



TSX-V: NIM
OTC: HUSIF
DAX: HLI

BRITISH COLUMBIA BASED DIVERSE MINING COMPANY



www.nicolamining.com

October 2020

Cautionary Statement Regarding Forward-Looking Statements

*Certain statements and projections in this presentation are forward-looking statements and forward-looking information within the meaning of applicable securities laws. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” occur. Forward-looking information in this presentation includes, but is not limited to, statements regarding the beliefs, plans, expectations or intentions of management, as of the date of this presentation, regarding: (i) Nicola Mining Inc.’s (the “**Company**”) ability to develop its exploration assets via operational cash flow from gold concentrate production; (ii) the Company’s plans and expectations regarding its proposed 2020 exploration program for its Treasure Mountain Silver Mine; (iii) the reopening of its Treasure Mountain Mine and Merritt Gold/Silver Mill Facility (the “**Merritt Facility**”); (iv) any potential merger and acquisition (“**M&A**”) or joint venture concerning the Company or its mineral projects; (v) the Company’s ability to upgrade Cu mineralization grades via the utilization of the TOMRA Tertiary XRT Sorter Conveyor; and (vi) any other statements, plans or expectations regarding further mining activities on the Company’s various projects. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that these expectations and assumptions will prove to be correct. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements including, without limitation, the risks that: (1) fluctuations in commodity pricing, specifically copper, gold and silver; (2) the Company’s ability to retain or engage qualified employees or contractors necessary to conduct mill operations at its Merritt Facility; (3) a decreased demand for copper, gold, silver and other minerals; (4) unexpected difficulties with the milling and the extraction of minerals from the Company’s projects; (5) unexpected interruptions and problems encountered in the operation of the Merritt Facility; (6) factors that delay or cause difficulties in timing of shipments of concentrates by the Company; (7) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges; (8) that the Company may not have sufficient capital to operate its Merritt Facility or facilitate the further exploration of its properties; and (9) other factors beyond the Company’s control.*

There is a significant risk that such forward-looking statements will not prove to be accurate. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Given the current state of the global financial markets, global commodity markets, especially the recent volatility in copper, gold, and silver prices and current economic conditions, any forward-looking statements or projections may be impacted significantly. Consequently, there is no representation by the Company that actual results achieved will be the same as those forecast. You are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other risks and uncertainties are set out in the section entitled “Risk Factors” in the Company’s MD&A filed on SEDAR at www.sedar.com.

Cautionary Note Regarding Technical Information

*Unless otherwise indicated, all scientific and technical information in this presentation regarding the Craigmont Project is derived from the Company’s technical report entitled “NI 43-101 Technical Report on the Preliminary Copper Resource for the Southern Dump and 3060 Portal Dumps” dated May 21, 2020 (the “**Craigmont Technical Report**”) prepared by Kevin Wells, P. Geo., and James N. Gray, P. Geo. and all scientific and technical information in this presentation regarding the Treasure Mountain Property is derived from the Company’s 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. Such information is based on assumptions, qualifications and procedures which are not fully described herein. Reference should be made to the full text of these documents which were filed under the Company’s profile on SEDAR at www.sedar.com on June 1, 2020 and June 12, 2012, respectively. Kevin Wells, P. Geo., is a Qualified Person under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**NI 43-101**”) and is responsible for and has approved the technical contents of this presentation relating to the Craigmont Project. Al Beaton, P. Eng., the Company’s mine manager, is a Qualified Person under NI 43-101 and is responsible for and has approved the technical contents of this presentation relating to Treasure Mountain.*

EXECUTIVE SUMMARY

Nicola Mining Inc. (“Nicola” or the “Company”) will continue to develop its exploration assets via operational cash flow from gold concentrate production

- Operational revenues / cash flow mitigates dilution
- National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) report on historic mine waste terraces published June 1, 2020 and filed on SEDAR
- ALS Metallurgy’s Laboratory (“**ALS**”) report highlights TOMRA Tertiary XRT Sorter Conveyor’s (“**XRT Sorter**”) ability to upgrade Cu mineralized material factor about 5 times on average for the coarse fractions of samples from the Southern Dump and the 3060 Portal Dumps¹
- Multiple copper intercepts grading over 1.0% Cu
- 2019 New Craigmont drilling intercepted porphyry-style mineralization
- Insiders / related parties own approximately 50% of fully-diluted shares



Nicola holds three core assets that all maintain standalone value

¹ See the Company’s news release dated June 15, 2020 which is filed under the Company’s profile on SEDAR at www.sedar.com

² See the Company’s news release dated September 23, 2020 which is filed under the Company’s profile on SEDAR at www.sedar.com

CAPITAL STRUCTURE



Exchange / Symbol(s)	TSX-V: NIM FSE: HLI
Share Price ⁽¹⁾	C\$0.13
Shares Outstanding ⁽²⁾	253M
Market Capitalization ⁽¹⁾	C\$32.9M
52 Week Low / High ⁽¹⁾	C\$0.035 / C\$0.21
Cash & Equivalents Balance ⁽²⁾	C\$500,000
Convertible Debenture ^(2,3)	C\$7.5M

Management, Board and Affiliated entities account for approximately 60% of all non-flow through funds raised since 2014.

⁽¹⁾ As of Oct. 8, 2020

⁽²⁾ Approximate as of Oct. 8, 2020

⁽³⁾ 90% held by insiders – convertible at \$0.10/share

OFFICERS AND DIRECTORS



Peter Espig - Chief Executive Officer / Director

Mr. Espig was appointed CEO on November 7, 2013 as part of the Company's turnaround. He has structured and raised funds for over US\$2.5 billion in private equity and pre-IPOs. The former diamond driller and Goldman Sachs executive has a proven track record in distressed turnaround and maximizing corporate value.

Warwick Bay – Chief Financial Officer

Mr. Bay has been a member of the Institute of Chartered Accountants of B.C. since 1979 and practiced for over 10 years with one of the big four public accounting firms and is specialized in the audit of public mining companies. Mr. Bay spent seventeen years in the financial services industry focused on raising capital for junior mining companies.

Dr. Jacob Longridge – Senior Exploration Geologist

Dr. Longridge is an experienced exploration geologist with an in-depth understanding of the formation of porphyry deposits and their related epithermal and skarn systems. He has practical experience in target generation, supervising exploration teams and managing drill programs in BC and Yukon.

Frank Hogel – Chairman / Director

Mr. Hogel is an Asset Manager actively involved in the financial evaluation of companies and convertible debenture restructuring. He is on the advisory board of Concept Capital Management and has more than 13 years of direct experience in the mining industry.

Doug Robinson – Q.C., Director

Mr. Robinson has been a member of the Law Society of British Columbia since 1973 and has served as a Director of the Law Institute of B.C., founding director of the B.C. Mediation Society, and founding Chair of the Canadian Forum for Civil Justice. He has litigated and lectured on legal issues globally.

Dr. Paul Johnston - P.Geo., Director

Dr. Johnston began his career in the late 1980s as a mine geologist at a large Canadian gold mine and since 1996 has worked in a variety of international positions at Teck Resources, including Regional Chief Geoscientist for South America. He has accumulated extensive international experience in early to advanced stage exploration for gold, copper, and zinc.

Nicola Mining has a solid set of assets all located in Southern British Columbia

New Cragmont Copper

- 100% ownership of Cragmont copper mine in southern British Columbia
- 10,913 hectare permitted mine site (Permit M-68)
- NI 43-101 on historic mine waste terraces
- ALS Final-Technical Report highlights the ability to upgrade at source
- Porphyry – high-grade skarn copper system

Treasure Mountain Silver Mine

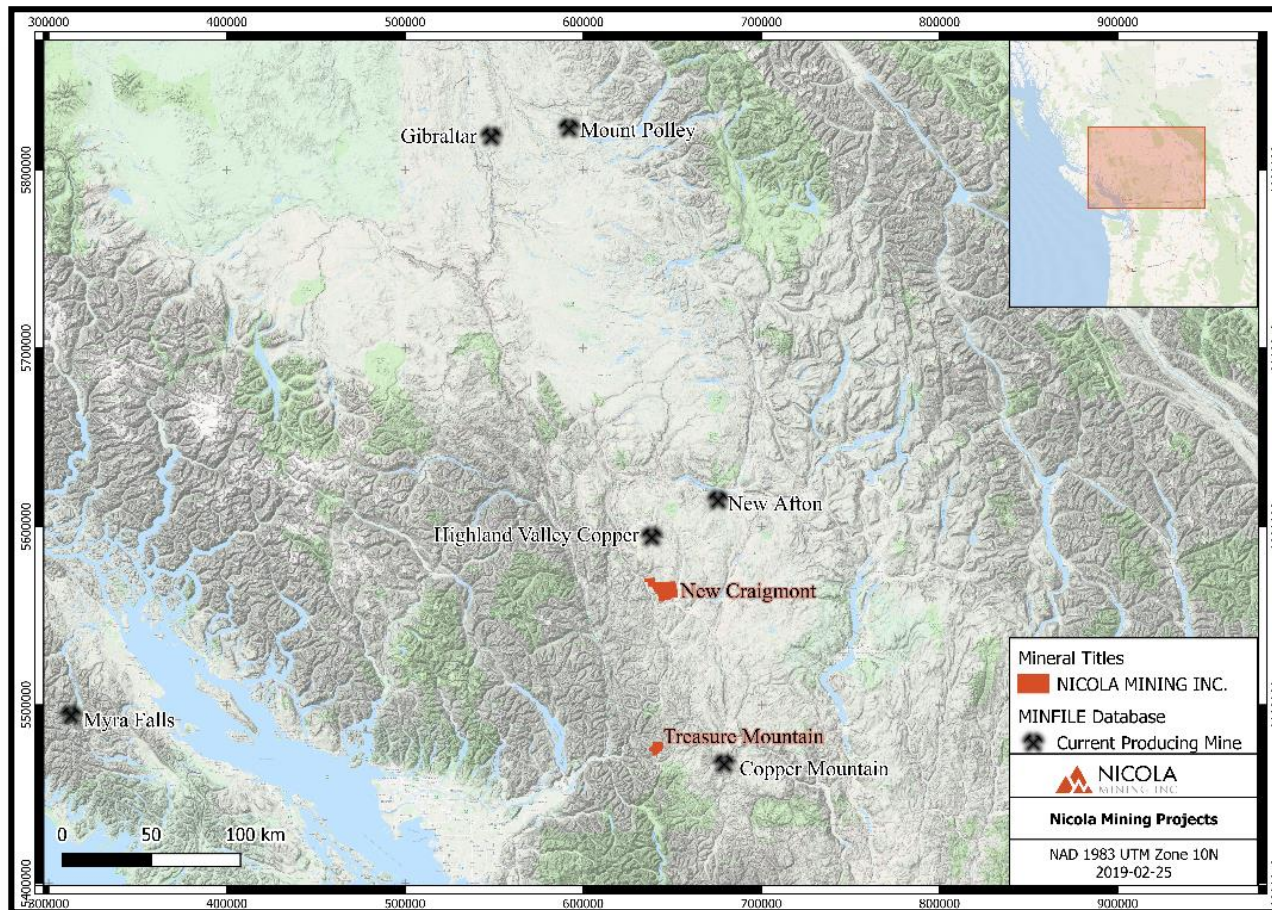
- 100% ownership of southern British Columbia high-grade silver mine
- Fully-permitted (Permit M-239 Treasure Mountain Mine)
- NI 43-101 resource estimate
- Completed successful 2020 Exploration Program
- Company may consider reopening mine in the future

Merritt Gold / Silver Mill Facility

- British Columbia's only site permitted to process material province wide
- 100% ownership of the Merritt Mill Site
- \$30.0 million plus modern facility
- Numerous milling profit share agreements to produce gold concentrate
- Facility prepared to commence operations

ASSET LOCATION

All of the Company's assets are situated in southern British Columbia, region with rich history of copper and gold mining that are bolstered with infrastructure and transportation routes



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

All three assets have standalone value and standalone upside potential

MERRITT MILL

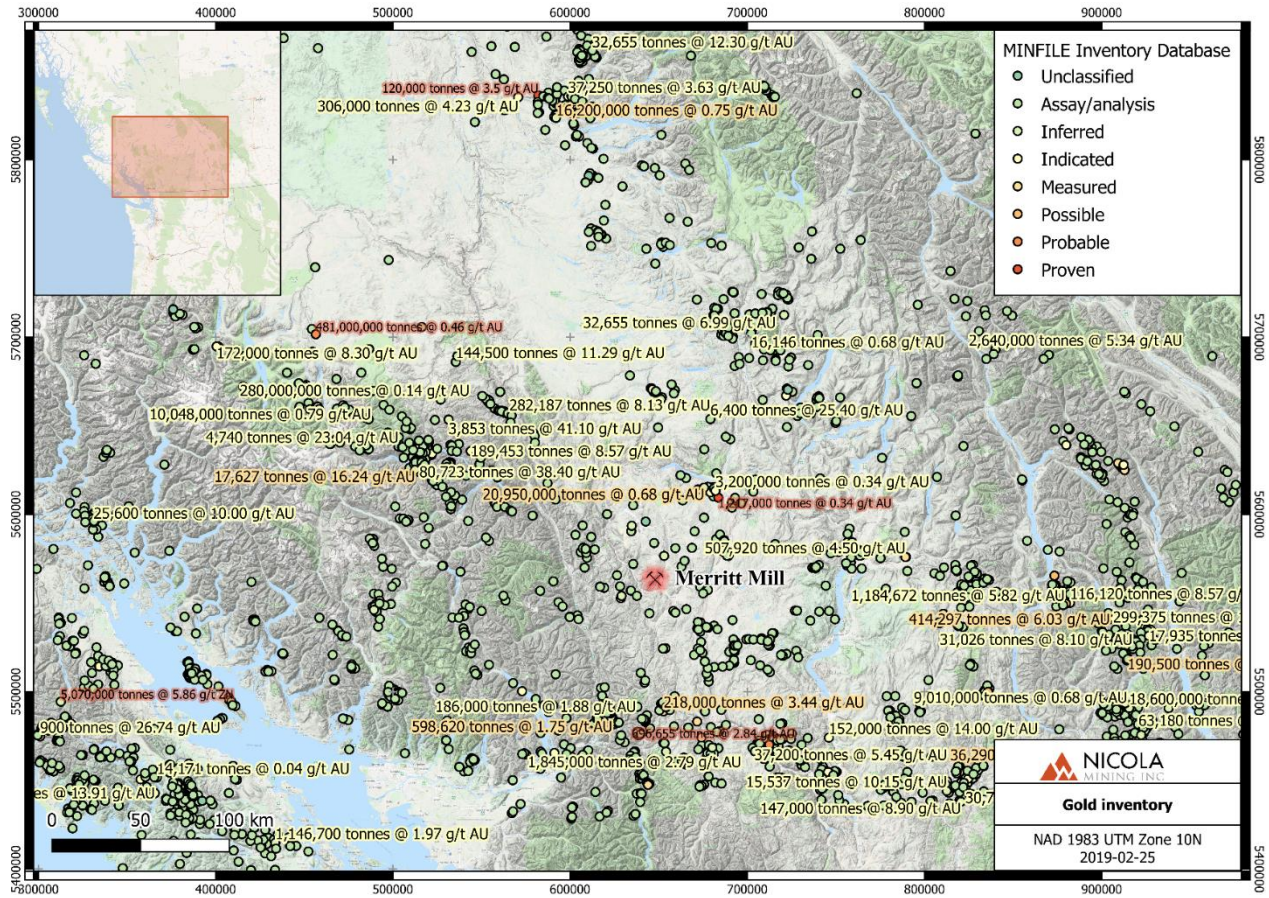


The Merritt Mill is the only facility permitted to process gold and silver from throughout the province and the Company seeks to utilize the facility as a mid-sized mine facilitator and milling hub

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 Merritt Mill site is free-hold and is zoned as an industrial site

Gold Inventory Proximal to Permitted Merritt Mill



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

The Gold Inventory Proximal diagram is not to imply that the Company will be able to benefit from the various projects noted or that such projects will have any relationship with the Company.

MERRITT MILL

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 several high-grade British Columbia gold miners

Company owns the approximate 900-acre property free-hold, has built a modern mill and constructed a fully-lined tailings facility.



The Company hopes to leverage production cash flow to fund exploration



NEW CRAIGMONT COPPER MINE PROJECT

Canadian Copper Project

NEW CRAIGMONT COPPER PROJECT

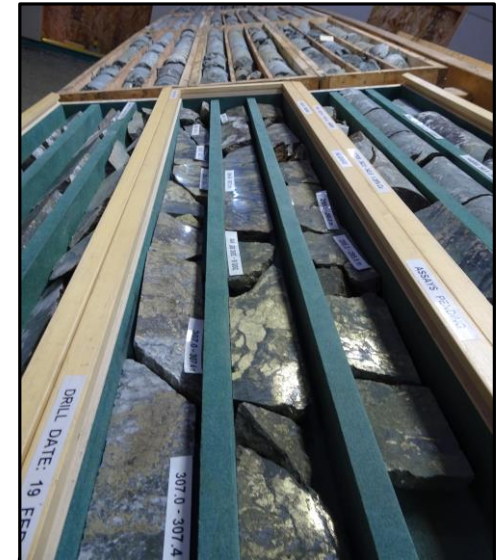
(OVERVIEW)

New Craigmont mine is 100% owned and located in southern British Columbia. Historic copper mine closed because of \$0.60 Cu / lb price – with the intention of reopening with stronger copper prices.

The site has permitting and beneficial location in place

- Adjacent to Highland Valley Copper, North America's largest copper mine.
- Nicola successfully consolidated mine ownership in 2015 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
- Holds mine and mill permit (Permit M-68)
- NI 43 101 on historic waste mine terraces
 - Ability to upgrade Cu grades at source

Both porphyry and skarn mineralization have been encountered in recent exploration

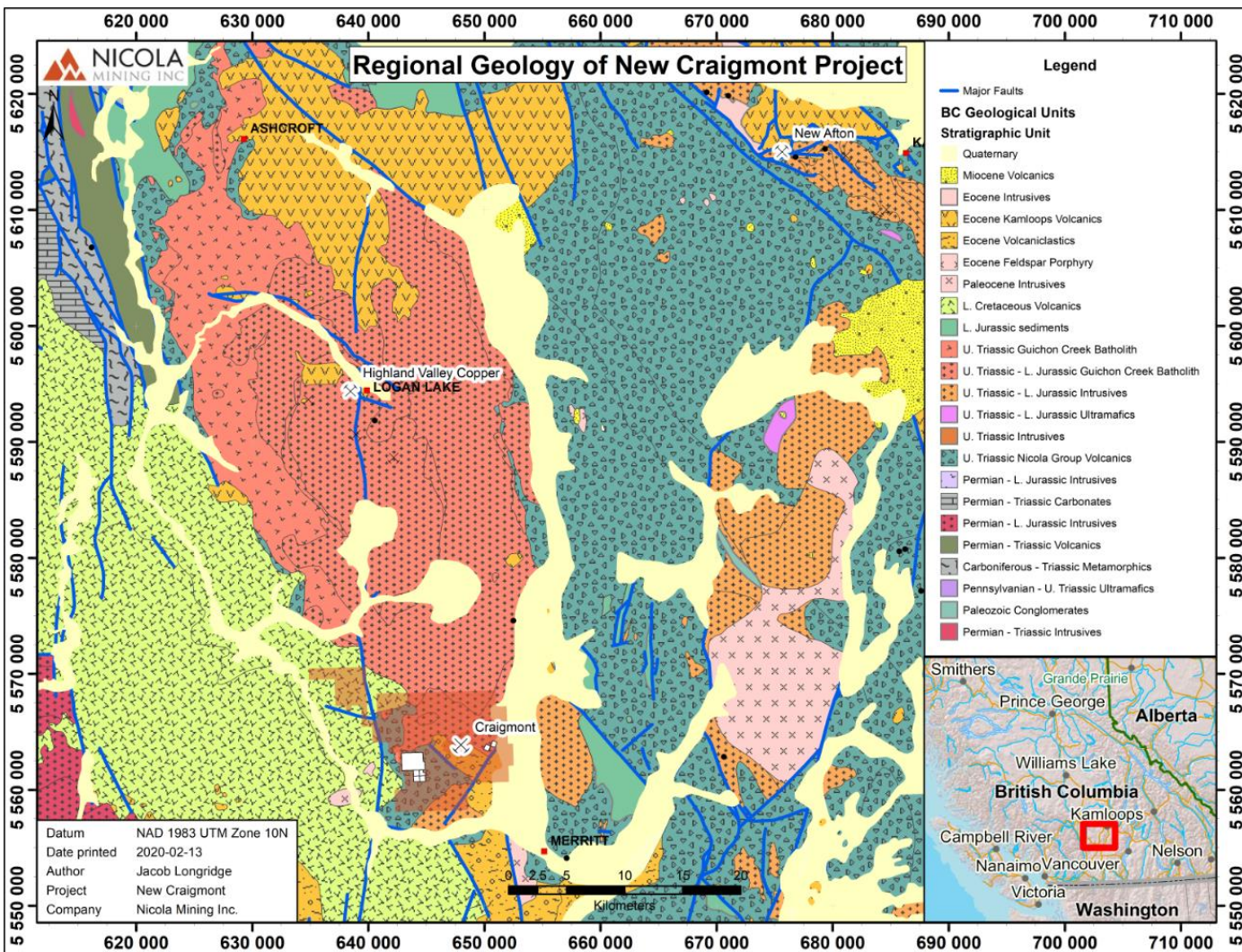


NEW CRAIGMONT COPPER PROJECT

(LOCATION)



New Craigmont is located in a past and present prolific mining region, located adjacent to a major highway (BC Highway 8) which was built to provide transportation to the mine in 1953.



NEW CRAIGMONT COPPER PROJECT

(Prolific History)

What History Tells Us

- ✓ 1961-1982, Craigmont Mine produced 34Mt @ 1.3% Cu, both from underground and open pit mining operations
- ✓ 1993-2014, Craigmont Mine became Canada's leading producer of high-grade magnetite
- ✓ Historic cut off grade of 0.7% Cu
- ✓ Body No. 3 remains in situ

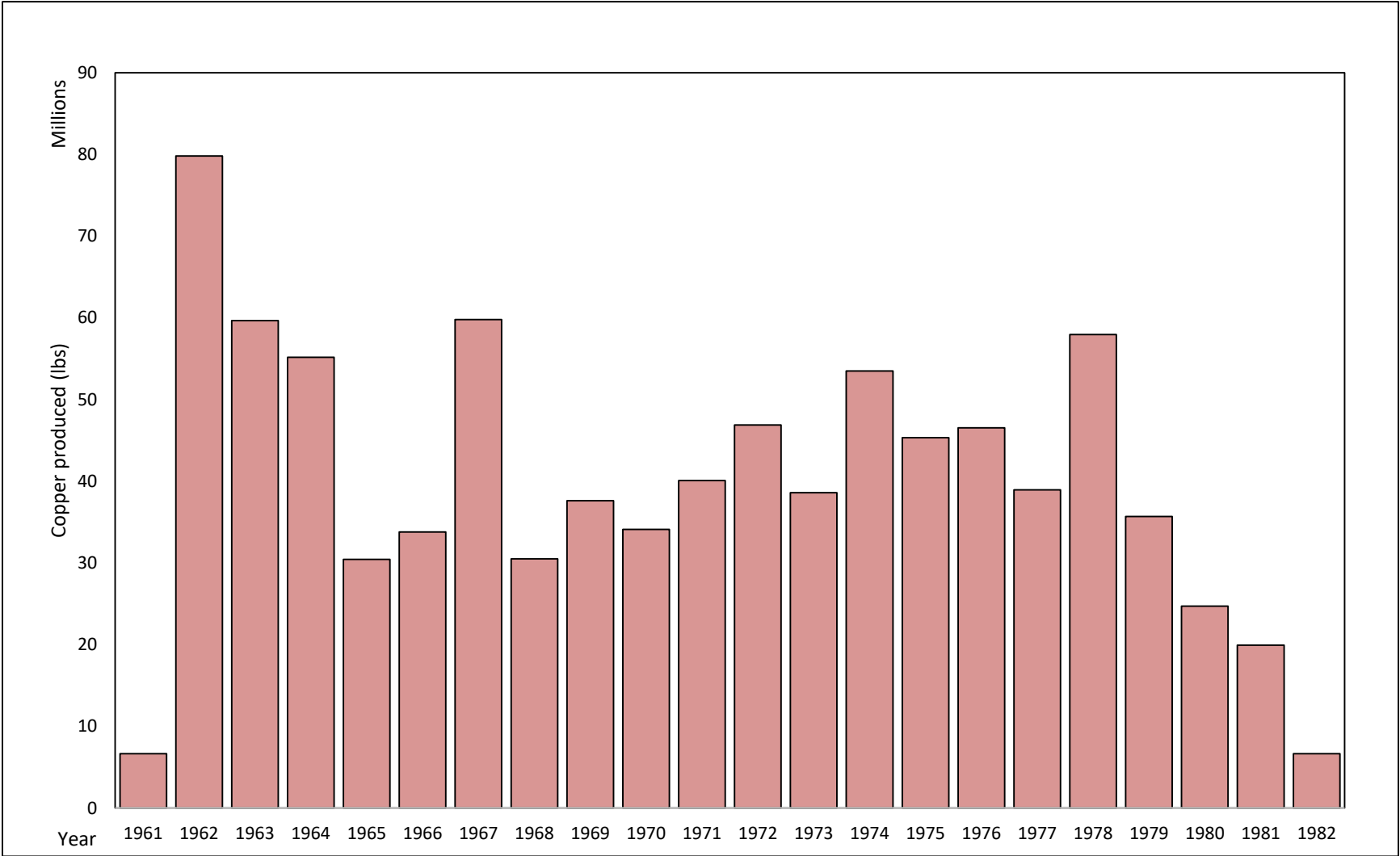
Mine closed because of \$0.60 Cu price but with the intention of reopening in the future



Data source: BC Property Files

HISTORICAL PRODUCTION

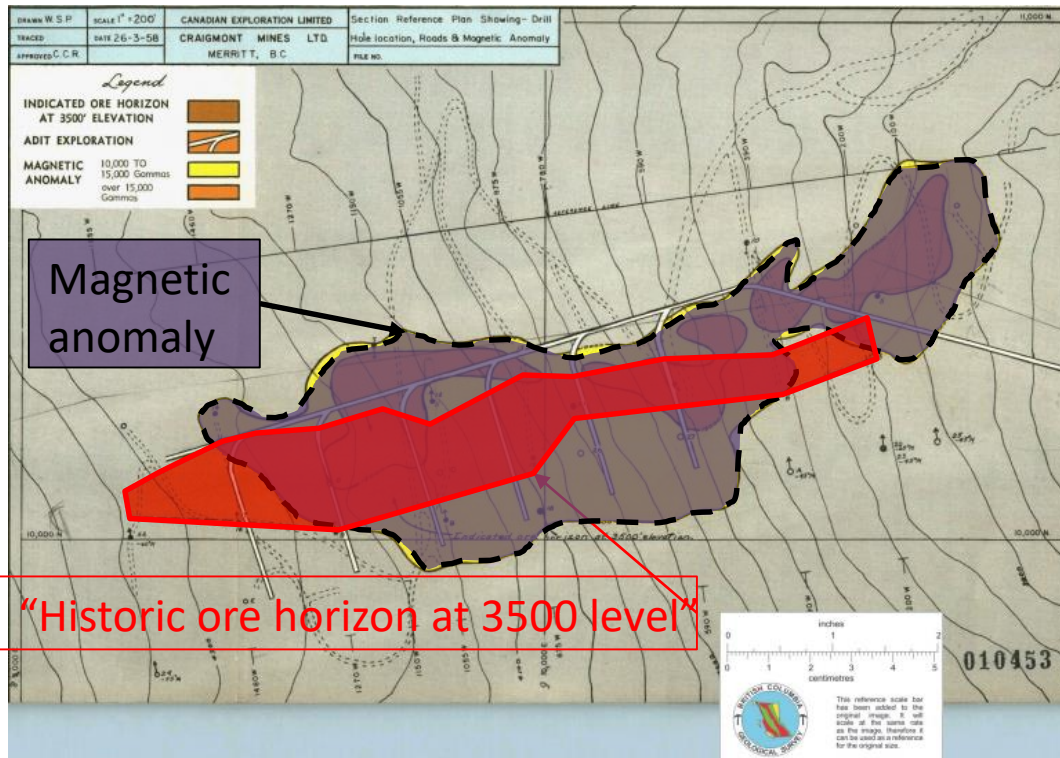
(890 MILLION POUNDS IN 2 DECADES)



Data source: BC Annual Reports 1961-1979 & Craigmont Mines Annual Report 1979-1982. 14

HISTORICAL FOCUS VS CURRENT (1)

Historical exploration at Craigmont focused exclusively on the association of chalcopyrite and magnetite by ground magnetometer and diamond drilling (+/- soil sampling)



"No 'true' exploration was done underground (up to 1977) although as part of ongoing ore definition programme scattered holes were drilled to investigate specific areas or to confirm geological interpretations. Several thousand feet of drilling was done to define **unexpected No. 3 type ore** encountered west of section 7015"

----1979 – Three years to mine shut down ---

"Sustained heating (from the Guichon Creek Batholith) promoted recrystallisation of the adjacent Nicola group rocks leading to mobilisation and concentration of the contained copper and iron. As it is not immediately associated with porphyry-copper alteration and mineralisation, Craigmont may be referred to as a "non-porphyry" skarn deposit."

Source: Gregg Morrison

(Review of Craigmont Mines on-site exploration Programme February 13, 1979)

HOWEVER...

"Detailed logging of drill core from mine area has led to recognition of large areas where the conversion of limy rocks to skarn is incomplete and where mineralization is developed in non-skarn rocks."

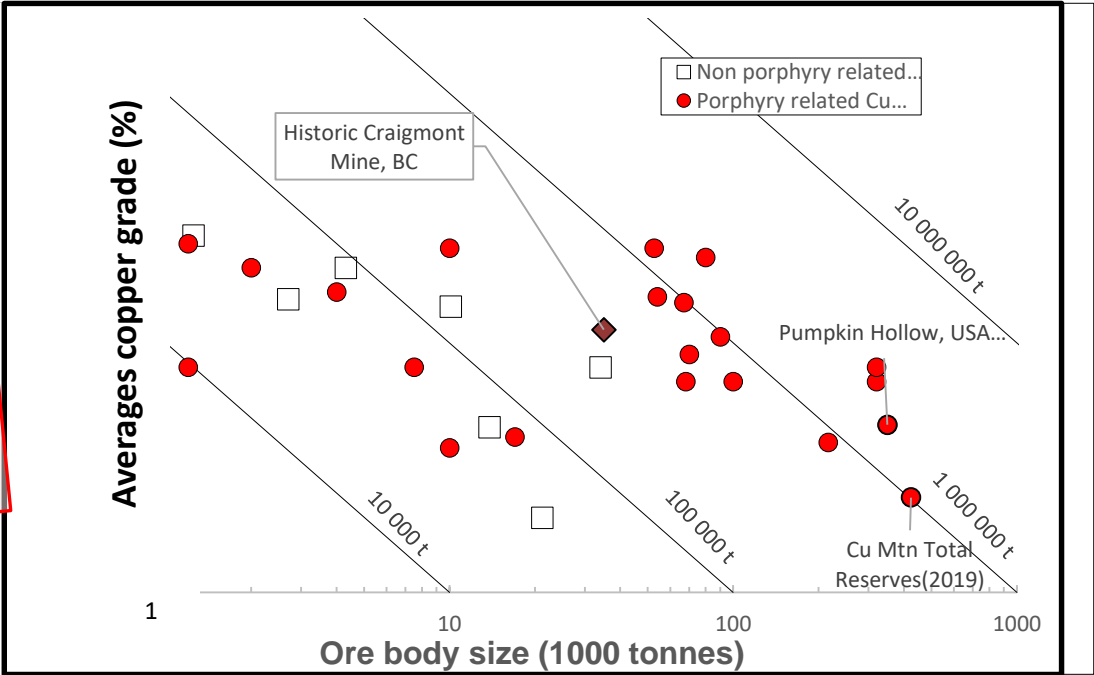
HISTORICAL FOCUS VS CURRENT (2)

Our understanding of the mineralization, its source and potential has greatly changed over the past four years of exploration. Recent exploration results have intercepted porphyry-style mineralization

PROBABLY NOT!
THE FOOTPRINT OF ALTERED ROCK
WOULD BE HUGE AND THE
PRECIPITATION MECHANISM
REQUIRED TO DEPOSIT SO MUCH CU
WOULD BE REMARKABLE!

"Sustained heating (from the Guichon Creek Batholith) promoted recrystallisation of the aureole. Nicola group rocks leading to mobilisation and concentration of the contents of copper and iron. As it is not immediately associated with a porphyry copper, the style of mineralisation, Craigmont may be referred to as a "non-porphyry" skarn deposit"

- Gregg M



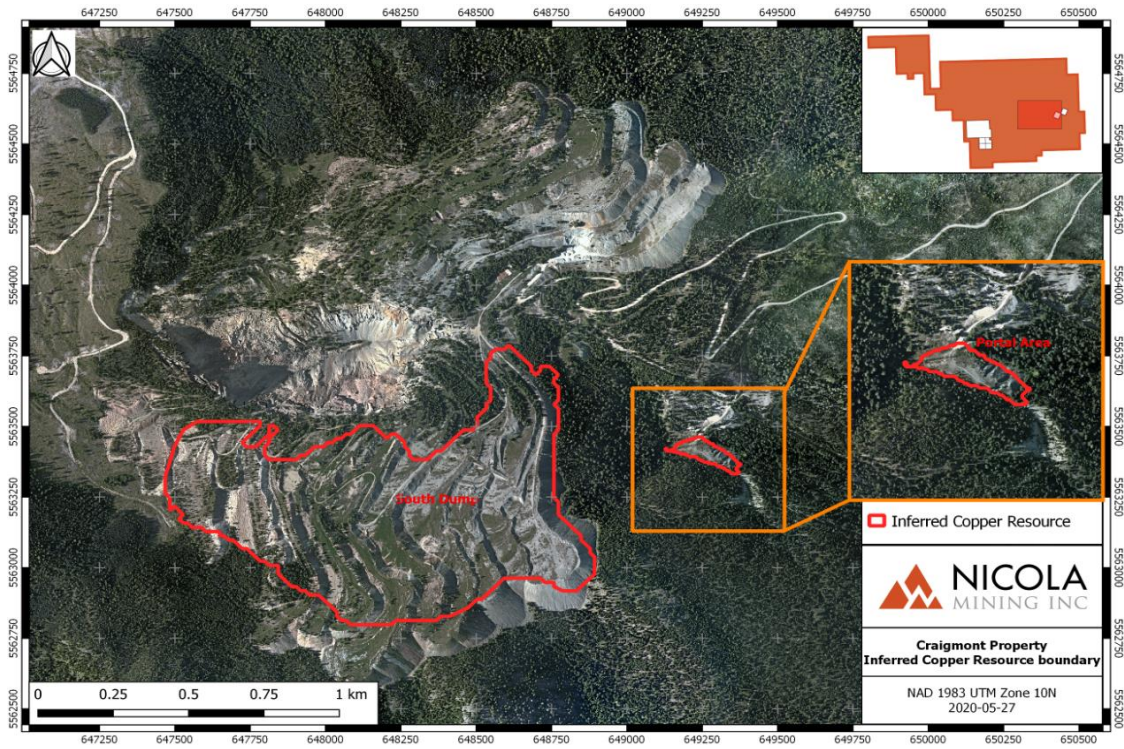
- 2019 Exploration focused on porphyry-style mineralization targets

NEW CRAIGMONT COPPER PROJECT

(NI 43-101 Inferred Estimate)



Company announced Technical Report was prepared in accordance with National Instrument 43-101- Standards of Disclosure for Mineral Projects (“NI 43-101”) supporting the Inferred Copper Resource for the Southern Dump and 3060 Portal Dumps



The Company conducted testing via the XRT Sorter¹

Testing included understanding a potential economic contribution of the magnetite and ability to upgrade Cu at the source of the waste dumps prior to transportation

Southern Dump		Portal Area		Inferred Mineral Resource	
Tonnes	Cu	Tonnes	Cu	Tonnes	Cu
(1000's)	(%)	(1000's)	(%)	(1000's)	(%)
18 465	0.13	204	0.23	18 669	0.13

¹TOMRA Sorting Mining is owned by Norwegian company TOMRA Systems ASA, which is listed on the Oslo Stock Exchange. Founded in 1972, TOMRA Systems ASA has a turnover around €750m and employs over 3,500 people. For more information on TOMRA Sorting Mining, visit www.tomra.com/mining.

NEW CRAIGMONT COPPER PROJECT

(XTR SORTER UPGRADING)



XTR Sorter results highlighted the ability to upgrade copper grades up to the-fold at source

	Test Run	Mass recovery	Upgrade Percent	Copper Recovery
Tower Sample	T5.1	15.5%	519%	80%
	T6.1	10.2%	677%	69%
	T1.1	20.2%	379%	77%
	T2.1	11.8%	603%	71%
Portal Sample	T7.1	15.0%	322%	48%
	T8.1	5.3%	1012%	54%
	T3.1	14.6%	355%	52%
	T4.1	5.2%	790%	41%

Result Highlights

Two floatation tests were conducted to produce the following concentrates:

- Final copper concentrate grading about 30% Cu was that contained 73% of the Cu.
- Additional testing utilizing magnetic separation created a concentrate of 65% Fe, which was 94% magnetite.

2020 - Follow Up Work

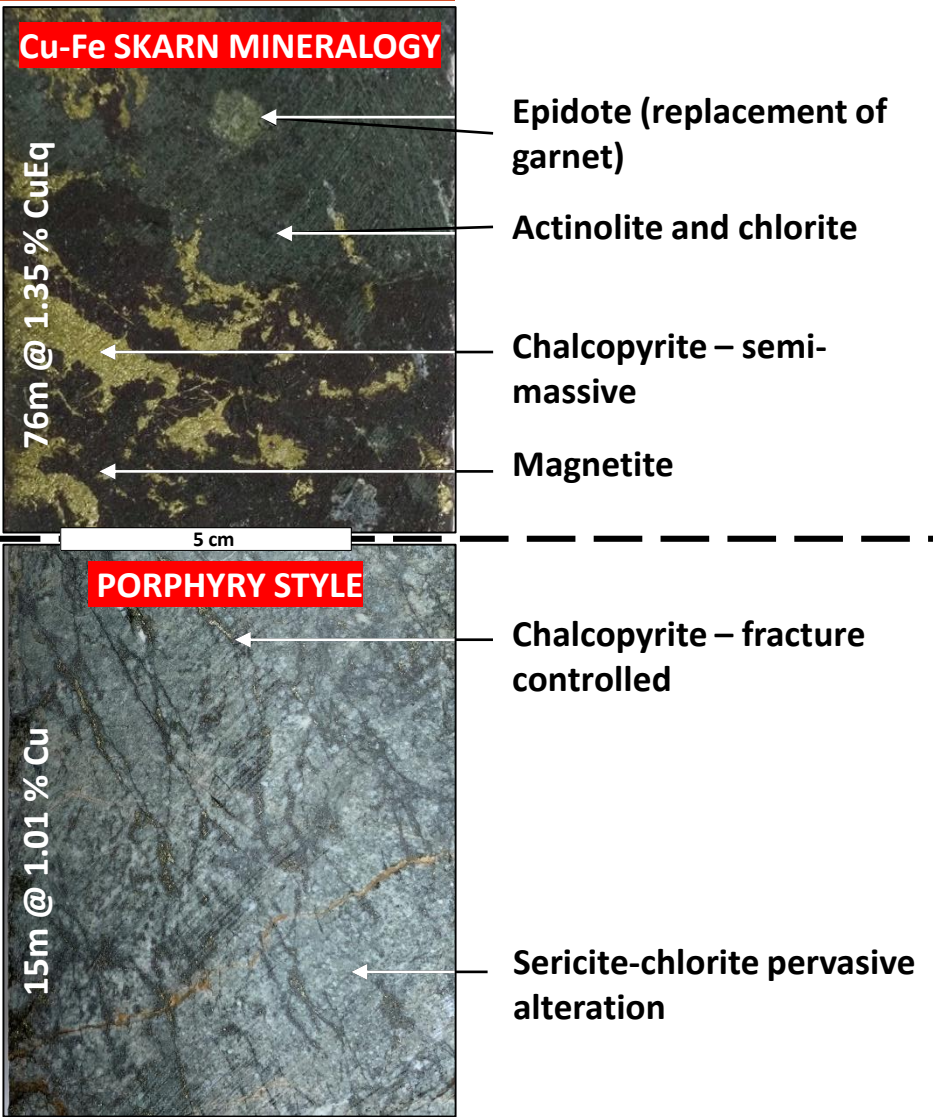
The Company expects to conduct additional tests to further define the NI 43 101 Report

- Additional testing of fines, which accounted for 54% of the sample to better understand grades and overall volume
- Trench sampling to test grade of finer material and overall specific gravity

⁽¹⁾ See the Company's news release dated June 15, 2020 which is filed under the Company's profile on SEDAR at www.sedar.com

Hole CC-18-02

We continue to see an increase in porphyry-style drilling intercepts



Recent Drilling Highlights

- **DDH-THU-002: 85.6m @ 1.1% Cu**
 - September 7, 2016 news release (SEDAR Oct. 4, 2016)
- **CC-2018-02: 116.7m grading 0.54% Cu**
 - January 23, 2017 news release (SEDAR Apr. 7, 2017)
- **NC-2018-03: 100.6m @ 1.3% Cu**
 - April 2, 2018 news release (SEDAR Apr. 2, 2018)
- **NC-2018-01: 71.4m @ 0.6% Cu**
 - February 28, 2018 news release (SEDAR Feb. 28, 2018)
- **NC-2018-02: 73.6m @ 1.05 % Cu**
 - Sept. 25, 2018 news release (SEDAR Sept. 25, 2018)
- **CC-19-72: 34.0m @ 0.40% CuEq and 44.0m @ 0.56% CuEq**
 - July 24, 2019 news release (SEDAR Jul. 24, 2019)

TREASURE MOUNTAIN SILVER MINE

*Silver Mine Located in
Southern BC*

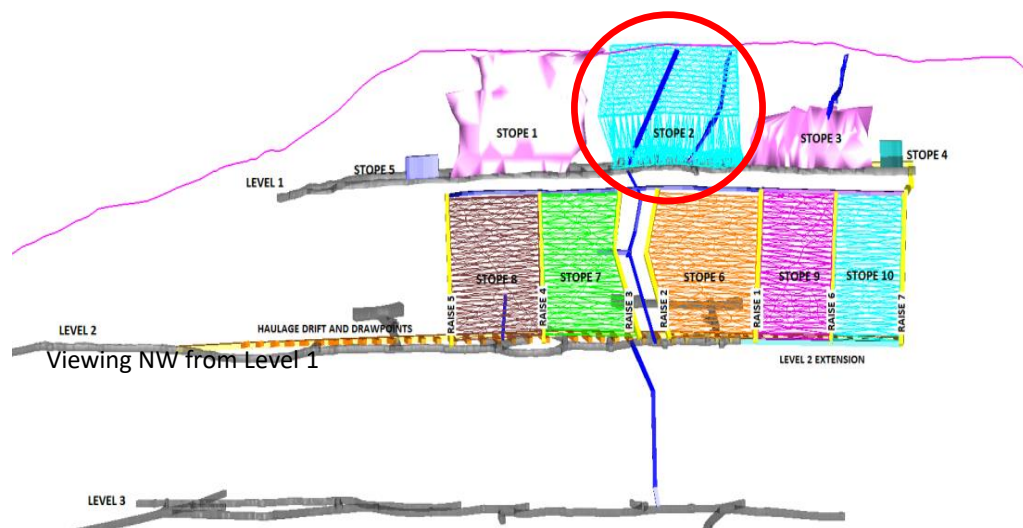


- Level 1 Stope 2 are seen as promising
- Centrally located in Southern British Columbia
- Holdings consist of 51 mineral tenures comprising 21 legacy claims, 100 cell units and five Crown Grants for a total of approximately 2,850 hectares
- Treasure Mountain has three clear target zones:
 - MB Zone (Northern Side of Mountain)
 - Eastern Zone / JK Vein
 - Jensen Portal

Successful 2019 – 2020 Exploration Programs



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



- During 2012 – 2013 the Company completed a 10,000 tonne bulk sample permit on Level 1, but Stope 2 remains in situ
- The Company continues to review opportunities; including M&A, joint ventures and reopening the Treasure Mountain.
- Permit M-239 allows the Company to mine up to 60,000 tonnes per year

Total Vein Inferred Resource Above 1622m Elevation (Level 1)

Cutoff (Ag ox/t)	Tonnes > Cutoff (tonnes)	Grade > Cutoff			Grade > Cutoff		
		Ag (oz / t)	Pb (%)	Zn (%)	Ozs Ag	Lbs Pb	Lbs Zn
5	35,000	35.75	5.25	5.98	1,380,000	4,050,000	4,610,000
12	31,000	39.14	5.52	6.42	1,340,000	3,780,000	4,390,000
15	28,000	41.99	5.75	6.91	1,300,000	3,550,000	4,260,000
20	23,000	47.34	6.32	7.87	1,200,000	3,200,000	3,990,000

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., a copy of which is filed under the Company's profile on SEDAR at www.sedar.com. 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.

EXPLORATION TARGETS & RESULTS (1)

The true value of Treasure Mountain is not the mine itself but the exploration upside of the entire property. Exploration has provided very exciting results.

MB Zone (Northern Side of Mountain): The MB Zone is located approximately 1.5 km from the Treasure Mountain mine. Though not yet drilled, the MB Zone has provided positive soil sample results, summarized below, which correspond to the geomagnetic survey and merit further exploration.

2010 Soil Sample Program Results¹:

- **Sample 63959:** 0.15 g/t Au, 2880 g/t Ag, 0.30% Cu, 0.67% Pb, 1.22% Zn from a 12.5 cm chip sample of reddish oxide on black argillite.
- **Sample 63961:** 0.34 g/t Au, 2250 g/t Ag, 0.43% Cu, 0.54% Pb, 0.96% Zn from a 12.5 cm chip sample of reddish altered argillite.
- **Sample 63974:** 0.81 g/t Au, 9221 g/t Ag, 1.02% Cu, 1.14% Pb, 1.03% Zn from a composite sample of reddish oxide material.

2013 Soil Sample Program Results²:

- **Sample MB-01:** 0.79 g/t Au, 7270 g/t Ag, 0.81% Cu, 1.56% Pb, 1.23% Zn, 0.76% As, 0.60% Sb from a 0.06m chip sample of reddish oxide clay.
- **Sample MB-02 (field duplicate):** 0.59 g/t Au, 3730 g/t Ag, 0.57% Cu, 1.32% Pb, 1.11% Zn, 1.10% As, 0.39% Sb from a 0.06m chip sample of reddish oxide material

¹ See the Company's news release dated August 25, 2010 which is filed under the Company's profile on SEDAR at www.sedar.com.

² See the Company's news release dated October 7, 2013 which is filed under the Company's profile on SEDAR at www.sedar.com

EXPLORATION TARGETS & RESULTS (2)

Encouraging results during the 2019 Exploration Program was the catalyst for the expanded 2020 Exploration Program on the MB Zone

2019 Grab Sample Program Results¹:

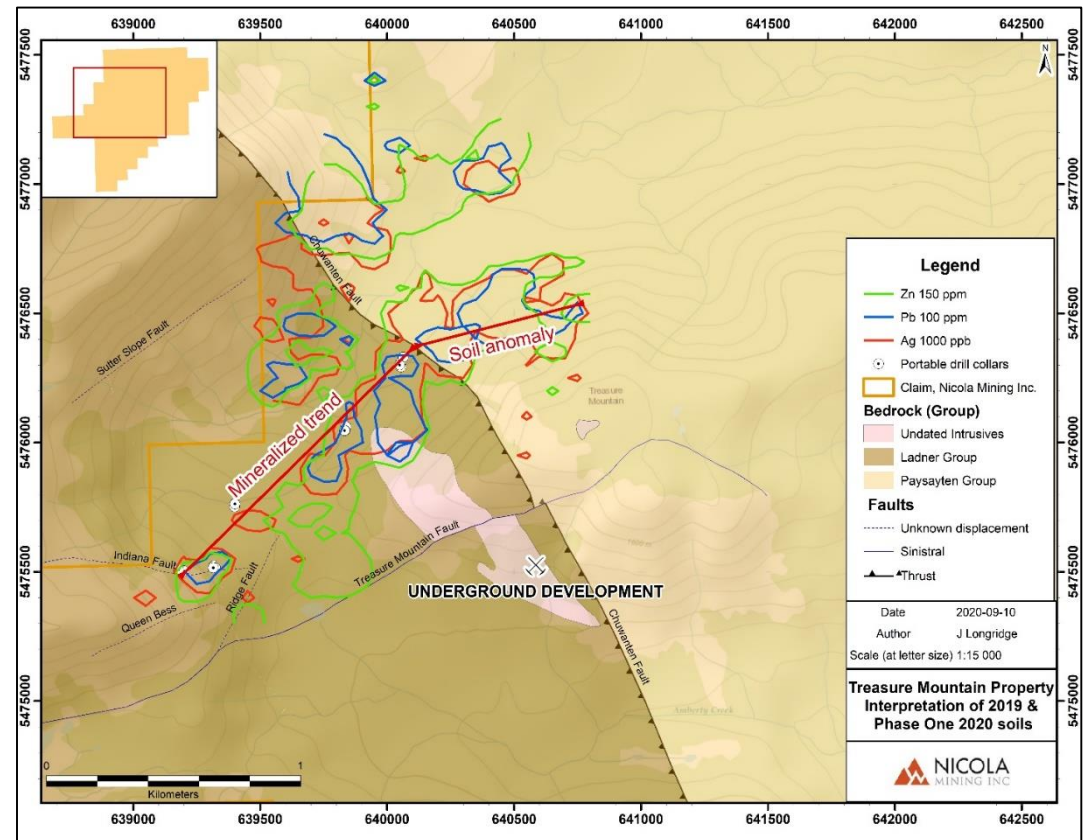
- **Sample 2100152:** 813 grams Ag and 0.518 grams Au per tonne and 19% zinc and 4.66% copper
- **Sample 2100151:** 105 grams Ag and 1.18% copper

2020 Exploration Program Results²:

- **Phase 1 Soil Sampling:** 304 samples
- **Phase 2 Soil Sampling:** 168 samples

Sample 2100207 taken from the Exposed Vein³

- 1300 g/t Ag (45.86 ounces per tonne Ag)
- 2.59 g / Au
- 1.16% Cu, 27.4% Pb and 27.2% Zn



¹ See the Company's news release dated February 21, 2020 which is filed under the Company's profile on SEDAR at www.sedar.com

² See the Company's news release dated August 24, 2020 which is filed under the Company's profile on SEDAR at www.sedar.com

³ See the Company's news release dated September 7, 2020 which is filed under the Company's profile on SEDAR at www.sedar.com

- ✓ Explore and develop promising Craigmont copper mine in southern British Columbia:
 - Permitted Mine (M-68) with near-term start up potential
 - NI 43 101 on historic mine waste terraces
 - 2020 Exploration Program expected to further augment resource and exploration targets
 - An ability to upgrade Cu grades at source
 - Exploration highlights historic skarn associated with porphyry system
 - Augmented IRR potential based on combining Cu and magnetite values
- ✓ Fully Permitted gold and silver modern mill processing facility
 - Fully-permitted mill site to commence production of gold
 - M&A opportunity of permitted gold project(s)
 - Mill site for BC's small high-grade gold projects
- ✓ Treasure Mountain Silver Mine can open with increased silver price
 - Solid exploration results since 2016
 - 2020 Exploration Program completed

Corporate Address

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