51-102F3
MATERIAL CHANGE REPORT [F]

Item 1 Name and Address of Company

Nicola Mining Inc. (the "**Company**")
610 – 837 West Hastings Street
Vancouver, BC V6N 3N6

Item 2 Date of Material Change

November 19, 2015, November 23, 2015 and November 24, 2015

Item 3 News Release

The news releases for November 19, 2015, November 23, 2015 and November 24, 2015 were issued by Market News and Stockwatch.

Item 4 Summary of Material Change

On November 19, 2015, the Company announced that it acquired an aggregate of 499 common shares (the "**Thule Shares**") of the Company's subsidiary, Thule Copper Corporation ("**Thule**"), from certain shareholders of Thule. The Company also announced that it intended to undertake a private placement to raise up to $2,250,000 by the issuance of units (the "**Units**") at a price of $0.08 per Unit (the "**Offering**").

On November 24, 2015, the Company announced that it had completed the first tranche of the Offering, pursuant to which it sold an aggregate of 19,375,005 Units, at a price of $0.08 per Unit, for gross proceeds of $1,550,000.40.

On November 23, 2015, the Company announced that it had agreed to pay all of the interest owing on the secured convertible debentures (the "**Debentures**") it issued on November 21, 2014 by the issuance of common shares (each, a "**Share**") of the Company. The Company also announced that it had entered into an amendment dated November 23, 2015 (the "**Amendment Agreement**") to the Settlement Agreement with Waterton Global Value, L.P. ("**Waterton**") amending the Settlement Agreement dated November 20, 2014, the Letter Agreement dated June 3, 2014 and the First Amendment to the Letter Agreement dated June 24, 2014.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Acquisition of Thule Shares

On November 19, 2015, the Company announced that it acquired the Thule Shares from certain shareholders of Thule pursuant to an agreement with the former shareholders (collectively, the "**CMJV Parties**") of Huldra Properties Inc. ("**Huldra Properties**"), the Company's wholly owned subsidiary. The acquisition of the Thule Shares resulted in the Company being the sole shareholder of Thule. In consideration of the foregoing, the Company granted to Aberdeen Ventures Inc., one of the CMJV Parties, a 2.0% net smelter royalty with respect to certain mineral claims and leases held by Thule in southwestern British Columbia. The parties also agreed that Michael McPhie, a director of Thule, would resign from such position.

For further information see the attached news release attached as Schedule A and filed on SEDAR at www.sedar.com.

Private Placement of Units

On November 19, 2015, the Company announced that it intended to undertake the Offering to raise up to $2,250,000 by the issuance of Units at a price of $0.08 per Unit, with each Unit to consist of one Share and one common share purchase warrant (each, a "**Warrant**"), and each Warrant to be exercisable into one Share at a price of $0.15 per Share for a period of two years following the closing of the Offering. The Company also advised that it would not be raising any proceeds by way of the offering of a third tranche of convertible debentures as was previously announced by news release on October 26, 2015.

On November 23, 2015, the Company closed the first tranche of the Offering pursuant to which it sold an aggregate of 19,375,005 Units for gross proceeds of $1,550,000.40. The Company intends to complete additional tranches of the Offering in the future. Insiders of the Company purchased an aggregate of 14,075,005 Units for the aggregate purchase price of $1,126,000.40. As such, a portion of the placement was a "related-party transaction" as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The participation of the insiders in the Offering was approved by disinterested members of the board of directors of the Company (the "**Board**").

MI 61-101 requires that issuers obtain a formal valuation and minority shareholder approval of related party transactions, unless an applicable exemption is available. The Company has determined that exemptions from both such requirements were available, given that the aggregate amount of proceeds derived from the insiders was less than $2,500,000 and the Company is not listed on a specified market as set out in MI 61-101.

The following table sets out the effect of the Offering on the percentage of securities of the Company beneficially owned or controlled by each of the insiders that participated in the first tranche of the Offering:

Name and Position	Dollar Amount of Units Purchased	Number of Securities Purchased	No. of Shares Held prior to Closing of the Offering	Percentage of Issued and Outstanding Shares prior to Closing of the Offering	No. of Shares Held After Closing of the Offering	Percentage of Issued and Outstanding Shares After Closing of the Offering
Peter Espig *President, CEO and Director*	$54,830.00	685,375 Shares 685,375 Warrants	Undiluted: 700,079 Diluted: 1,828,306(1)	Undiluted: 0.9%(2) Diluted: 2.2%(3)	Undiluted: 1,385,454 Diluted: 3,199,056	Undiluted: 1.4%(4) Diluted: 3.1%(5)
Concept Capital Management *10% Shareholder*	$1,071,170.40	13,389,630 Shares 13,389,630 Warrants	Undiluted: 19,279,123 Diluted: 46,401,850(6)	Undiluted: 23.9%(2) Diluted: 43.1%(3)	Undiluted: 32,668,753 Diluted: 73,181,110	Undiluted: 32.7%(4) Diluted: 52.1%(5)

(1) Comprised of: (a) 700,079 Shares; (b) 800,500 options, each of which is exercisable into one Share, of which 13,000 are exercisable at a price of $14.00 per Share until May 2, 2016, 20,000 are exercisable at a price of $14.40 per Share until July 28, 2016, 17,500 are exercisable at a price of $14.50 per Share until September 10, 2017, and 750,000 are exercisable at a price of $0.06 per Share until June 19, 2019; (c) 55,000 warrants, each of which is exercisable into one Share, of which 55,000 are exercisable at a price of $0.375 per Share until November 20, 2015 and at a price of $0.50 per Share between November 21, 2015 and November 21, 2018, and 20,000 are exercisable at a price of $0.375 per Share until May 20, 2016 and at a price of $0.50 per Share between May 21, 2016 and May 20, 2019; (d) 200,000 Shares that may be issuable on conversion of a convertible debenture in the principal amount of $55,000, at a deemed conversion price of $0.275 per Share, until November 21, 2017; and (e) 72,727 Shares that may be issuable on conversion of a convertible debenture in the principal amount of $20,000, at a deemed conversion price of $0.275 per Share, until May 20, 2018, all of which may be exercised or converted within the next 60 days.

(2) Based on 80,606,630 Shares outstanding as at November 19, 2015.

(3) Based on 80,606,630 Shares outstanding as at November 19, 2015, on an undiluted basis, plus, for each person, such number of Shares as may be issuable on exercise of their options and warrants and conversion of their debentures.

(4) Based on 99,981,635 Shares outstanding as at November 23, 2015.

(5) Based on 99,981,635 Shares outstanding as at November 23, 2015, on an undiluted basis, plus, for each person, such number of Shares as may be issuable on exercise of their options and warrants and conversion of their debentures.

(6) Comprised of: (a) 19,279,123 Shares, (b) 5,850,000 warrants, each of which is exercisable until one Share at a price of $0.375 per Share until November 20, 2015 and at a price of $0.50 per Share between November 21, 2015 and November 21, 2018, and (c) 21,272,727 Shares that may be issuable on conversion of a convertible debenture in the principal amount of $5,850,000, at a deemed conversion price of $0.275 per Share, until November 21, 2017, which may be converted within the next 60 days.

There has been no prior valuation with respect to the Company that has been made in the 24 months before the date of this report and the existence of which is known, after reasonable inquiry, to the Company or to any director or officer of the Company.

The Company filed the material change report less than 21 days before the closing of the first tranche because the Company was required to make certain payments in its proceeding under the *Companies' Creditors Arrangement Act* (the "**CCAA**").

The Company did not pay any finder's fees in connection with the Offering.

Proceeds from the Offering will be used to: (i) fulfill the remaining payments under the Company's restructuring plan under the CCAA proceeding, which includes repayment of certain debt owed to Waterton and other secured creditors, and (ii) provide the Company with working capital. The Company has successfully implemented its restructuring plan under the CCAA and expects to exit the CCAA proceedings shortly.

For further information see the attached news release attached as Schedule C and filed on SEDAR at www.sedar.com.

Shares for Debt

On November 23, 2015, the Company announced that it had agreed to pay all of the interest owing on the Debentures by the issuance of Shares. The Debentures mature on November 21, 2017 and bear interest at a rate of 10% per annum, payable annually, of which 50% of such interest was to be payable in cash and 50% by the issuance of Shares at a price per Share equal to the Market Price (as defined in the policies of the TSX Venture Exchange (the "**TSXV**")) on the applicable anniversary of the date of issuance of the Debentures.

The Company advised that it wished to pay all of the interest in Shares. In order to incentivize the holders of the Debentures to accept Shares in lieu of the cash payment originally contemplated under the terms of the Debentures, the Company agreed to settle the interest payment due on November 21, 2015 by the issuance of Shares as if the rate of interest was 12%, rather than 10%, for the first year of the term of the Debentures.

Accordingly, the Company issued 12,924,705 Shares at a price of $0.065 per Share in settlement of interest of $840,105.84 owing as at November 21, 2015 (the "**Debt Settlement**").

Certain of the Debentures are held by insiders of the Company. As noted above, MI 61-101 requires that issuers obtain a formal valuation and minority shareholder approval of related party transactions, unless an applicable exemption is available. The Company has determined that exemptions from both such requirements are available, given that the fair market value of the payment of interest to insiders was less that 25% of the Company's market capitalization and the Company is not listed on a specified market as set out in MI 61-101.

The participation of the insiders with respect to the issuance of Shares in settlement of outstanding interest was approved by disinterested members of the Board.

The following table sets out the anticipated effect of the issuance of Shares in connection with the Debt Settlement on the percentage of securities of the Company beneficially owned or controlled by each of the insiders that participated in the Debt Settlement:

Name and Position	Dollar Amount of Interest Settled	Number of Securities Purchased	No. of Shares Held prior to Debt Settlement	Percentage of Issued and Outstanding Shares prior to Debt Settlement	No. of Shares Held After Debt Settlement	Percentage of Issued and Outstanding Shares After Debt Settlement
Peter Espig *President, CEO and Director*	$6,600.00	101,538	Undiluted: 1,385,454 Diluted: 3,199,056[(1)]	Undiluted: 1.4%[(2)] Diluted: 3.1%[(3)]	Undiluted: 1,486,992 Diluted: 3,300,594	Undiluted: 1.3%[(4)] Diluted: 2.9%[(5)]
Concept Capital Management *10% Shareholder*	$702,000	10,800,000	Undiluted: 32,668,753 Diluted: 73,181,110[(6)]	Undiluted: 32.7%[(2)] Diluted: 52.1%[(3)]	Undiluted: 43,468,753 Diluted: 83,981,110	Undiluted: 38.5%[(4)] Diluted: 54.7%[(5)]

(1) Comprised of: (a) 1,385,454 Shares; (b) 800,500 options, each of which is exercisable into one Share, of which 13,000 are exercisable at a price of $14.00 per Share until May 2, 2016, 20,000 are exercisable at a price of $14.40 per Share until July 28, 2016, 17,500 are exercisable at a price of $14.50 per Share until September 10, 2017, and 750,000 are exercisable at a price of $0.06 per Share until June 19, 2019; (c) 55,000 warrants, each of which is exercisable into one Share, of which 55,000 are exercisable at a price of $0.375 per Share until November 20, 2015 and at a price of $0.50 per Share between November 21, 2015 and November 21, 2018, and 20,000 are exercisable at a price of $0.375 per Share until May 20, 2016 and at a price of $0.50 per Share between May 21, 2016 and May 20, 2019; (d) 200,000 Shares that may be issuable on conversion of a convertible debenture in the principal amount of $55,000, at a deemed conversion price of $0.275 per Share, until November 21, 2017; (e) 72,727 Shares that may be issuable on conversion of a convertible debenture in the principal amount of $20,000, at a deemed conversion price of $0.275 per Share, until May 20, 2018; and (f) 685,375 warrants, each of which is exercisable into one Share, exercisable at a price of $0.15 per Share until November 23, 2017, all of which may be exercised or converted within the next 60 days.

(2) Based on 99,981,635 Shares outstanding following completion of the Debt Settlement.

(3) Based on 99,981,635 Shares outstanding as at November 26, 2015, on an undiluted basis, plus, for each person, such number of Shares as may be issuable on exercise of their options and warrants and conversion of their debentures.

(4) Based on 112,906,340 Shares outstanding following completion of the Debt Settlement.

(5) Based on 112,906,340 Shares outstanding as at the date hereof, on an undiluted basis, plus, for each person, such number of Shares as may be issuable on exercise of their options and warrants and conversion of their debentures.

(6) Comprised of: (a) 32,668,753 Shares, (b) 5,850,000 warrants, each of which is exercisable until one Share at a price of $0.375 per Share until November 20, 2015 and at a price of $0.50 per Share between November 21, 2015 and November 21, 2018, (c) 21,272,727 Shares that may be issuable on conversion of a convertible debenture in the principal amount of $5,850,000, at a deemed conversion price of $0.275 per Share, until November 21, 2017; and (d) 13,389,630 warrants, each of which is exercisable into one Share, exercisable at a price of $0.15 per Share until November 23, 2017, all of which may be converted within the next 60 days.

There has been no prior valuation with respect to the Company that has been made in the 24 months before the date of this report and the existence of which is known, after reasonable inquiry, to the Company or to any director or officer of the Company.

The Company filed the material change report less than 21 days before the closing of the Debt Settlement because the Company was required to make certain payments in its proceeding under the CCAA.

For further information see the attached news release attached as Schedule B and filed on SEDAR at www.sedar.com.

Amendment to Settlement Agreement

The Company also announced that it had entered into the Amendment Agreement with Waterton. Pursuant to the terms of the Amendment Agreement, it was agreed that:

- on closing of the first tranche of the Offering, the Company would repay Waterton $1,250,000 in principal and $37,500 in accrued interest (representing 50% of the accrued interest on the $2,500,000 amount outstanding to Waterton);

- Waterton would convert the outstanding $1,250,000 in principal and $37,500 in accrued interest (representing 50% of the accrued interest on the $2,500,000 amount outstanding to Waterton) into a new loan, which loan will bear interest at a rate of 3% per annum, payable annually, and will mature three years after the closing of the first tranche of the Offering; and

- Waterton would receive a 2% net smelter returns royalty with respect to the Company's Treasure Mountain mine.

For further information see the attached news release attached as Schedule C and filed on SEDAR at www.sedar.com.

5.2 Disclosure for Restructuring Transactions

Not Applicable

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable

Item 7 Omitted Information

None

Item 8 Executive Officer

Peter Espig, President and Chief Executive Officer, 604.647.0142

Item 9 Date of Report

November 30, 2015

SCHEDULE A

TSX.V: NIM

NICOLA MINING ANNOUNCES ACQUISITION OF THULE SHARES

VANCOUVER, B.C., November 19, 2015 – Nicola Mining Inc. (the "**Company**") today announces that it has entered into an agreement with the former shareholders (collectively, the "**CMJV Parties**") of the Company's wholly-owned subsidiary, Huldra Properties Inc. ("**Huldra Properties**"), pursuant to which the CMJV Parties have agreed to transfer an aggregate of 499 common shares (the "**Thule Shares**") of the Company's subsidiary, Thule Copper Corporation ("**Thule**"), to the Company. The acquisition of the Thule shares will result in the Company being the sole shareholder of Thule. In consideration of the foregoing, the Company has agreed to grant to Aberdeen Ventures Inc., one of the CMJV Parties, a 2.0% net smelter royalty with respect to certain mineral claims and leases held by Thule in southwestern British Columbia (the "**Royalty**"). The parties also agreed that Michael McPhie, a director of Thule, will resign from such position.

The Thule copper property consists of 20 mineral claims and 10 mineral leases covering approximately 8,804 hectares Carbonate rich Nicola Group volcano-sedimentary units and intrusive rocks found along the southern flanks of the Guichon Batholith compose the majority of the property which is located approximately 30 km south of the Highland Valley Copper operation. There are two dominant styles of mineralization on the property: copper iron skarn and copper porphyry. The most important discovery to date on the property has been the past producing Craigmont copper-iron mine, located in the central part of the claims. Craigmont operated from 1961 to 1982, as an open pit-mine and as an underground sub-level block cave mine. Over its operating life, the mine produced 34,000,000 metric tonnes of ore, averaging 1.28% copper, from Body No.1 and Body No.2. Craigmont shut the mine down in 1982 due to a policy decision by the board at a time when the copper price was approximately $0.60 per pound.

The Company announced in its July 7, 2015 news release that it had completed a preliminary exploration program analyzing 48 grab samples on the Thule copper property. The program consisted of examining historical MINFILES, following up on geophysical trends and converting historical hard copy data and maps to electronic format. The Company is continuing the process of converting historical data to a more useable electronic format. For detailed information with respect to the grab samples, see the Company's news release of July 7, 2015.

Peter Espig, Chief Executive Officer, commented, "We would like to thank Michael McPhie for his contribution to Thule's board of directors. We are also very excited to have sole ownership of the Thule copper property as we consider it to be a valuable part of the Company's portfolio of assets."

Brian May, P.Geo., a consulting geologist and qualified person for the purpose of National Instrument 43-101, *Standards of Disclosure for Mineral Projects,* has reviewed and approved the technical content of this news release. For further details on the Thule copper property, refer to the technical report filed by the Company on SEDAR on May 8, 2013.

Further to its press release of October 26, 2015, the Company also announces that it intends to undertake a private placement to raise up to $2,250,000 by the issuance of units (the "**Units**") at a price of $0.08 per Unit (the "**Unit Offering**"). Each Unit will consist of one common share (each, a "**Unit Share**") and one common share purchase warrant (each, a "**Unit Warrant**"). Each Unit Warrant will be exercisable into one common share (each, a "**Unit Warrant Share**") at a price of $0.15 per Unit Warrant Share for a period of three years following the closing of the Unit Offering. The Company will not be raising any proceeds by way of the offering of a third tranche of convertible debentures.

Closing of the Unit Offering remains subject to final acceptance of the TSX Venture Exchange. The Company may pay finder's fees in connection with the issuance of the Units under the Unit Offering. The Unit Shares, the Unit Warrants and the Unit Warrant Shares issuable on exercise thereof will be subject to a statutory hold period expiring on the date that is four months and one day after the closing of the Unit Offering.

On behalf of the Board of Directors

"*Peter Espig*"
Peter Espig
CEO & Director

For additional information contact:

Peter Espig
Telephone: (604) 647-0142
Email: peter@nicolamining.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Disclaimer for Forward-Looking Information

Certain statements in this press release related to the Unit Offering and the securities issuable thereunder are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "will", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the proceeds to be raised pursuant to the Unit Offering, resale restrictions relating to the securities to be issued and receipt of the approval of the TSX Venture Exchange. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the Company's ability to complete the Unit Offering, including the risk that the Unit Offering may not be completed as expected or at all, that the TSX Venture Exchange may not approve the Unit Offering and such other factors beyond the control of the Company. Such forward looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SCHEDULE B

TSX.V: NIM

NICOLA MINING ANNOUNCES DEBT SETTLEMENT

VANCOUVER, B.C., November 23, 2015 – Nicola Mining Inc. (the "**Company**") today announces that it has agreed to pay all of the interest owing on the secured convertible debentures (the "**Debentures**") issued on November 21, 2014 by the issuance of common shares (each, a "**Share**") of the Company. The Debentures mature on November 21, 2017 and bear interest ("**Interest**") at a rate of 10% per annum, which Interest is payable annually as to 50% in cash and 50% by the issuance of Shares at a price per Share equal to the Market Price (as defined in the Policies of the TSX Venture Exchange (the "**Exchange**")) on the anniversary of the date of issuance of the Debentures, being November 21, 2015.

The Company intends on paying all of the Interest in Shares and in order to incentivize the holders of the Debentures to agree to take such Shares in lieu of the cash payment originally contemplated in the Debentures, it has agreed to settle that outstanding interest payment obligation by the issuance of Shares as if the rate of interest was 12% for the first year of the term of the Debentures.

Accordingly, the Company will issue 12,924,705 Shares at a price of $0.065 per Share in settlement of Interest owing of $840,105.84 (the "**Debt Settlement**").

The Debt Settlement is subject to Exchange approval. The Shares will be subject to a statutory hold period expiring on the date that is four months and one day after the closing of the Debt Settlement.

On behalf of the Board of Directors

"Peter Espig"
Peter Espig
CEO & Director

For additional information contact:

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Email: peter@nicolamining.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Disclaimer for Forward-Looking Information

Certain statements in this press release related to the Debt Settlement and the securities issuable thereunder are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe” or “continue”, or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the settlement of the Interest, resale restrictions relating to the securities to be issued and receipt of the approval of the TSX Venture Exchange. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the Company’s ability to complete the Debt Settlement, including the risk that the Debt Settlement may not be completed as expected or at all, that the TSX Venture Exchange may not approve the Debt Settlement and such other factors beyond the control of the Company. Such forward looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SCHEDULE C

TSX.V: NIM
NEWS RELEASE

NICOLA MINING ANNOUNCES CLOSING OF THE FIRST TRANCHE OF UNIT FINANCING

VANCOUVER, B.C., November 24, 2015 – Nicola Mining Inc. (the "**Company**") announces that, further to its News Release of November 19, 2015, it has completed the first tranche of its private placement financing (the "**Financing**") pursuant to which it sold an aggregate of 19,375,005 units (each, a "**Unit**"), at a price of $0.08 per Unit, for gross proceeds of $1,550,000.40. The Company intends on completing additional tranches of the Financing.

Each Unit consisted of one common share (each, a "**Share**") and one share purchase warrant (each, a "**Warrant**"). Each Warrant is exercisable into one Share at a price of $0.15 per Share for a period of two years from the date of issuance. Insiders of the Company purchased Units in the aggregate amount of $1,126,000.40.

The Company did not pay any finder's fees in connection with the Financing.

Proceeds from the Financing will be used to fulfill the remaining payments under the Restructuring Plan under the Companies' Creditors Arrangement Act (the "**CCAA**") proceeding, which includes repayment of certain debt owed to Wateron Global Value, L.P. ("**Waterton**") and other secured creditors and to provide the Company with working capital. The Company has successfully implemented its Restructuring Plan and expects to exit CCAA shortly.

The securities issued under the Financing, and the shares that may be issuable on exercise of the Warrants, are subject to a statutory hold period expiring on March 24, 2016.

The Company also announced that it has entered into an amendment to the Settlement Agreement with Waterton dated November 23, 2015 (the "**Amendment Agreement**"), whereby the parties have agreed to amend the Settlement Agreement, dated November 20, 2014, the Letter Agreement dated June 3, 2014 (the "**Letter Agreement**") and the First Amendment to the Letter Agreement, dated June 24, 2014 as follows:

- the Company will, on closing of the Financing, repay Waterton $1,250,000 in principal and $37,500 in accrued interest (representing 50% of the accrued interest on the $2,500,000 amount outstanding to Waterton);

- Waterton has agreed to convert the outstanding $1,250,000 in principal and $37,500 in accrued interest (representing 50% of the accrued interest on the $2,500,000 amount outstanding to Waterton) into a new loan (the "**Loan**"), which Loan will bear interest at a rate of 3% per annum paid annually and will mature three years after the closing of the Financing; and

- Waterton will receive a 2% net smelter returns royalty with respect to the Company's Treasure Mountain mine.

On behalf of the Board of Directors

"Peter Espig"
Peter Espig
CEO & Director

For additional information

Contact: Peter Espig
(604) 647-0142 peter@nicolamining.com

Disclaimer for Forward-Looking Information

Certain statements in this press release related to the Financing and the securities issuable thereunder are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "will", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the proceeds to be raised pursuant to the Financing, the terms of the securities issuable pursuant to the Financing, the security interests of Waterton, resale restrictions relating to the securities to be issued, the use of proceeds of the Financing and receipt of the approval of the TSX Venture Exchange. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the Company's ability to complete the Financing, including the risk that the Financing may not be completed as expected or at all, that the security interests may not be as set out in this news release, that the proceeds of the Financing may be used other than as set out in this news release, that the TSX Venture Exchange may not approve the Financing and such other factors beyond the control of the Company. Such forward-looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.