warrants issued to the Sponsor are not redeemable by the Company for so long as such NioCorp Assumed Warrants are held by the Sponsor, its members, or their respective affiliates or other permitted transferees. In addition, the Company may not exercise its redemption right if the issuance of Common Shares upon exercise of the NioCorp Assumed Warrants is not exempt from registration or qualification under applicable state blue sky laws or the Company is unable to effect such registration or qualification.

If the Company calls the public NioCorp Assumed Warrants for redemption as described above, the Company will have the option to require any holder that wishes to exercise its public NioCorp Assumed Warrant to do so on a “cashless basis.” In determining whether to require all holders to exercise their public NioCorp Assumed Warrants on a “cashless basis,” the Company will consider, among other factors, its cash position, the number of NioCorp Assumed Warrants that are outstanding and the dilutive effect on the Company’s shareholders of issuing the maximum number of Common Shares issuable upon the exercise of the NioCorp Assumed Warrants. If the Company takes advantage of this option, all holders of public NioCorp Assumed Warrants would pay the exercise price by surrendering their NioCorp Assumed Warrants for that number of Common Shares equal to the quotient obtained by dividing (x) the product of the number of Common Shares underlying the public NioCorp Assumed Warrants, multiplied by the difference between the exercise price of the NioCorp Assumed Warrants and the “fair market value” (defined below) by (y) the fair market value. The “fair market value” shall mean the average reported last sale price of the Common Shares for the 10 trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of public NioCorp Assumed Warrants. If the Company takes advantage of this option, the notice of redemption will contain the information necessary to calculate the number of Common Shares to be received upon exercise of the NioCorp Assumed Warrants, including the “fair market value” in such case. Requiring a cashless exercise in this manner will reduce the number of Common Shares to be issued and thereby lessen the dilutive effect of a redemption of the public NioCorp Assumed Warrants. If the Company calls the public NioCorp Assumed Warrants for redemption and does not take advantage of this option, the Sponsor, its members, and their respective affiliates and other permitted transferees would still be entitled to exercise their NioCorp Assumed Warrants for cash or on a cashless basis using the same formula described above that other NioCorp Assumed Warrant holders would have been required to use had all NioCorp Assumed Warrant holders been required to exercise their NioCorp Assumed Warrants on a cashless basis, as described in more detail below.

A holder of a NioCorp Assumed Warrant may notify the Company in writing in the event it elects to be subject to a requirement that such holder will not have the right to exercise such NioCorp Assumed Warrant, to the extent that after giving effect to such exercise, such holder (together with such holder’s affiliates), to the NioCorp Assumed Warrant Agent’s actual knowledge, would beneficially own in excess of 4.9% or 9.8% (or such other amount as a holder may specify) of the Common Shares outstanding immediately after giving effect to such exercise.

The NioCorp Assumed Warrants have certain anti-dilution and adjustments rights upon certain events.

The NioCorp Assumed Warrants may be exercised upon surrender of the certificate representing such NioCorp Assumed Warrants on or prior to the expiration date at the offices of the NioCorp Assumed Warrant Agent, with the exercise form on the reverse side of such certificate completed and executed as indicated, accompanied by full payment of the exercise price (or on a cashless basis, if applicable), by certified or official bank check payable to the order of the NioCorp Assumed Warrant Agent or by wire transfer, for the number of NioCorp Assumed Warrants being exercised. The NioCorp Assumed Warrant holders will not have the rights or privileges of holders of Common Shares or any attendant voting rights until they exercise their NioCorp Assumed Warrants and receive Common Shares. After the issuance of Common Shares upon exercise of the NioCorp Assumed Warrants, each

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holder will be entitled to one vote for each Common Share held of record on all matters to be voted on by NioCorp shareholders.

If, upon exercise of the NioCorp Assumed Warrants, a holder would be entitled to receive a fractional interest in a share, the Company will, upon exercise, round down to the nearest whole number of Common Shares to be issued to the NioCorp Assumed Warrant holder.

The NioCorp Assumed Warrants were issued in registered form under the NioCorp Assumed Warrant Agreement. The NioCorp Assumed Warrant Agreement may be amended by the parties thereto without the consent of any registered holder (i) for the purpose of curing any ambiguity, or curing, correcting or supplementing any mistake, or adding or changing any other provisions with respect to matters or questions arising under NioCorp Assumed Warrant Agreement as the parties may deem necessary or desirable and that the parties deem shall not adversely affect the interest of the registered holders of the NioCorp Assumed Warrants, and (ii) to provide for the delivery of such kind and amount of Common Shares or other securities or property (including cash) receivable upon a reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the holder of NioCorp Assumed Warrants would have received if such holder had exercised his, her or its NioCorp Assumed Warrants immediately prior to such event. All other modifications or amendments, including any amendment to increase the warrant price or shorten the exercise period, shall require the vote or written consent of the registered holders of a majority of the then outstanding public NioCorp Assumed Warrants. Any amendment solely to the NioCorp Assumed Warrants issued to the Sponsor and that are held by the Sponsor, its members, or their respective affiliates or other permitted transferees, shall require the vote or written consent of a majority of the holders of the then outstanding NioCorp Assumed Warrants issued to the Sponsor.

### **Convertible Debentures**

On January 26, 2023, NioCorp entered into a Securities Purchase Agreement (as amended, the “Yorkville Convertible Debt Financing Agreement”) with YA II PN, Ltd. (“YA”). Pursuant to the Yorkville Convertible Debt Financing Agreement, YA advanced a total amount of \$15,360,000 to NioCorp in consideration of the issuance by NioCorp to YA of \$16,000,000 aggregate principal amount of unsecured convertible debentures (the “Convertible Debentures”) at the time of Closing (the “Debenture Closing”). As of [September [27]], 2023, there was \$8,000,000 aggregate principal amount of Convertible Debentures outstanding.

Each Convertible Debenture issued under the Yorkville Convertible Debt Financing Agreement is an unsecured obligation of NioCorp, matures on September 17, 2024, which maturity may be extended for one six-month period in certain circumstances at the option of NioCorp, and incurs a simple interest rate obligation of 5.0% per annum (which will increase to 15.0% per annum upon the occurrence of an event of default). The outstanding principal amount of, accrued and unpaid interest, if any, on, and premium, if any, on the Convertible Debentures must be paid by NioCorp in cash when the same becomes due and payable under the terms of the Convertible Debentures at their stated maturity, upon their redemption or otherwise.

Subject to certain limitations contained within the Yorkville Convertible Debt Financing Agreement and the Convertible Debentures, including those as described below, holders of the Convertible Debentures will be entitled to convert the principal amount of, and accrued and unpaid interest, if any, on each Convertible Debenture, in whole or in part, from time to time over their term, into a number of Common Shares equal to the quotient of the principal amount and accrued and unpaid interest, if any, being converted divided by the Conversion Price. The “Conversion Price” means, as of any Conversion Date (as defined below) or other date of determination, the greater of (i) 90% of the average of the daily U.S. dollar volume-weighted average price of the Common Shares on the principal U.S. market for the Common Shares as reported by Bloomberg Financial Markets during the five consecutive trading days

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immediately preceding the date on which the holder exercises its conversion right in accordance with the requirements of the Yorkville Convertible Debt Financing Agreement (the “Conversion Date”) or other date of determination, but not lower than the Floor Price (as defined below), and (ii) the five-day volume-weighted average price of the Common Shares on the TSX (or on the principal U.S. market if the majority of the trading volume and value of the Common Shares occurred on Nasdaq during the relevant period) for the five consecutive trading days immediately prior to the Conversion Date or other date of determination less the maximum applicable discount allowed by the TSX. The “Floor Price” means a price of \$2.1435 per share, which is equal to the lesser of (a) 30% of the average of the daily volume-weighted average price of the Common Shares on the principal U.S. market for the Common Shares as reported by Bloomberg Financial Markets during the five consecutive trading days immediately preceding the Debenture Closing and (b) 30% of the average of the volume-weighted average price of the Common Shares on the principal U.S. market for the Common Shares as reported by Bloomberg Financial Markets during the five consecutive trading days immediately following the Debenture Closing, subject to certain adjustments to give effect to any stock dividend, stock split, reverse stock split, recapitalization or similar event.

The terms of the Convertible Debentures restrict the number of Convertible Debentures that may be converted during each calendar month by YA at a Conversion Price below a fixed price equal to approximately \$8.9422 (i.e., the quotient of \$10.00 divided by 1.11829212 (being the number of Common Shares that were exchanged for each share of GXII at the Closing, after giving effect to the Reverse Stock Split)), subject to adjustment to give effect to any stock dividend, stock split, reverse stock split, recapitalization or similar event. The Convertible Debentures are subject to customary anti-dilution adjustments.

The terms of the Convertible Debentures restrict the conversion of Convertible Debentures by YA if such a conversion would cause YA to exceed certain beneficial ownership thresholds in NioCorp or such a conversion would cause the aggregate number of Common Shares issued pursuant to the Yorkville Convertible Debt Financing Agreement to exceed the thresholds for issuance of Common Shares under the rules of the TSX and Nasdaq, unless prior shareholder approval is obtained.

### **Financing Warrants**

In conjunction with the Debenture Closing, NioCorp issued to YA Common Share purchase warrants (the “Financing Warrants”) to purchase 1,789,267 Common Shares, which is equal to the quotient of the principal amount of Convertible Debentures issued in such Debenture Closing divided by the “Exercise Price,” which is equal to approximately \$8.9422 (i.e., the quotient of \$10.00 divided by 1.11829212 (being the number of Common Shares that were exchanged for each share of GXII at the Closing, after giving effect to the Reverse Stock Split)), in each case, subject to adjustment to give effect to any stock dividend, stock split, reverse stock split, recapitalization or similar event.

The Financing Warrants are exercisable, in whole or in part, but not in increments of less than \$50,000 aggregate Exercise Price (unless the remaining aggregate Exercise Price is less than \$50,000), beginning on May 4, 2023, and may be exercised at any time prior to their expiration. Holders of the Financing Warrants may exercise their Financing Warrants, at their election, by paying the Exercise Price in cash or, if at any time there is no effective registration statement registering, or no current prospectus available for, the resale of the underlying Common Shares, on a cashless exercise basis. On each of the first 12 monthly anniversaries of September 17, 2023, 1/12th of the Financing Warrants will expire.

The Financing Warrants have customary anti-dilution adjustments to be determined in accordance with the requirements of the applicable stock exchanges, including the TSX.

The terms of the Financing Warrants restrict the exercise of Financing Warrants by YA if such an exercise would cause YA to exceed certain beneficial ownership thresholds in NioCorp or such an exercise would cause the aggregate number of Common Shares issued pursuant to the Yorkville Convertible Debt Financing Agreement to exceed the thresholds for issuance of Common Shares under the rules of the TSX and Nasdaq, unless prior shareholder approval is obtained.

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## List of Subsidiaries of NioCorp Developments Ltd. (the “Company”)

<u>Name</u>	<u>State/Province of Formation</u>	<u>Ownership</u>
0896800 B.C. Ltd. (“0896800”)	British Columbia	100% by the Company
Elk Creek Resources Corp.	Delaware	100% of the Class A common stock by 0896800

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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. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) and Form S-8 (No. 333-222313) of NioCorp Developments Ltd. of our report dated October 6, 2023, relating to the consolidated financial statements, which appears in this Form 10-K. Our report contains an explanatory paragraph regarding the Company's ability to continue as a going concern.

/s/ BDO USA, P.C.  
Spokane, Washington

October 6, 2023

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#### CONSENT OF QUALIFIED PERSON

Dahrouge Geological Consulting USA Ltd. hereby consents to the public filing of Sections 1.1 to 1.5, 1.9 to 1.11, 2 to 6, 7.1 to 7.2, 8, 9.2, 9.3, 16, 18 to 21, 22.1, 22.3, 22.9 to 22.12, 23.1.1, and 23.1.9 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

Dahrouge Geological Consulting USA Ltd. also consents to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

Dahrouge Geological Consulting USA Ltd. also consents to the use of and references to our name, including our status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

Dahrouge Geological Consulting USA Ltd. also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

Dahrouge Geological Consulting USA Ltd. certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at Centennial, Colorado.

/s/ Trevor Mills

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Trevor Mills, P.G., SME-RM  
Principal Geologist / US Operations Manager  
Dahrouge Geological Consulting USA Ltd.



#### CONSENT OF QUALIFIED PERSON

Understood Mineral Resources Ltd. hereby consents to the public filing of Sections 1.6, 9.1, 11 and 22.2 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

Understood Mineral Resources Ltd. also consents to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

Understood Mineral Resources Ltd. also consents to the use of and references to our name, including our status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

Understood Mineral Resources Ltd. also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

Understood Mineral Resources Ltd. certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at 22 Middleton Crescent, Saskatoon, Saskatchewan, Canada.

/s/ Matt Batty

Matt Batty, MSc, P.Geo

Owner and Geostatistician

Understood Mineral Resources Ltd.

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#### CONSENT OF QUALIFIED PERSON

Optimize Group Inc. hereby consents to the public filing of Sections 1.7, 12, 13.3 to 13.5, 15.7, 22.5 and 23.1.4 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

Optimize Group Inc. also consents to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

Optimize Group Inc. also consents to the use of and references to our name, including our status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

Optimize Group Inc. also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

Optimize Group Inc. certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at Toronto, Ontario, Canada.

/s/ Gavin Clow

Gavin Clow, P.Eng.  
Mining Manager - Canada  
Optimize Group Inc.

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#### CONSENT OF QUALIFIED PERSON

Tetra Tech hereby consents to the public filing of Sections 14.5, 15.1.1, 15.1.2, 15.2 to 15.4, 22.7 and 23.1.6 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

Tetra Tech also consents to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

Tetra Tech also consents to the use of and references to our name, including our status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

Tetra Tech also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

Tetra Tech certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at Salt Lake City, Utah.

/s/ David R. Winters  
\_\_\_\_\_  
David R. Winters, SE, PE  
Senior Principal Engineer  
Tetra Tech

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#### CONSENT OF QUALIFIED PERSON

Adrian Brown Consultants Inc. hereby consents to the public filing of Sections 7.4.1, 7.4.2 and 13.2 (the "Covered Sections") of the Technical Report Summary titled "Technical Report Summary, Elk Creek Project, Nebraska" with an Effective Date of June 30, 2022 (the "Technical Report Summary") as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the "Form 10-K") of NioCorp Developments Ltd. (the "Company").

Adrian Brown Consultants Inc. also consents to the incorporation by reference of the Covered Sections in the Company's Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the "Registration Statements").

Adrian Brown Consultants Inc. also consents to the use of and references to our name, including our status as an expert or "qualified person" (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

Adrian Brown Consultants Inc. also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the "Disclosure").

Adrian Brown Consultants Inc. certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at Denver, Colorado, USA.

/s/ Adrian Brown  
Adrian Brown, P.E.  
Principal Engineer  
Adrian Brown Consultants Inc.







#### CONSENT OF QUALIFIED PERSON

Magemi Mining Inc. hereby consents to the public filing of Sections 10.1, 14.1.1, 14.2.1, 14.3.1, and 14.4.1 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

Magemi Mining Inc. also consents to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

Magemi Mining Inc. also consents to the use of and references to our name, including our status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

Magemi Mining Inc. also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

Magemi Mining Inc. certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at North York, Ontario, Canada.

/s/ Georgi Doundarov

Georgi Doundarov, M.Sc, P.Eng., PMP, CCP

CEO

Magemi Mining Inc.

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#### CONSENT OF QUALIFIED PERSON

L3 Process Development hereby consents to the public filing of Sections 10.2, 10.2.1 to 10.2.3, 14.1.2, 14.1.4, 14.2.2, 14.2.4, 14.3.2, 14.3.4, 14.4.2, 14.4.4, 22.4, 22.6, 23.1.2, and 23.1.5 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

L3 Process Development also consents to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

L3 Process Development also consents to the use of and references to our name, including our status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

L3 Process Development also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

L3 Process Development certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at Salt Lake City.

/s/ Eric Larochelle Ing.

Eric Larochelle Ing.

Co-Owner - CEO

L3 Process Development

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#### CONSENT OF QUALIFIED PERSON

Olsson hereby consents to the public filing of Sections 1.8, 17, 22.8 and 23.1.7 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

Olsson also consents to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

Olsson also consents to the use of and references to our name, including our status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

Olsson also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

Olsson certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at Omaha, Nebraska.

/s/ Brian Osborn

Brian Osborn  
Senior Vice President  
Olsson

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#### CONSENT OF QUALIFIED PERSON

A2GC hereby consents to the public filing of Sections 7.3, 13.1 and 23.1.3 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

A2GC also consents to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

A2GC also consents to the use of and references to our name, including our status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

A2GC also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

A2GC certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 in Montreal, Quebec, Canada.

/s/ Patrick Andrieux  
Patrick Andrieux, Ph.D., P.Eng., Eng.  
Principal Engineer  
A2GC

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### CONSENT OF QUALIFIED PERSON

Metallurgy Concept Solutions LLC hereby consents to the public filing of Sections 10.3, 14.1.3, 14.2.3, 14.3.3, and 14.4.3 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

Metallurgy Concept Solutions LLC also consents to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

Metallurgy Concept Solutions LLC also consents to the use of and references to our name, including our status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

Metallurgy Concept Solutions LLC also consents to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

Metallurgy Concept Solutions LLC certifies that we have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at 32 Rue Provost apt C, St-Remi, Quebec, Canada, J0L 2L0.

/s/ Sylvain Harton  
 Sylvain Harton, P. Eng.  
 Senior Metallurgist Engineer  
 Metallurgy Concept Solutions LLC

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#### CONSENT OF QUALIFIED PERSON

I, Scott Honan, M.Sc., SME-RM, consent to the public filing of Sections 13.7.5, 13.7.6, 13.7.7, 13.7.8, 13.7.15, 15.5, 15.6 and 22.7.1 (the "Covered Sections") of the Technical Report Summary titled "Technical Report Summary, Elk Creek Project, Nebraska" with an Effective Date of June 30, 2022 (the "Technical Report Summary") as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the "Form 10-K") of NioCorp Developments Ltd. (the "Company").

I also consent to the incorporation by reference of the Covered Sections in the Company's Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the "Registration Statements").

I also consent to the use of and references to my name, including my status as an expert or "qualified person" (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

I also consent to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the "Disclosure").

I certify that I have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at Centennial, Colorado, USA.

/s/ Scott Honan  
\_\_\_\_\_  
Scott Honan, M.Sc., SME-RM  
Chief Operating Officer  
NioCorp Developments Ltd.

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#### CONSENT OF QUALIFIED PERSON

I, Everett Bird, P.E., consent to the public filing of Sections 13.7.1, 13.7.2, 13.7.3, 13.7.4 and 13.7.13 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

I also consent to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

I also consent to the use of and references to my name, including my status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

I also consent to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

I certify that I have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at Salt Lake City, Utah.

/s/ Everett Bird  
\_\_\_\_\_  
Everett Bird, P.E.  
Engineering Manager  
Cementation

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### CONSENT OF QUALIFIED PERSON

I, Matt Hales, P.E., consent to the public filing of Sections 13.7.9, 13.7.10, 13.7.11, 13.7.14, 15.1.3, and 15.1.4 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2022 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

I also consent to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

I also consent to the use of and references to my name, including my status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

I also consent to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

I certify that I have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at Salt Lake City, Utah.

/s/ Matt Hales

Matt Hales, P.E.

Electrical Engineering Lead  
Cementation

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**CONSENT OF QUALIFIED PERSON**

I, Mahmood Khwaja, P.E., consent to the public filing of Section 15.8 (the “Covered Section”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

I also consent to the incorporation by reference of the Covered Section in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

I also consent to the use of and references to my name, including my status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

I also consent to any extracts from or a summary of the Covered Section in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

I certify that I have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Section.

Signed and dated this 6<sup>th</sup> day of October 2023 at Boston, Massachusetts, USA.

/s/ Mahmood Khwaja  
Mahmood Khwaja, PE  
Vice President / Senior Geotechnical Engineer  
Technical Services Unit | ISG  
CDM Smith





#### CONSENT OF QUALIFIED PERSON

I, Martin Lepage, P.Eng., Ing., consent to the public filing of Sections 13.7.12 and 23.1.8 (the “Covered Sections”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

I also consent to the incorporation by reference of the Covered Sections in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

I also consent to the use of and references to my name, including my status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

I also consent to any extracts from or a summary of the Covered Sections in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

I certify that I have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Sections.

Signed and dated this 6<sup>th</sup> day of October 2023 at North Bay, Ontario, Canada.

/s/ Martin Lepage  
Martin Lepage, P. Eng.  
Lead Technical Engineer - Hoisting  
Cementation

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#### CONSENT OF QUALIFIED PERSON

I, Wynand Marx, M.Eng., consent to the public filing of Section 13.6 (the “Covered Section”) of the Technical Report Summary titled “Technical Report Summary, Elk Creek Project, Nebraska” with an Effective Date of June 30, 2022 (the “Technical Report Summary”) as an exhibit to the Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”) of NioCorp Developments Ltd. (the “Company”).

I also consent to the incorporation by reference of the Covered Section in the Company’s Registration Statement on Form S-8 (Registration No. 333-222313) and Registration Statements on Form S-3 (Registration Nos. 333-254511, 333-260673, 333-270541, 333-270542, 333-271266 and 333-271268) (collectively, the “Registration Statements”).

I also consent to the use of and references to my name, including my status as an expert or “qualified person” (as defined in Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summary.

I also consent to any extracts from or a summary of the Covered Section in the Form 10-K and incorporated by reference in the Registration Statements (the “Disclosure”).

I certify that I have read the Disclosure being filed by the Company and that it fairly and accurately represents the information in the Covered Section.

Signed and dated this 6<sup>th</sup> day of October 2023 at Johannesburg, South Africa.

/s/ Wynand Marx  
Wynand Marx, M.Eng.  
Chief Executive Officer  
BBE Consulting

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## CERTIFICATION

I, Mark A. 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: October 6, 2023

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

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## 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: October 6, 2023

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

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**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, 2023, 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: October 6, 2023

By: /S/ Mark A. Smith  
Mark A. Smith  
Chief Executive Officer  
(Principal Executive Officer)

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**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, 2023, 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 operations of the Company.

Date: October 6, 2023

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

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