51-102F3
MATERIAL CHANGE REPORT [F]

Item 1 Name and Address of Company

Nicola Mining Inc. (the "**Company**")
3329 Aberdeen Road
Lower Nicola, BC V0K 1Y0

Item 2 Date of Material Change

May 27, 2016

Item 3 News Release

The news release dated May 27, 2016 was issued by Newswire and the Amended News Release dated June 1, 2016 was issued by Newswire.

Item 4 Summary of Material Change

On May 27, 2016, the Company announced that it completed its previously announced private placement financing (the "**Financing**") as further described in its news release of May 25, 2016. In connection with the closing, the Company sold an aggregate of 2,050,000 units (each, a "**Unit**"), at a price of $0.08 per Unit, for gross proceeds of $164,000. Each Unit consisted of one common share of the Company (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.

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

Proceeds of the financing will be used for general working capital.

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 September 28, 2016.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The material change is fully described in Item 4 above and in the News Release 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

June 3, 2016

TSX.V: NIM
AMENDED NEWS RELEASE

NICOLA MINING ANNOUNCES CLOSING OF STRATEGIC PRIVATE PLACEMENT OF $164,000

VANCOUVER, B.C, MAY 31, 2016 – Nicola Mining Inc. (the "**Company**") announces that it has successfully closed a private placement of $164,000 with strategic investors that were unable to participate in the recent Fourth Tranche Unit Financing, which the Company announced in its news release of May 2, 2016.

The Company sold an aggregate of 2,050,000 Units for gross proceeds of $164,000. The Company did not pay any finder's fees in connection with the private placement.

Proceeds of the financing will be used for general working capital.

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 September 28, 2016.

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

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.

TSX.V: NIM
NEWS RELEASE

NICOLA MINING CLOSES STRATEGIC PRIVATE PLACEMENT OF $164,000

VANCOUVER, B.C, MAY 27, 2014 – Nicola Mining Inc. (the "**Company**") announces that it has successfully closed a Tranche of $164,000 with strategic investors that were unable to participate in the recent Fourth Tranche Unit Financing, which the Company announced in its May 2, 2016 news release.

The Company sold to 2,050,000 Units, for gross proceeds of $164,000. The Company will pay $7,000 in finder's fees and issue 87,500 broker warrants at a price of $0.15 per share for a period of two years from the date of issuance.

Nicola Mining Inc. is junior mining company listed on the TSX Venture and is in the process of recommencing mill feed processing operations at its 100% owned state-of-the-art mill and tailings facility, located near Merritt, British Columbia. It has already signed four mill profit share agreements with high grade gold properties. The fullypermitted mill is able to process both gold and silver mill feed via gravity and floatation processes. The Company also owns 100% of the Treasure Mountain, its high grade silver property and a gravel pit, which is located adjacent to its milling operations.

On behalf of the Board of Directors

"Peter Espig"
Peter Espig
CEO & Director

For additional information

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