



TSX.V: NIM

**NICOLA MINING ANNOUNCES ISSUANCE OF SHARES IN SETTLEMENT OF
INTEREST OWING ON CONVERTIBLE DEBENTURES AND CLOSING OF
CONVERTIBLE DEBENTURE OFFERING**

VANCOUVER, B.C., November 21, 2019 – Nicola Mining Inc. (the “**Company**”) is pleased to announce that, further to its News Release of November 1, 2019, it has received approval from the TSX Venture Exchange (the “**Exchange**”) for the issuance of 7,321,981 common shares (each, a “**Share**”) in settlement of \$695,588.20 interest owing on the convertible debentures (the “**Debt Settlement**”), which Shares were issued on November 21, 2019. 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.

The Company also announces that, further to its News Release of November 13, 2019, it has completed a first tranche of its non-brokered private placement (the “**Offering**”) pursuant to which it issued an aggregate of \$7,000,882 of secured convertible debentures (the “**Debentures**”). The Company may complete additional tranches of the Offering. The Debentures will include the following key terms:

- the Debentures shall bear interest at a rate of 10% per annum, which interest shall be payable annually, in cash or in common shares (each, a “**Share**”) of the Company, at the option of the Company;
- the Debentures will mature three years after the date of issuance (the “**Maturity Date**”), and the principal amount of the Debentures, together with any accrued and unpaid interest shall be payable on the Maturity Date;
- the principal amount of the Debentures shall be convertible into Shares prior to the Maturity Date, at the option of the holder, at a conversion price of \$0.10 per Share; and
- the repayment of the outstanding principal and interest of the Debentures will be secured against the assets of the Company.

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

Proceeds from the Offering will be used to repay outstanding convertible debentures and general working capital.

The Debentures are subject to a statutory hold period expiring on the date that is four months and one day after the closing of the Offering.

Insiders of the Company were issued an aggregate of 6,578,947 Shares pursuant to the Debt Settlement 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 of the Shares to insiders was exempt from the valuation requirement of MI 61-101 by the 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(1)(a) as the value of the Shares did not exceed 25% of the Company’s market capitalization.

Insiders of the Company acquired an aggregate of \$6,295,000 in Debentures which constituted a “related party transaction” within the meaning of MI 61-101. The issuance of Debentures 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 on the basis of the financial hardship exemption contained in Section 5.7(1)(e) of MI 61-101.

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 convertible debentures and closed on the Offering to pay outstanding convertible debentures and to improve the Company’s financial position.

On behalf of the Board of Directors

“Peter Espig”

Peter Espig
CEO & Director

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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.