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

November 26, 2018

Item 3 News Release

The news release dated November 27, 2018 for the closing of the private placement was issued by Newsfile Corp. on November 27, 2018 and the news release dated November 27, 2018 for the closing of the debt settlement was issued by Stockwatch and Market News on November 27, 2018.

Item 4 Summary of Material Change

On November 26, 2018, the Company announced that it has repaid its entire senior secured debt obligation and interest to Waterton Global Value, LP ("**Waterton**"). The Company paid Waterton $663,062 in principal and interest on the senior secured debt obligation, which was the final payment obligation to Waterton. Waterton has also liquidated its equity position in the Company.

On November 24, 2014, the Company announced that it had completed $7.0 MM in debt financing (the "**Debt Financing**") and implemented the announced restructuring of its debts and obligations under the Company's Plan of Compromise and Arrangement dated August 8, 2014 (the "**Plan**"). The repayment to Waterton is the final obligation under the Plan, as the Company successfully exited the Companies' Creditors Arrangement Act of Canada on, as announced on December 9, 2015.

The Waterton senior secured debt facility was the Company's final obligation under the Plan and releases all security held by Waterton over the Company's assets. In addition to releasing security over all assets, Waterton releases its aggregate 2% net smelter returns royalty with respect to production from the Company's Treasure Mountain Silver Mine. The 2% net smelter returns royalty transfers to the investors in the Debt Financing.

The Company also announced that it completed a first tranche of the non-brokered private placement, previously announced by News Release of November 21, 2018, consisting of the issuance of 743,000 units (each, a "**Unit**") at a price of $0.10 per Unit for gross proceeds of $743,000 (the "**Offering**"). Each Unit will consist of one common share of the Company (each, a "**Share**") and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"), with each Warrant entitling the holder to purchase one Share at a price of $0.15 per Share for a period of two years following the closing of the Offering (the "**Closing**").

All securities issued in connection with the Offering will be subject to a statutory hold period expiring four months and one day after the Closing. Completion of the Offering is subject to the approval of the Exchange.

Peter Espig, the Chief Executive Officer and President of the Company was issued 230,000 Units pursuant to the Offering, which constituted a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The issuance to Mr. Espig is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company's shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the Units issued to Mr. Espig does not exceed 25% of the Company's market capitalization.

On November 27, 2018, the Company announced that, further to its News Release of November 14, 2018, it has received approval from the Exchange to the issuance of 6,048,593 common shares (each, a "**Settlement Share**") in settlement of $695,588.20 interest owing on the Debentures (the "**Debt Settlement**"), which Settlement Shares were issued on November 26, 2018. The Settlement Shares are subject to a statutory hold period expiring on the date that is four months and one day after the closing of the Debt Settlement.

Insiders of the Company were issued an aggregate of 5,482,609 Settlement Shares pursuant to the Debt Settlement, which constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The issuance to insiders is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company's shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the Settlement Shares issued to the related parties does not exceed 25% of the Company's market capitalization. The Company closed on the payment of the Interest in Settlement Shares in less than 21 days as the payment of Interest is due pursuant to the terms of the Debentures.

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 Releases attached hereto.

MI 61-101 Requirements

Peter Espig, the President, Chief Executive Officer and a director of the Company, was issued 230,000 Units in the Offering and 47,826 Settlement Shares in settlement of $5,500 Interest owing, Concept Capital Management ("**CCM**"), a 20%+ shareholder of the Company, was issued 5,086,957 Settlement Shares in settlement of $585,000 Interest owing and Peter Beck Performance Fonds GBR ("**Peter Beck Performance**"), a company of which Mr. Högel, a director of the Company, is the president and chief executive officer of, was issued 347,826 Settlement Shares in settlement of $40,000 Interest owing. As such, a portion of the Offering and the Debt Settlement is a "related-party transaction" as such term is defined in MI 61-101. Mr. Espig's participation on the Offering was approved by disinterested members of the board of directors of the Company and Mr. Espig's and Mr. Högel's participation in the Debt Settlement was approved by disinterested members of the board of directors of the Company.

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 fair market value of the consideration of the Shares issued to related parties did not exceed 25% of the company's market capital (as determined in accordance with MI 61-101) 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 and the Debt Settlement on the percentage of securities of the Company beneficially owned or controlled by each of Mr. Espig, Mr. Högel and CCM:

Name and Position	Dollar Amount of Shares Issued	Number of Shares Issued	No. of Shares Held prior to the Issuance	Percentage of Issued and Outstanding Shares prior to the Issuance	No. of Shares Held After the Issuance	Percentage of Issued and Outstanding Shares After the Issuance
Peter Espig *President, Chief Executive Officer and Director*	$28,500	47,826 Settlement Shares 230,000 Units	Undiluted: 8,574,595 Diluted: 12,628,004(1)	Undiluted: 4.2%(2) Diluted: 6.0%(3)	Undiluted: 8,852,421 Diluted: 13,020,830(4)	Undiluted: 4.0%(5) Diluted: 5.8%(6)
Frank Högel *Director*	$40,000	347,826	Undiluted: 1,447,528(7) Diluted: 5,865,709(8)	Undiluted: 0.7%(2) Diluted: 2.8%(9)	Undiluted: 1,795,354(10) Diluted: 5,113,535(11)	Undiluted: 0.9%(5) Diluted: 2.4%(12)
Concept Capital Management(1)	$585,000	5,086,957	Undiluted: 40,154,875 Diluted: 72,595,785(13)	Undiluted: 19.6%(2) Diluted: 30.6%(14)	Undiluted: 45,241,833 Diluted: 77,682,742(15)	Undiluted: 21.4%(5) Diluted: 31.9%(16)

(1) Comprised of: (a) 8,574,595 common shares; (b) 2,250,000 options, each of which is exercisable into one common share, of which 500,000 are exercisable at a price of $0.14 per common share until July 26, 2021, 750,000 are exercisable at a price of $0.175 per common share until July 10, 2021 and 1,000,000 are exercisable at a price of $0.165 per common share until December 27, 2022; (c) 1,462,500 warrants, each of which is exercisable into one common share, of which 350,000 are exercisable at a price of $0.18 per common share until July 23, 2020, 850,000 are exercisable at a price of $0.18 per common share until August 24, 2019, 20,000 are exercisable at a price of $0.257 per common share until May 20, 2019, 187,500 are exercisable at a price of $0.35 per common share until December 14, 2019 and 55,000 are exercisable at a price of $0.275 per common share until November 21, 2019; (d) 250,000 common shares that may be issuable on conversion of a convertible debenture in the principal amount of $55,000, at a deemed conversion price of $0.22 per common share, until November 21, 2019; and (e) 90,909 common shares that may be issuable on conversion of a convertible debenture in the principal amount of $20,000, at a deemed conversion price of $0.22 per common share, until May 20, 2020, all of which may be exercised or converted within the next 60 days.

(2) Based on 205,138,956 common shares outstanding prior to the Debt Settlement and the Offering.

(3) Based on 209,192,365 common shares comprised of: (a) 205,138,956 common shares outstanding prior to the Debt Settlement and the Offering; (b) 2,250,000 common shares that may be issuable on exercise of stock options of the Company held by Mr. Espig; (c) 1,462,500 common shares that may be issuable on exercise of warrants of the Company held by Mr. Espig; and (d) 340,909 common shares that may be issuable on conversion of convertible debentures of the Company held by Mr. Espig, all exercisable within 60 days.

(4) Comprised of: (a) 8,852,421 common shares; (b) 2,250,000 options, each of which is exercisable into one common share, of which 500,000 are exercisable at a price of $0.14 per common share until July 26, 2021, 750,000 are exercisable at a price of $0.175 per common share until July 10, 2021 and 1,000,000 are exercisable at a price of $0.165 per common share until December 27, 2022; (c) 1,755,500 warrants, each of which is exercisable into one common share, of which 115,000 are exercisable at a price of $0.15 per common share until November 26, 2020, 350,000 are exercisable at a price of $0.18 per common share until July 23, 2020, 850,000 are exercisable at a price of $0.18 per common share until August 24, 2019, 20,000 are exercisable at a price of $0.257 per common share until May 20, 2019, 187,500 are exercisable at a price of $0.35 per common share until December 14, 2019 and 55,000 are exercisable at a price of $0.275 per common share until November 21, 2019 (d) 250,000 common shares that may be issuable on conversion of a convertible debenture in the principal amount of $55,000, at a deemed conversion price of $0.22 per common share, until November 21, 2019; and (e) 90,909 common shares that may be issuable on conversion of a convertible debenture in the principal amount of $20,000, at a deemed conversion price of $0.22 per common share, until May 20, 2020, all of which may be exercised or converted within the next 60 days.

(5) Based on 218,617,549 common shares outstanding after the Debt Settlement and the Offering.

(6) Based on 222,785,958 common shares comprised of: (a) 218,617,549 common shares outstanding after the Debt Settlement and the Offering; (b) 2,250,000 common shares that may be issuable on exercise of stock options of the Company held by Mr. Espig; (c) 1,577,500 common shares that may be issuable on exercise of warrants of the Company held by Mr. Espig; and (d) 340,909 common shares that may be issuable on conversion of convertible debentures of the Company held by Mr. Espig, all exercisable within 60 days.

(7) Comprised of: (a) 184,289 common shares held directly; and (b) 1,263,239 common shares held by Peter Beck Performance.

(8) Comprised of: (a) 184,289 common shares held directly; (b) 1,263,239 common shares held by Peter Beck Performance; (c) 1,100,000 options held directly, each of which is exercisable into one common share, of which 350,000 are exercisable at a price of $0.11 per common share until June 5, 2020, 400,000 are exercisable at a price of $0.17 per common share until December 13, 2021 and 350,000 are exercisable at a price of $0.11 per common share until June 15, 2020; (d) 400,000

warrants held by Peter Beck Performance, each of which is exercisable into one common share, exercisable at a price of $0.275 per common share until November 21, 2019; and (e) 1,818,181 common shares that may be issuable on conversion of a convertible debenture in the principal amount of $400,000 held by Peter Beck Performance, at a deemed conversion price of $0.22 per common share, until November 21, 2019, all exercisable within 60 days.

(9) Based on 208,457,137 common shares comprised of: (a) 205,138,956 common shares outstanding prior to the Debt Settlement and the Offering; (b) 1,100,000 common shares that may be issuable on exercise of stock options of the Company held by Mr. Högel; (c) 400,000 common shares that may be issuable on exercise of warrants of the Company held by Peter Beck Performance; and (d) 1,818,181 common shares that may be issued on conversion of convertible debentures of the Company held by Peter Beck Performance, all exercisable within 60 days.

(10) Comprised of: (a) 184,289 common shares held directly; and (b) 1,611,065 common shares held by Peter Beck Performance.

(11) Comprised of: (a) 184,289 common shares held directly; (b) 1,611,065 common shares held by Peter Beck Performance; (c) 1,100,000 options held directly, each of which is exercisable into one common share, of which 350,000 are exercisable at a price of $0.11 per common share until June 5, 2020, 400,000 are exercisable at a price of $0.17 per common share until December 13, 2021 and 350,000 are exercisable at a price of $0.11 per common share until June 15, 2020; (d) 400,000 warrants held by Peter Beck Performance, each of which is exercisable into one common share, exercisable at a price of $0.275 per common share until November 21, 2019; and (e) 1,818,181 common shares that may be issuable on conversion of a convertible debenture in the principal amount of $400,000 held by Peter Beck Performance, at a deemed conversion price of $0.22 per common share, until November 21, 2019, all exercisable within 60 days.

(12) Based on 221,935,730 common shares comprised of: (a) 218,617,549 common shares outstanding after the Debt Settlement and the Offering; (b) 1,100,000 common shares that may be issuable on exercise of stock options of the Company held by Mr. Högel; (iii) 400,000 common shares that may be issuable on exercise of warrants of the Company held by Peter Beck Performance; and (c) 1,818,181 common shares that may be issued on conversion of convertible debentures of the Company held by Peter Beck Performance, all exercisable within 60 days.

(13) Comprised of: (a) 40,154,876 common shares; (b) 5,850,000 warrants exercisable into one common share at a price of $0.275 per common share until November 21, 2019; and (c) 26,590,909 common 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 common share, until November 21, 2019, all of which may be exercised or converted within the next 60 days.

(14) Based on 237,579,865 common shares comprised of: (a) 205,138,956 common shares outstanding prior to the Debt Settlement and the Offering; (b) 5,850,000 common shares that may be issuable on exercise of warrants of the Company; and (c) 26,590,909 common shares that may be issued on conversion of convertible debentures of the Company, all exercisable within 60 days.

(15) Comprised of: (a) 45,241,833 common shares; (b) 5,850,000 warrants, each of which is exercisable into one common share, exercisable at a price of $0.275 per common share until November 21, 2019; and (c) 26,590,909 common 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 $0.22 per common share, until November 21, 2019, all of which may be exercised or converted within the next 60 days.

(16) Based on 251,058,458 common shares comprised of: (a) 218,617,549 common shares outstanding after the Debt Settlement and the Offering; (b) 5,850,000 common shares that may be issuable on exercise of warrants of the Company; and (c) 26,590,909 common shares that may be issued on conversion of convertible debentures of the Company, all exercisable within 60 days.

As this material change report is being filed less than 21 days before the transaction, there is a requirement under MI 61-101 to explain why the shorter period was reasonable or necessary in the circumstances. The Company will close on the payment of the Interest in Shares in less than 21 days as the payment of Interest is due pursuant to the terms of the Debentures and the Company was required to repay Waterton.

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, 778.385.1213

Item 9 Date of Report

December 10, 2018

Nicola Mining Repays Senior Secured Debt to Waterton and Closes Tranche One of Financing

Vancouver, British Columbia--(Newsfile Corp. - November 27, 2018) - Nicola Mining Inc. (TSXV: NIM) (the "**Company**" or "**Nicola**") is pleased to announce that it has repaid its entire senior secured debt obligation and interest to Waterton Global Value, LP ("**Waterton**"). The Company paid Waterton $663,062 in principal and interest on the senior secured debt obligation, which was the final payment obligation to Waterton. Waterton has also liquidated its equity position in Nicola.

On November 24, 2014, the Company announced that it had completed $7.0 MM in debt financing (the "**Debt Financing**") and implemented the announced restructuring of its debts and obligations under the Company's Plan of Compromise and Arrangement dated August 8, 2014 (the "**Plan**"). The repayment to Waterton is the final obligation under the Plan, as the Company successfully exited the Companies' Creditors Arrangement Act of Canada on, as announced on December 9, 2015.

The Waterton senior secured debt facility was the Company's final obligation under the Plan and releases all security held by Waterton over the Company's assets. In addition to releasing security over all assets, Waterton releases its aggregate 2% net smelter returns royalty with respect to production from Nicola's Treasure Mountain Silver Mine. The 2% net smelter returns royalty transfers to the investors in the Debt Financing.

Peter Espig, Chief Executive Officer commented, "The final repayment of Waterton's senior secured debt facility marks one of the Company's greatest milestones since I took the helm as CEO. Management inherited a company with superior assets under great financial distress. The ability to grow and increase the value of our assets can only be achieved by a total team effort and we are grateful to our employees. We are also grateful to our investors that continue to support us and recognize the great potential of the Company. We are also fortunate that eighty five percent of the Debt Financing is held by insiders and affiliated parties that are also major shareholders."

The Company also announces that is has closed $743,000 of the $900,000 non-brokered private placement financing (the "**First Tranche**"), announced on November 21, 2018. The private placement has been met with strong investor demand and the Company has already received $925,000 in commitments.

All securities issued in connection with the First Tranche will be subject to a statutory hold period expiring four months and one day after closing of the First Tranche. Completion of the First Tranche is subject to the approval of the TSX Venture Exchange (the "**Exchange**"). Any participation by insiders in the Offering will constitute a related party transaction under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") but is expected to be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

About Nicola Mining

Nicola Mining Inc. is a junior mining company listed on the TSX Venture Exchange 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 producers. The fully-permitted mill can process both gold and silver mill feed via gravity and flotation processes. The Company also owns 100% of Treasure Mountain, a high-grade silver property, and an active gravel pit that is located adjacent to its milling operations.

About New Craigmont

The New Craigmont Project (the "**Property**") is a wholly-owned copper property with an active mine permit (M-68), located within the world-class Highland Valley porphyry district. It benefits from excellent infrastructure. The Property is at the corner intersection of the Nicola and Guichon batholiths, of which the latter is the precursor to mineralization at Highland Valley. In November of 2015, Nicola became the first group in decades to consolidate ownership of the Property and has been actively conducting mineral exploration since.

There are currently no mineral resource estimates on the Property. Historical "non-NI 43-101" resource calculations are recorded in internal memos and geological reports for Placer Development. An internal memo written by J.F. Bristow on October 30, 1985 to Craigmont Mines Ltd. reported a zone known as Body No. 3 containing a historic estimate of 1,290,000 tons (1,170,268 metric tonnes) of copper grading 1.53% copper. * This estimate assumes a 0.7% copper cut-off and a 20-foot mining width between drill sections 6565E and 8015E. The material in Body No. 3 contains mineralization primarily in silicate-rich rocks.

Additionally, J.F. Bristow reported in an internal memo on July 22, 1985 to Craigmont Mines Ltd., a rough calculation of +60,000,000 pounds (1.6 million short tons or 1.45 metric tonnes) of +1.5% copper from an original ore estimate of 27,754,000 short tons (25,178,005 metric tonnes) of copper grading 1.79% copper left behind in the sub-level cave. The material is from the previously mined out No.1 Body and No.2 Body.

On behalf of the Board of Directors

"*Peter Espig*"
Peter Espig
CEO & Director

For additional information contact:

Peter Espig
Telephone: (778) 385-1213
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.

TSX.V: NIM

NICOLA MINING ANNOUNCES ISSUANCE OF SHARES IN SETTLEMENT OF INTEREST OWING ON CONVERTIBLE DEBENTURES

VANCOUVER, B.C., November 27, 2018 – Nicola Mining Inc. (the "**Company**") is pleased to announce that, further to its News Release of November 14, 2018, it has received approval from the TSX Venture Exchange (the "**Exchange**") to the issuance of 6,048,593 common shares (each, a "**Share**") in settlement of $695,588.20 interest owing on the Debentures (the "**Debt Settlement**"), which Shares were issued on November 26, 2018. The Shares are subject to a statutory hold period expiring on the date that is four months and one day after the closing of the Debt Settlement.

Insiders of the Company were issued an aggregate of 5,482,609 Shares pursuant to the Debt Settlement, which constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The issuance to insiders is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company's shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the Shares issued to the related parties does not exceed 25% of the Company's market capitalization. The Company closed on the payment of the Interest in Shares in less than 21 days as the payment of Interest is due pursuant to the terms of the Debentures.

On behalf of the Board of Directors

"*Peter Espig*"
Peter Espig
CEO & Director

For additional information contact:

Peter Espig
Telephone: 778. 385.1213
Email: peter@nicolamining.com