



TSX-V: NIM
OTC: HUSIF
DAX: HLI

HIGH-GRADE COPPER MINE PROJECT

MODERN GOLD/SILVER MILL FACILITY IN BC

NICOLAMINING.COM

March 2019

Nicola Mining has clear targets for 2019

New Craigmont Copper Project:

- Continued exploration on Craigmont Central
- Complete initial NI-43-101 on historic mine terraces
- Copper equivalent (CuEq) ⁽¹⁾ calculations based on economic values of Cu and magnetite (Fe₃O₄)
- Continued testing of Cu / magnetite production by utilizing x-ray conveyor technologies for sulfide rock separation ⁽²⁾

Gold Production:

- Commence operations at Merritt Mill
- Consolidate a producing or permitted gold mine project into the Company

(1) News Release February 19, 2019: https://web.tmxmoney.com/article.php?newsid=5297640648969478&qm_symbol=NIM

(2) Tomra Mining Separator: <https://www.tomra.com/en/sorting/mining>

COPPER

100% owner of the **New Craigmont Mine**

North America's highest grading historic major copper mine

- 10,085 hectares property
- Adjacent to Teck Resources Ltd.'s Highland Valley Copper Mine
- Permitted mine site (M-68)
- Working towards NI 43-101 resource
- Near-term production potential

SILVER

100% owner of the **Treasure Mountain Silver Mine**

- High-grade silver mine
- Fully-permitted mine
- An indicated resource of 33,000 metric tonnes grading at 24.2 oz/t silver (752.7 g/tonne), 4.16% Pb and 3.80% Zn with a cut-off grade of 311.034 g/tonne located near Company's mill site
- Plans to reopen with stronger silver prices

GOLD

100% owner of the **Merritt Mill Site**

British Columbia's only site permitted to process material province wide.

- State-of-the-art modern facility
- Profit share agreements with 6 gold projects
- 2019 operations bring positive cash flow

Nicola has a solid team with proven track record

Peter Espig - Chief Executive Officer

- Former diamond driller and Goldman Sachs executive
- Structured and raised funds for over US\$2.5 billion in private equity and pre-IPOs
- Proven track record in distressed turnaround, building companies and maximizing corporate value

Warwick Bay - CFO

- Member of the Institute of Chartered Accountants of British Columbia since 1979
- Practiced +10 years with big four accounting firms specialized in the audit of public mining companies
- Seventeen year career in the financial services industry focused on raising capital for junior mining companies

Frank Hogel - Chairman / Director

- Asset Manager actively involved in the financial evaluation of companies and convertible debenture restructuring
- On advisory board of Concept Capital Management
- Over 13 years of direct experience in the mining industry

Doug Robinson - Q.C., Director

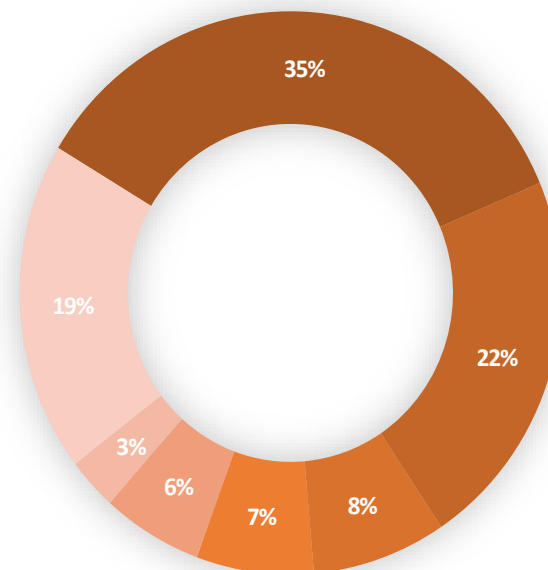
- Member of the Law Society of British Columbia since 1973
- Served as Director of the Law Institute of B.C. and founding Chair of the Canadian Forum for Civil Justice
- Litigated and lectured on legal issues globally

Dr. Paul Johnston - P.Geo., Director

- Geologist with more than 25 years experience in the mining industry
- Since 1996 held various posts with Teck Resources Ltd, including Regional Chief Geoscientist for South America
- Extensive international experience in early to advanced stage exploration for gold, copper, and zinc

Capital Structure

Exchange / Symbol	TSX-V: NIM
Share Price ⁽¹⁾	C\$0.10
Shares Outstanding ⁽²⁾	230M
FD Shares Outstanding ⁽²⁾	270M
Market Capitalization ⁽¹⁾	C\$23M
52 Week High / Low ⁽¹⁾	C\$0.085 / C\$0.21
Cash Balance ⁽²⁾	C\$1.6M
Convertible Debenture ^(2,3)	C\$7.3M



■ Insiders
 ■ BMO Nesbitt Partners
 ■ Politte Investment Council
 ■ Free Float
 ■ Concept Capital Management
 ■ Mountain Valley Partners
 ■ Gravitas Securities

Management, Board and Affiliated entities account for 70% of all non-flow through funds raised since 2014. It is fully-committed to the success of this project.

⁽¹⁾ As of January 17, 2019

⁽²⁾ As of January 17, 2019

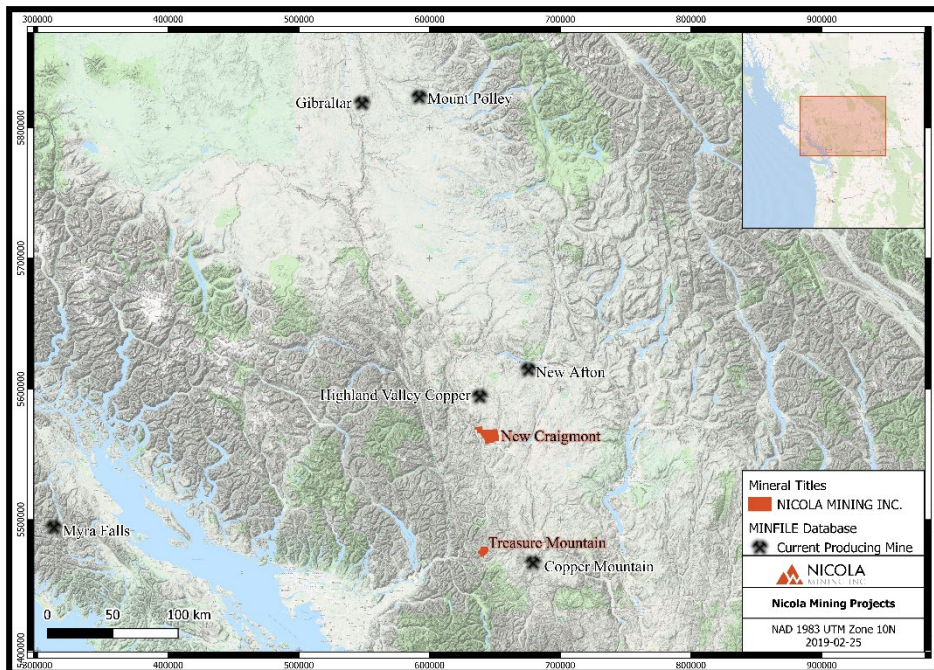
⁽³⁾ 85% held by insiders – convertible at \$0.22/share

Location Map

New Craigmont Project and Treasure Mountain



New Craigmont & Treasure Mountain Locations



Assets are situated in southern British Columbia, region with rich history of copper and gold mining

New Craigmont Project:

- 10,085 hectare property which hosts:
 - The historic **Craigmont Mine**, North America's highest grading copper mine
 - **Merritt Mill** – a fully permitted 200tpd milling facility and tailings storage facility
- Near **Merritt** with direct highway access and hydro power
- Profit share agreements with 6 high-grade BC gold projects

Treasure Mountain:

- 2,513 hectare property
- High grade silver prospect with historic resource
- Option on higher silver prices

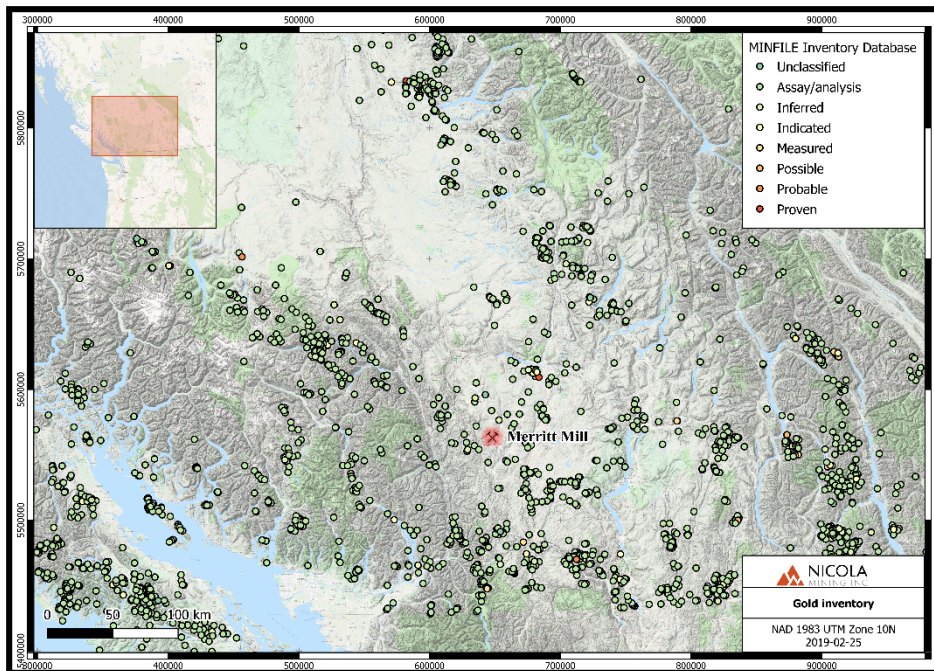
*The historic **Craigmont Mine** is North America's highest grading copper mine*

CASH FLOWING ASSET BASE

Location Map

Merritt Mill & High-Grade Gold Projects

Known Gold Projects Near Nicola's Mill



The Merritt Mill is the only facility permitted to process gold and silver from throughout the province and is poised to become a mid-sized mine facilitator and milling hub

The Merritt Mill Benefits from BC's high regulatory requirements that imply multi-year approval processes and high CAPEX costs for mill and infrastructure construction

Unlike other projects Nicola owns the mill site free-hold and has zoned the property as an industrial site

The Merritt Mill has the potential of becoming BC's small high-grade project facilitator

New Craigmont Project

Merritt Mill Overview



Fully permitted M-68 **200 tpd** mill + tailings storage facility situated within Nicola's **New Craigmont** property

- Highway access and connected to power grid
- Over **C\$30M** invested since 2011
- Includes grinding, crushing and flotation circuits
- Profit share agreements in place with six high-grade British Columbia gold miners



Company owns the approximate 1000 acre property free-hold, has build a state-of-the-art mill and constructed a fully-lined tailings facility.

The Company has additional cash flow sources that include its gravel pit, fly ash disposal and soil reclamation

*The Merritt Mill is expected to commence processing ore from **Gavin Mines Inc** in 2019*

NEW CRAIGMONT COPPER MINE PROJECT

Glorified Past to Drive Its Future



New Craigmont Project

Key Characteristics



New Craigmont is far more than an exciting copper / magnetite exploration project; it is a brown field permitted mine site that closed in 1982 because of the \$0.60 Cu/lb price. The mine closed with the intention to reopen at a later date

Location and Beneficial Infrastructure In Place

- Adjacent to Highland Valley Copper, North America's largest copper mine¹
- Nicola successfully consolidated mine ownership for the first time since 1993
- Corner lot of renowned copper / gold producing batholiths
- Adjacent to major highway (BC Highway 8)
- Power and water in place

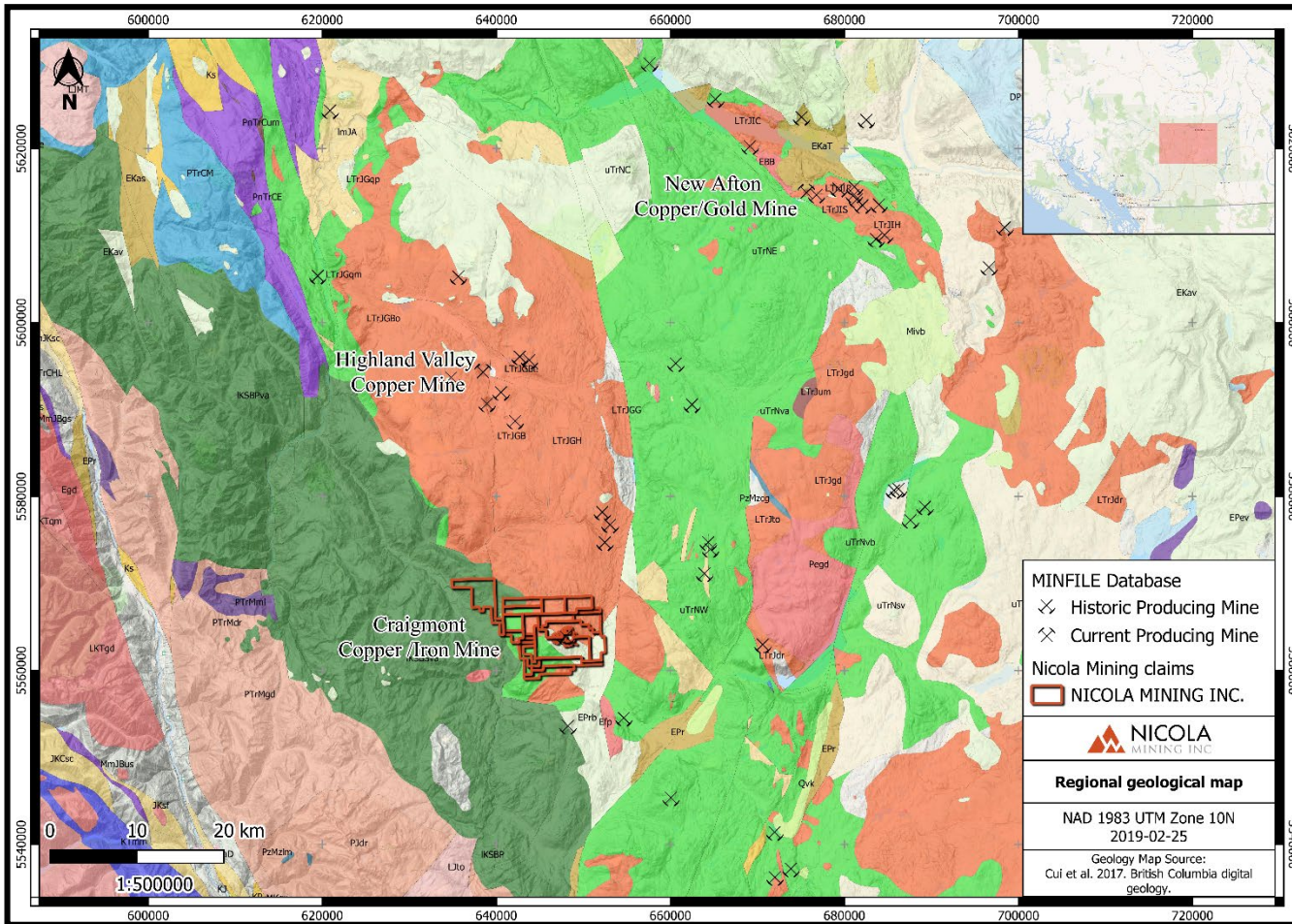
Copper mines require up to 15 years to progress from concept to production. New Craigmont has Mine Permit M-68 in place, thus increasing project IRR and minimizing start up risks

New Craigmont Project

Regional Map



New Craigmont is located in a past and present prolific mining region



New Craigmont Project

Glorified Past – Exciting Future



What History Tells Us

- ✓ 1961-1982, Craigmont Mine produced 34Mt @ 1.3% Cu, both from underground and open pit mining operations¹
- ✓ 1993-2014, Craigmont Mine became Canada's leading producer of high-grade magnetite
- ✓ Historic cut off grade of 0.7% Cu
- ✓ Body No. 3 containing a historic estimate of 1,290,000 tons (1,170,268 metric tonnes) of copper grading 1.53% copper² remains in situ
- ✓ 50.0 million tonne halo grading greater than 0.4% surrounding the high-grade underground ore body to the west of the historic pit³

Mine closed because of \$0.60 Cu price but with the intention of reopening in the future

Takeaways and Where We're Heading

- ✓ Cu contained in chalcopyrite and bornite that is associated with magnetite and hematite
- ✓ Operations able to upgrade Cu by utilizing x-ray conveyor technologies for sulfide rock separation at source
- ✓ Prove resource on historic 80-90 MM tonne historic mine terraces that surround historic pit
- ✓ Continue drilling on halo and work towards Cu equivalent resource
- ✓ Work to towards 100 MM tonne resource
- ✓ Confirm Craigmont skarn is porphyry driven

This is more than an exploration project – it maintains M-68 mine permit

¹Shewchuk, M. (1983). *The Craigmont story*. Hancock House Publishers Ltd.

² Estimate from the J.F. Bristow report dated July 22, 1985, details of which can be found on the Company's technical report entitled "Technical Report on the Thule Copper-Iron Property that was filed under the Company's profile on www.sedar.com on May 8, 2013.

³ These estimates are not compliant with National Instrument 43-101. These are historical estimates of which a qualified person has not done sufficient work to classify as current mineral resource or mineral reserve and the Company is not treating the historical estimates as current mineral resources or mineral reserves.

The existence of magnetite augments the value of copper. ALS Metallurgy conducted months of testing and provided the Company with Metallurgy Testing for Nicola Mining – KM8541 report to provide a CuEq characteristic of Craigmont mineralization.

Low-grade Copper Composite: Feed assays on the LG composite were conducted by ALS and returned grades of 0.27% Cu and 5.1% Fe.

- The presence of magnetite in low-grade material provided an economic contribution of approximately 34% and an increase in CuEq of approximately 0.09%.

High-grade Copper Composite: Feed assays on the HG composite were conducted by ALS and returned grades of 3.26% copper (“Cu”) and 11.4% iron (“Fe”).

- The presence of magnetite in high-grade material provided an economic contribution of approximately 11% and an increase in CuEq of approximately 0.35%

The findings highlight significant value in the magnetite that will increase the Project’s economic value, lower Cu cut off grades and increase resource size

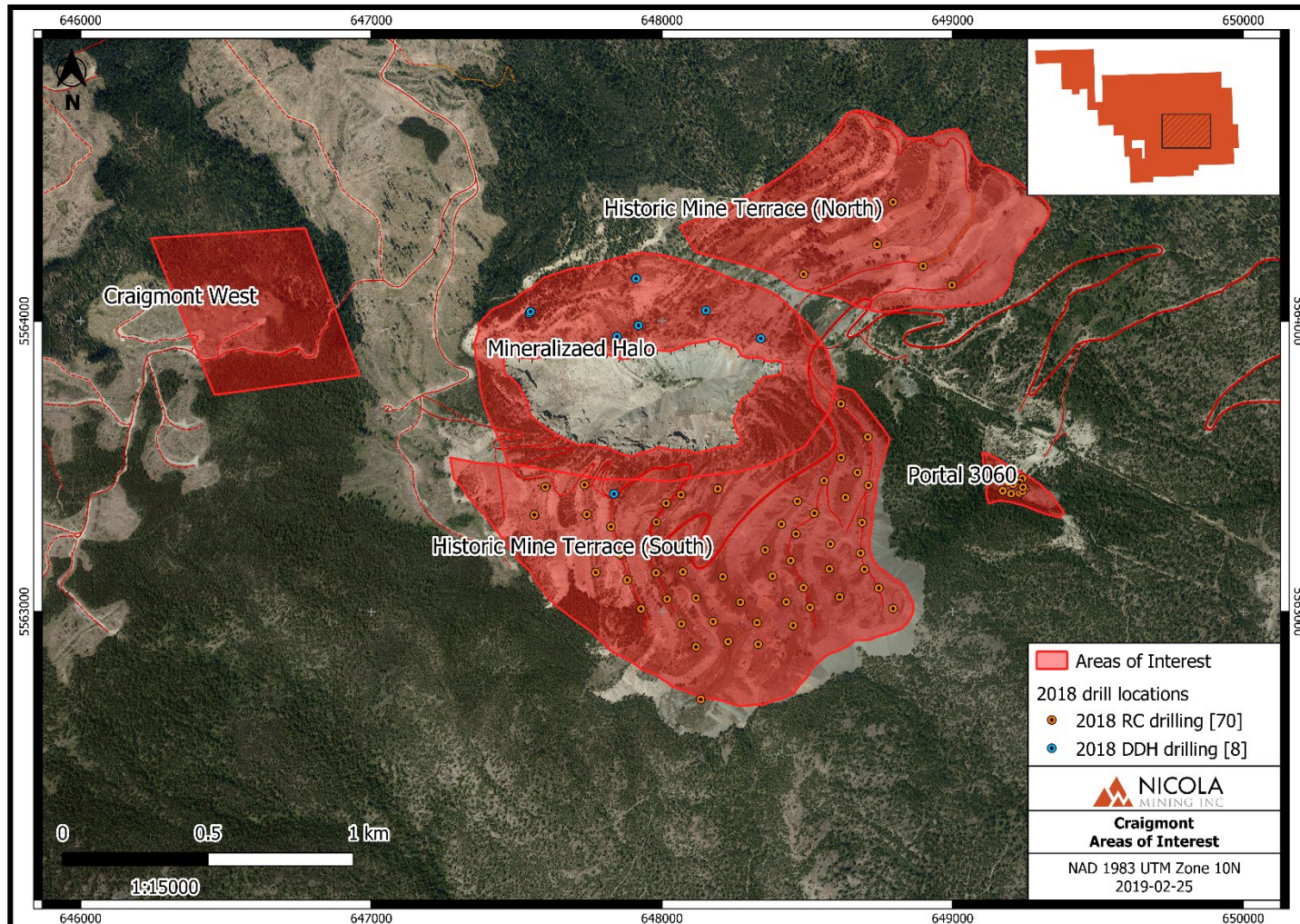
¹ 124-page Metallurgy Testing for Nicola Mining – KM8541 report can be viewed on Company’s website and has been filed under the Company’s profile on www.sedar.com on February 19, 2019.

New Craigmont Project

Resource Development / Mine Potential

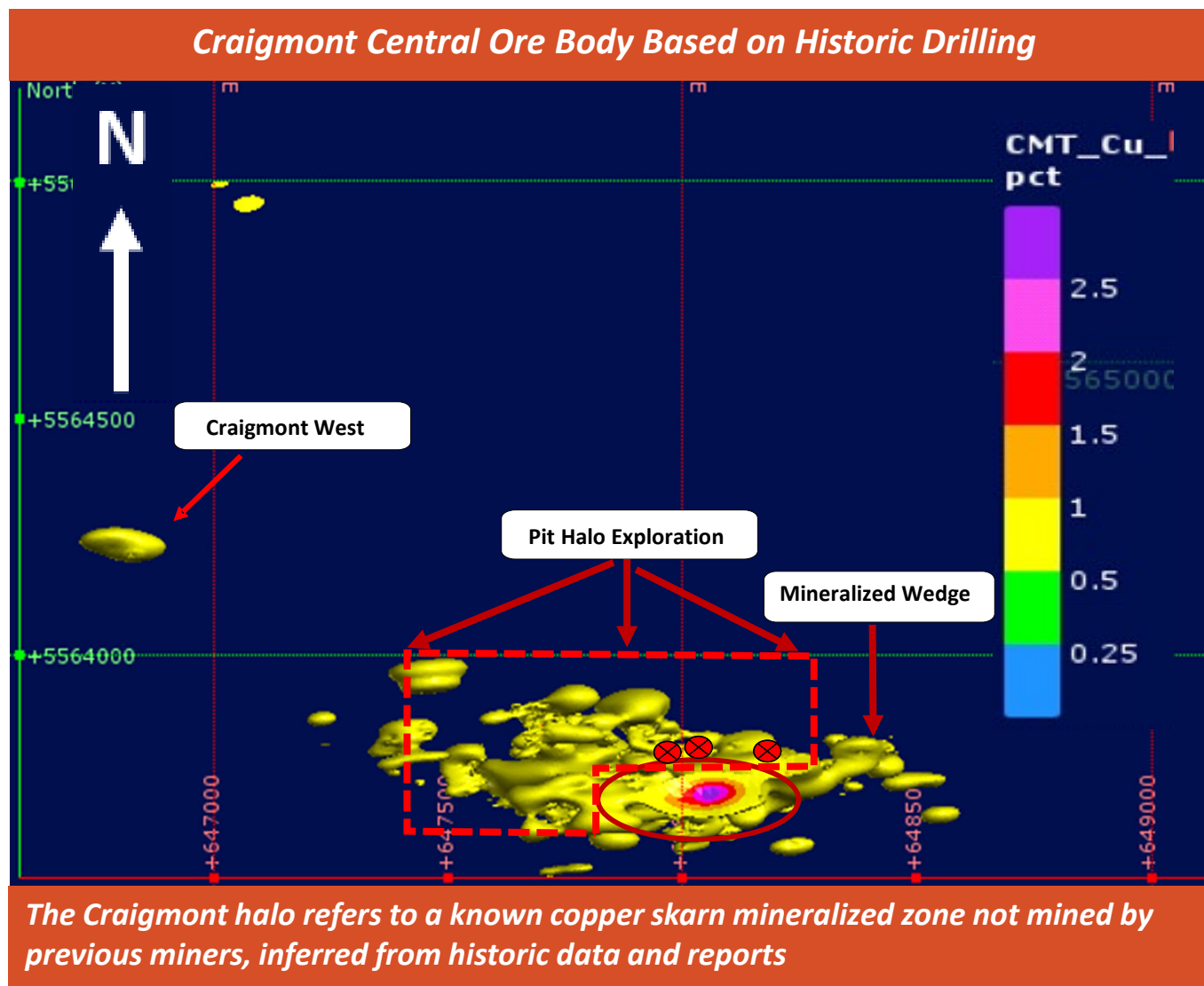


Currently focused on combined copper and magnetite resource development in three zones that will be further augmented by cost efficient production processes



New Craigmont Project

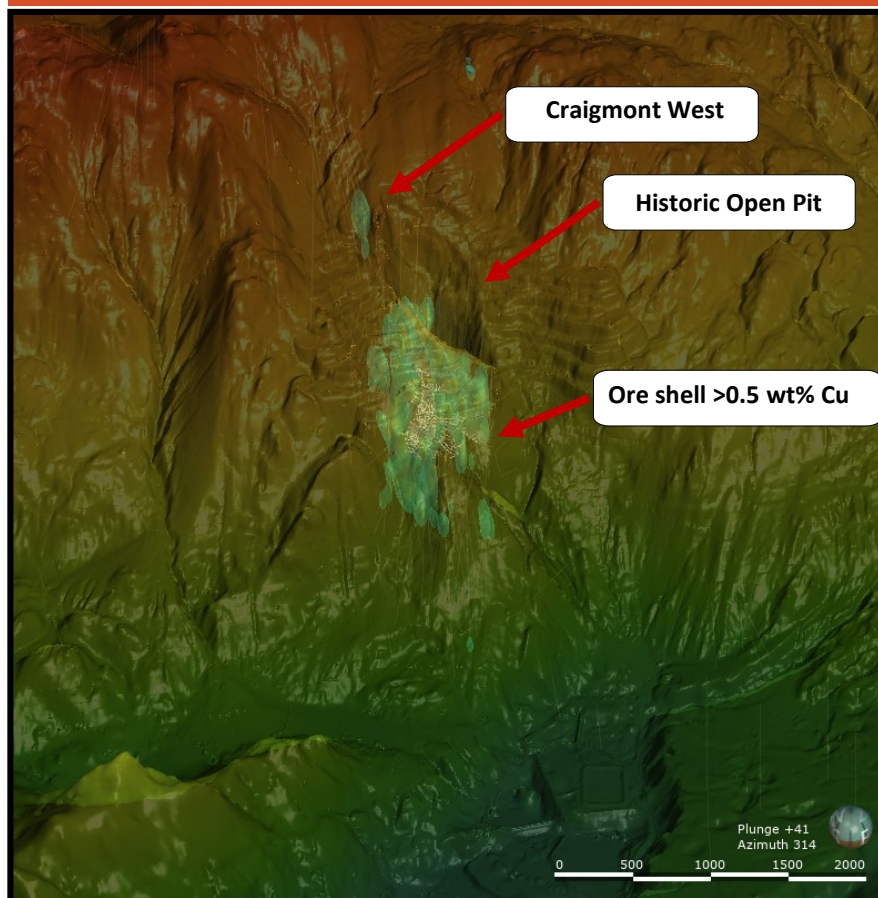
Craigmont Pit Halo Overview



New Craigmont Project

Craigmont Pit Halo Overview

Craigmont Central Ore Body Based on Historic Drilling



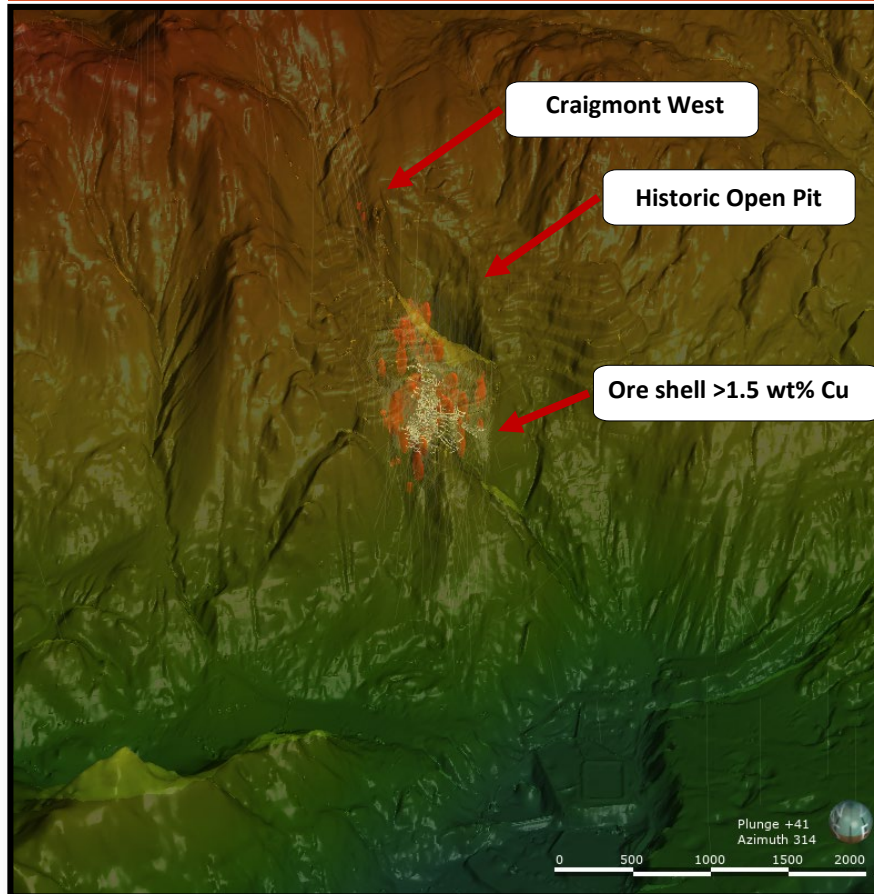
- Grade shell > 0.5 wt% Cu
- Craigmont West largely untested
- Underground workings exploited zone no. 1 and no. 2, but left ore zone no. 3 (south) unmined
- Pit halo largely untested

The Craigmont halo refers to a known copper skarn mineralized zone not mined by previous miners, inferred from historic data and reports

New Craigmont Project

Craigmont Pit Halo Overview

Craigmont Central Ore Body Based on Historic Drilling



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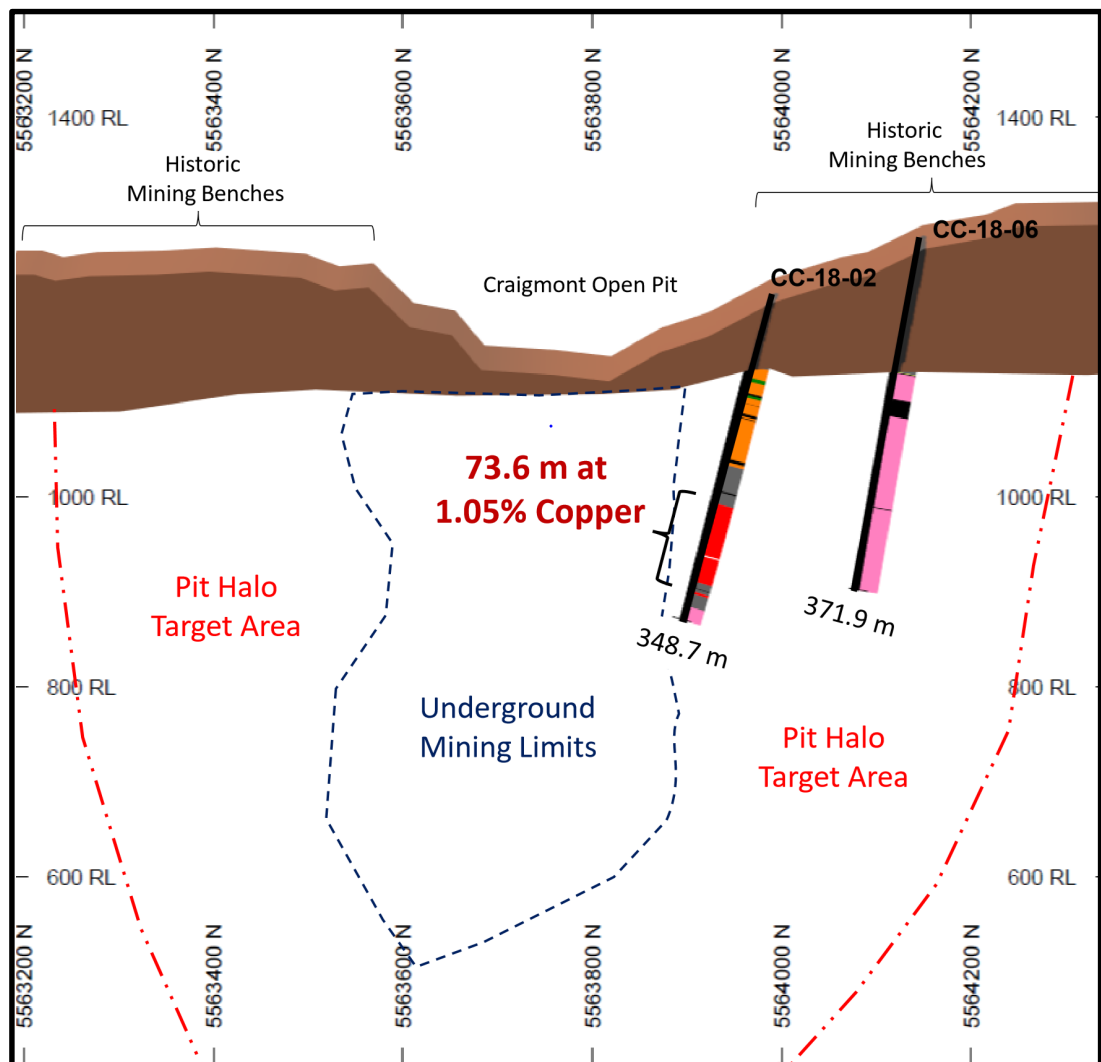
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New Craigmont Project

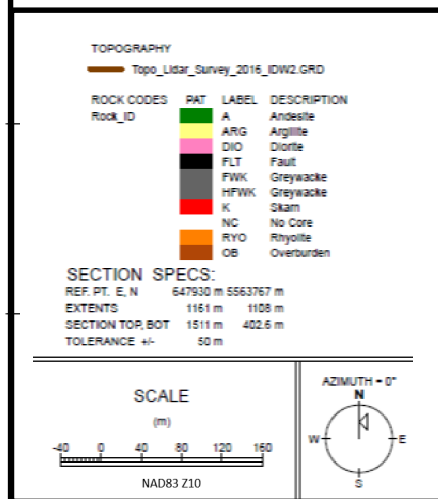
Pit Halo Confirmation



Historic Halo is well documented and supported by historic and recent drilling



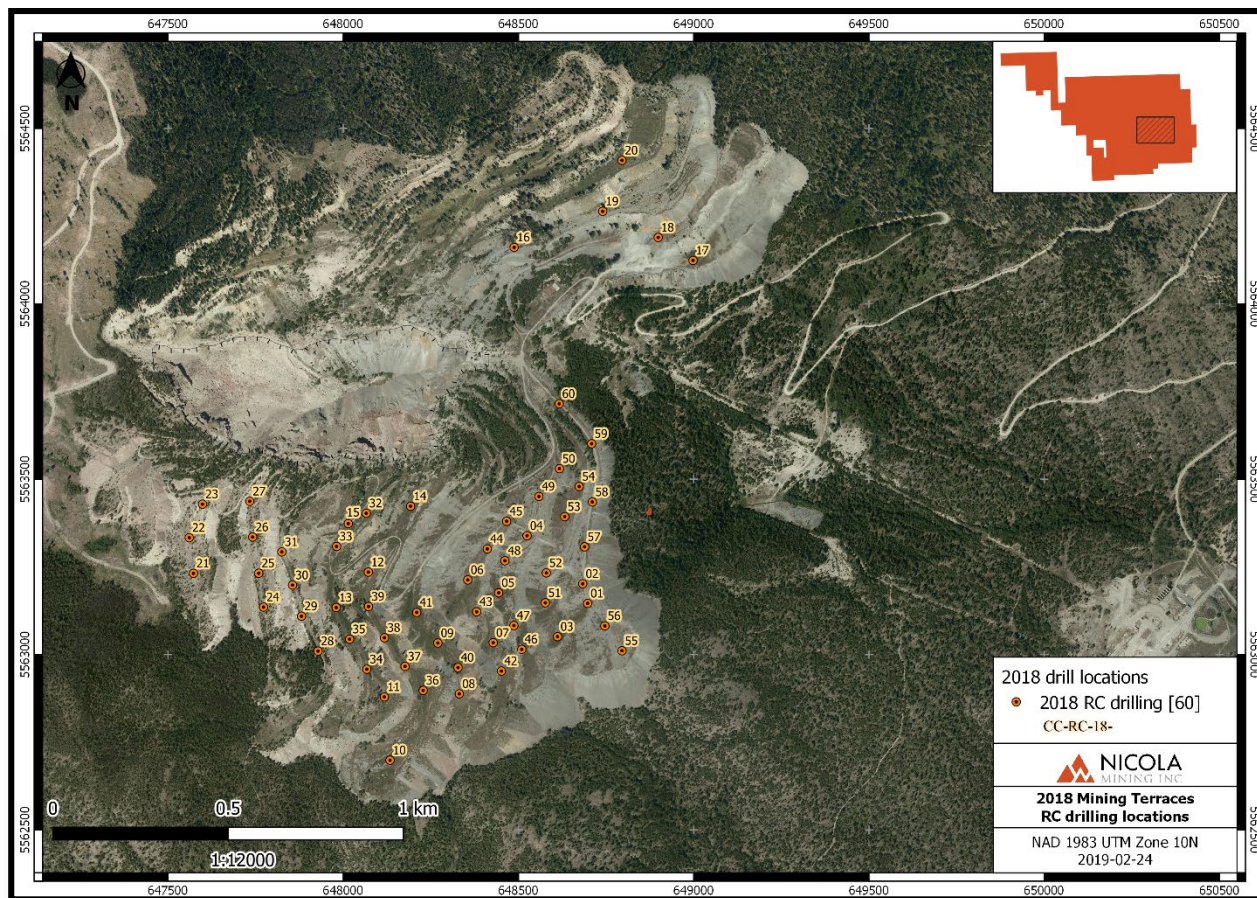
- 2018 Exploration drilling confirmed existence of mineralized halo
- Drill results includes 154 metres grading .54% Cu
- Discovery of previously undocumented mineralized zone around historic pit
- Company will release drill results during 1H 2019 with CuEq grades



New Craigmont Project

Historic Mine Terrace Drill Hole Map

There is approximately 80-90 MM tonnes of material in the historic mine terraces that the Company has conducted reverse circulation drilling (“RC Drilling”).



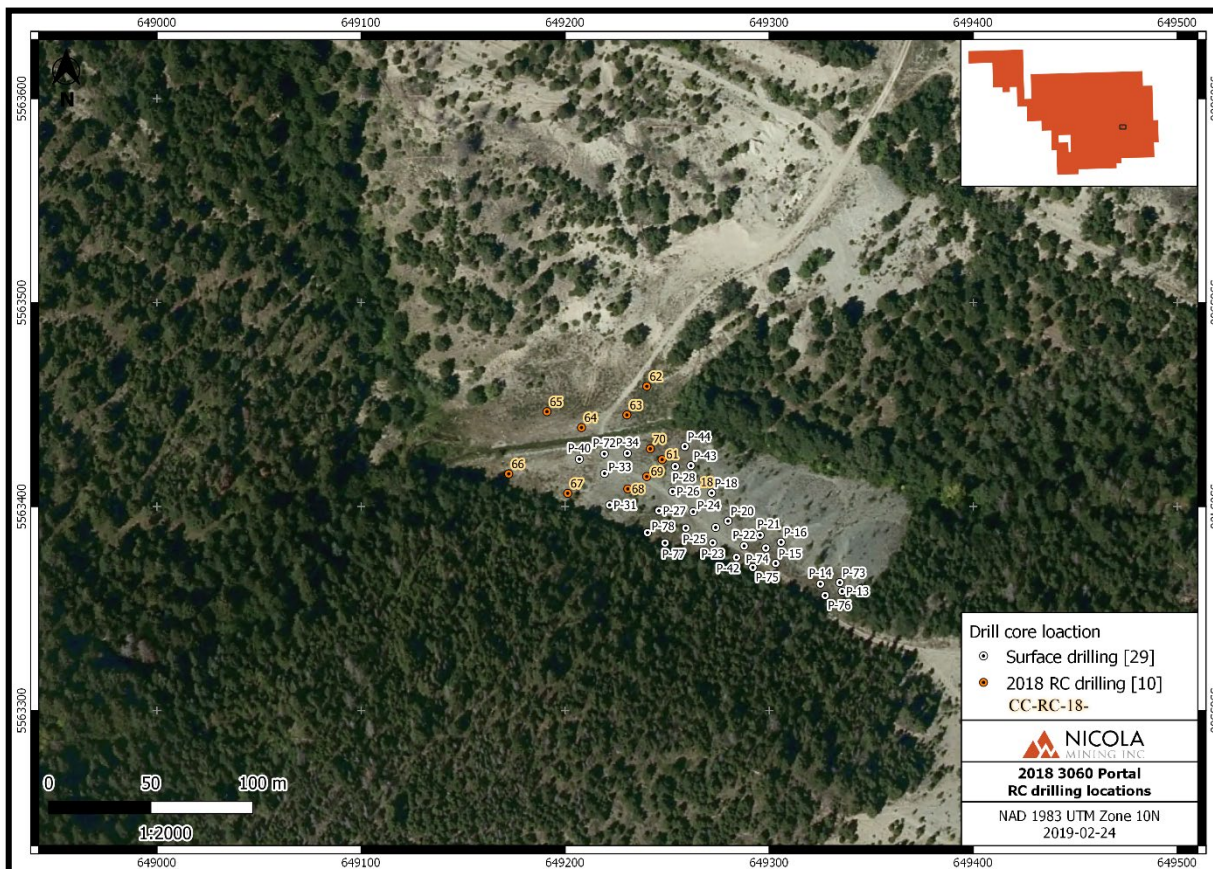
- Historic cut of grades of 0.7% Cu, without magnetite credits in the historic mine
- Because material is already piled in terraces, 50-60% of costs associated with production is mitigated ... it's like doubling the CuEq grades
- Company is currently testing a sulfide separator conveyor system that would significantly upgrade this material
- Company will release drill results during 1H 2019 with CuEq grades

New Craigmont Project

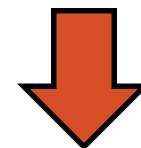
Historic Mine Terrace at Portal 3060 Drill Hole Map



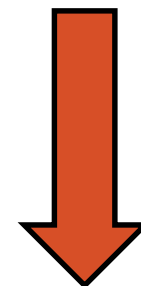
The Company completed its RC Exploration Program at Portal 3060 and announced results on March 1, 2019.



Because material is already piled in terraces,] 50-60% of costs associated with production is mitigated it's like doubling the CuEq grades



Compelling drill results achieved



New Craigmont Project

Portal 3060 – Compelling Grades



	Drill Hole	Depth & Interval (m)	Cu (%)	Fe (%)	CuEq (%)
1	CC-RC-18-61	14.0	0.18%	5.51%	0.33%
2	CC-RC-18-62	6.0	0.01%	3.02%	0.10%
3	CC-RC-18-63	4.0	0.91%	6.44%	1.08%
4	CC-RC-18-64	6.0	0.21%	4.43%	0.34%
5	CC-RC-18-65	4.5	0.02%	3.08%	0.12%
6	CC-RC-18-66	3.0	0.07%	3.80%	0.24%
7	CC-RC-18-67	12.0	0.09%	4.70%	0.22%
8	CC-RC-18-68	8.0	0.28%	7.10%	0.47%
9	CC-RC-18-69	11.0	0.17%	5.01%	0.33%
10	CC-RC-18-70	16.0	0.22%	6.55%	0.41%
11	P-13	8.0	0.27%	6.69%	0.43%
12	P-14	8.0	0.17%	5.82%	0.33%
13	P-15	9.0	0.04%	2.94%	0.15%
14	P-16	15.0	0.10%	3.93%	0.21%
15	P-17	11.0	0.20%	5.49%	0.31%
16	P-18	19.0	0.16%	5.65%	0.31%
17	P-20	15.0	0.11%	4.49%	0.23%
18	P-21	14.0	0.25%	4.73%	0.36%
19	P-22	9.0	0.20%	5.49%	0.34%
20	P-23	8.0	0.16%	5.52%	0.31%
21	P-24	9.0	0.14%	5.64%	0.30%
22	P-25	9.0	0.21%	6.14%	0.37%
23	P-26	7.0	0.23%	6.44%	0.40%
24	P-27	7.0	0.36%	8.50%	0.59%
25	P-28	12.0	0.20%	5.16%	0.34%
26	P-31	6.0	0.24%	7.17%	0.43%
27	P-33	12.0	0.29%	6.61%	0.47%
28	P-34	5.0	1.03%	8.54%	1.27%
29	P-40	11.0	0.25%	6.24%	0.42%
30	P-42	6.0	0.14%	4.46%	0.26%
31	P-43	17.0	0.16%	5.13%	0.30%
32	P-44	13.0	0.33%	5.82%	0.48%
33	P-72	9.0	0.86%	9.54%	1.12%
34	P-73	10.0	0.22%	6.86%	0.40%
35	P-74	11.0	0.16%	4.38%	0.28%
36	P-75	4.0	0.10%	4.02%	0.21%
37	P-76	5.0	0.15%	5.24%	0.29%
38	P-77	7.0	0.35%	5.33%	0.49%
39	P-78	5.0	0.22%	8.52%	0.45%

- An average grade of 2424 ppm Cu and 0.4% CuEq for the 39 drill holes
- An average grade of 9095 ppm Cu (0.90% Cu) and 1.08% CuEq for Hole CC-RC-18-63
- An average grade of 10,332 ppm Cu (1.03% Cu) and 1.27% CuEq for Hole P-34
- An average grade of 8632 ppm Cu (0.86% Cu) and 1.03% CuEq for Hole P-72

New Craigmont Project

Craigmont Pit Halo Overview



The New Craigmont Project has repeatedly shown significant grades. The grades below don't yet include the impact of magnetite recovery to calculate a CuEq



- CC-2018-02: 150 Metres grading 0.54% Cu
- NC-2018-01: 71.4m @ 0.6% Cu
- NC-2018-03: 100.6m @ 1.3% Cu
- DDH-THU-002: 85.6m @ 1.1% Cu

Nicola will continue to work towards a resource, combine the economic values of copper and magnetite. 2018 Exploration confirmed that Craigmont mineralization is driven by a porphyry

- ✓ Explore and develop North America's highest grading copper mine:
 - Permitted Mine (M-68) with near-term start up potential
 - Focus on combining historic terraces, Craigmont West, and pit halo into a resource
 - Exploration and extension of pit halo will provide better understanding of the system's mineralization source
 - Solid IRR potential based on combining Cu and magnetite values

- ✓ Fully Permitted Mill and Tailings Storage Facility in BC
 - Fully-permitted mill site to commence production of gold in 2019
 - M&A opportunity of permitted gold project(s)
 - Soil reclamation, fly & bottom ash disposal, gravel pit provide cash flow
 - Site is the de facto mill site for BC's small high-grade gold projects

- ✓ Treasure Mountain Silver Mine can open with increased silver price

APPENDIX

Understanding Copper Grades

Grade, intercept and overburden are important inputs in the feasibility of a copper mine, but other factors are also very important

BC Copper Mining	Andes Copper Mining	Mexico & Central America
<ul style="list-style-type: none">• World's lowest cut off grades• Low water and power costs• Low altitude and mild climate• Logistically close to global markets• Cut-off grades 0.15%	<ul style="list-style-type: none">• High-grade - big scale projects• High Altitude increases fuel and power costs• Higher logistic costs• Increased exploration and CAPEX• Cut-off grades 0.4%	<ul style="list-style-type: none">• Lower grades also feasible• Low strip ratios• Large-scale projects• Logistically close to global markets• Cut-off grades 0.35%

New Craigmont is a low exploration cost – low mining cost jurisdiction – high-grade project

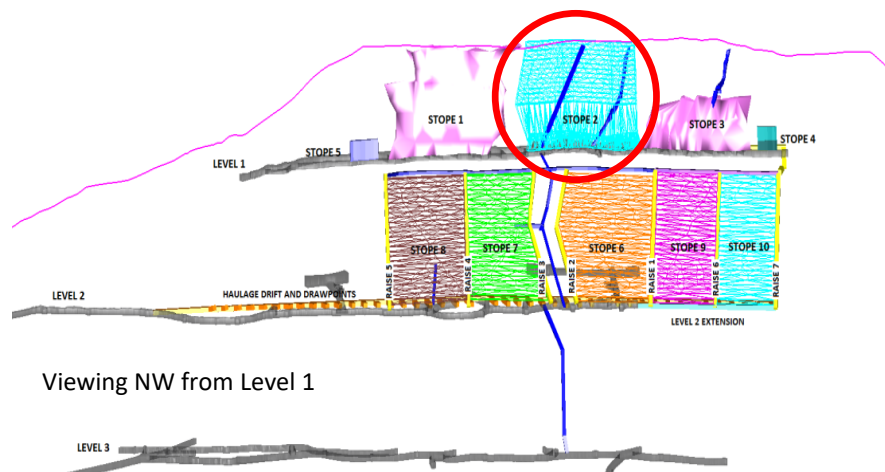
Treasure Mountain still provides Nicola future production potential

- Level 1 Stope 2 could provide near term cash flow
- Coeur d'Alene and the Sprott Group's geologists concluded that the property maintained near term cash flow and exploration upside potential
- Holdings consist of 51 mineral tenures comprising 21 legacy claims, 100 cell units and five Crown Grants for a total of approximately 2,850 hectares
- Treasure Mountain has three clear target zones:
 - MB Zone (Northern Side of Mountain)
 - Eastern Zone / JK Vein
 - Jensen Portal

Treasure Mountain

Level 1 - Stope 2

The Company has the option to reopen and mine Level 1 Stope 2



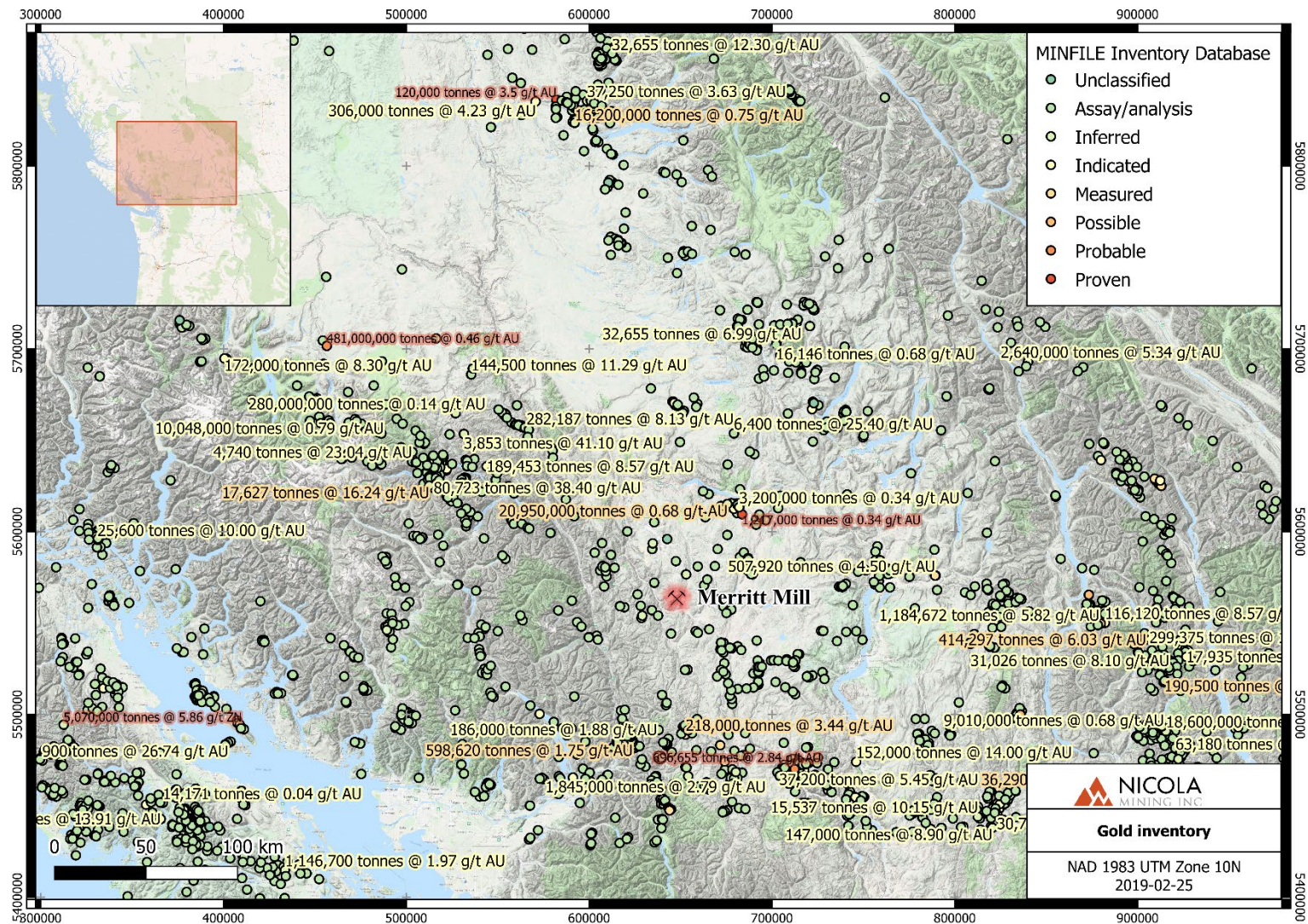
- \$460,000 estimated remaining costs to mine Level 1 Stope 2
- \$308,000 estimated cost to ship mill feed from Treasure Mountain Mine to Merritt Mill
- A portion of costs associated with Stope 2 drawdown have been incurred
- Proceeds from mining activities would be expected to be used to fund exploration at Treasure Mountain and for working capital

Level 1 Stope 2 of the Treasure Mountain Mine is estimated to have the following characteristics:⁽¹⁾

	Cutoff	Tonnes > Cutoff	Contained Metal		
Heading	(Ag oz/t)	(tonnes)	Ozs Ag	Lbs Pb	Lbs Zn
Level 1 Stope 2	10.0	14,000	430,000	1,590,000	940,000

¹ Grade numbers sourced from the technical report entitled "Technical Report, Project Update Treasure Mountain Property Tulameen River Area, BC, Canada" dated June 7, 2012 prepared by Erik A. Ostensoe, P. Geo., Gary H. Giroux, MASC., P. Eng. and Jim Cuttle, P. Geo. Which was filed on the Company's profile on www.sedar.com on June 12, 2012. Please refer to Table 19: Total Vein Indicated Resource- Above 1,622m Elevation of the Technical Report. Grade numbers assume a 10 oz/t Ag cut-off.

Gold Inventory Proximal to Permitted Merritt Mill

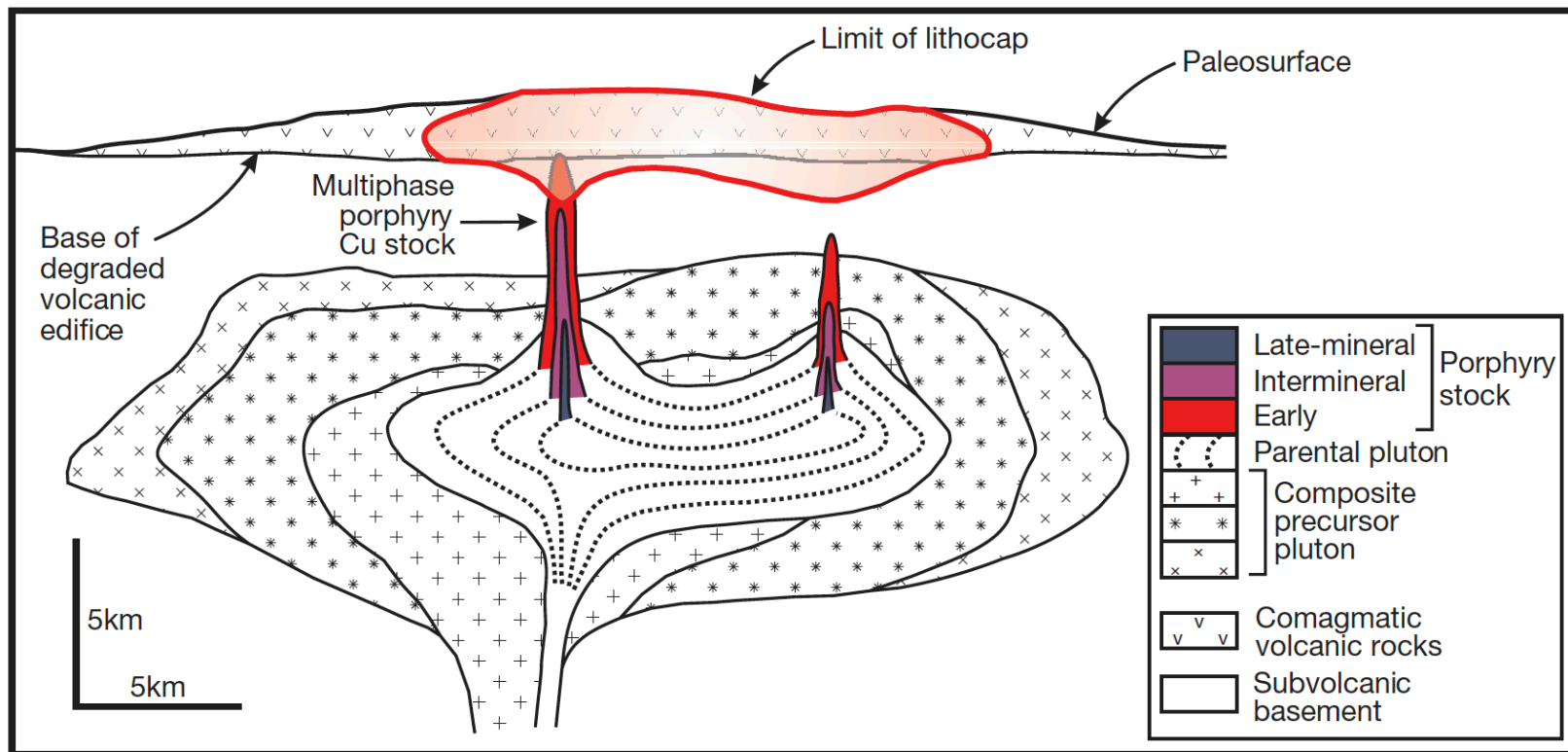


Data source: MINFILE Inventory
Database. Accessed: 2019-02-25

New Craigmont Project

Craigmont Pit Halo Overview

Potential porphyry driver of Craigmont's high-grade Cu and Magnetite mineralization

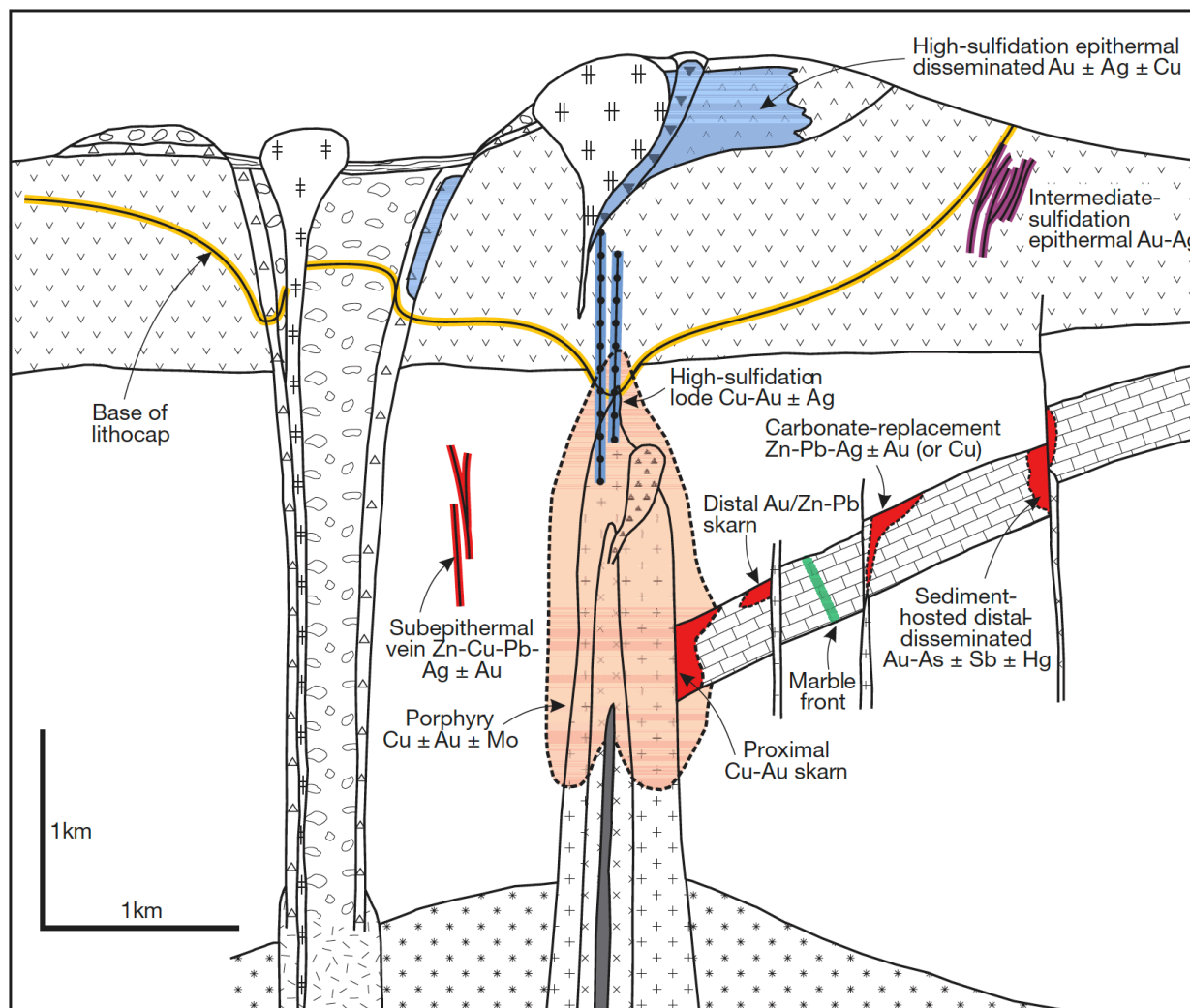


RH Sillitoe - 2010

New Craigmont Project

Craigmont Pit Halo Overview

Potential source of the Craigmont skarn



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