

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

December 11, 2018

Item 3 News Release

The news release dated December 12, 2018 was issued by Stockwatch and Market News on December 12, 2018.

Item 4 Summary of Material Change

The Company completed a second tranche of its previously announced private placement financing (the “**Financing**”) as described in its News Releases of November 21, 2018 and November 27, 2018, pursuant to which it sold an aggregate of 1,820,000 units (each, a “**Unit**”), at a price of \$0.10 per Unit, for gross proceeds of \$182,000. Each Unit consisted of one common share (each, a “**Share**”) and one-half of one share purchase warrant (each whole warrant, 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 has raised a total of \$925,000 from the closing of the first and second tranche of the Financing.

The Company paid cash finders fees of \$7,000 and issued 70,000 share purchase warrants (the “**Finder’s Warrants**”) to two finders in connection with certain subscriptions in the Financing. The Finder’s Warrants have the same terms as the Warrants.

All securities issued in connection with the Financing will be subject to a statutory hold period expiring four months and one day after closing of the Financing.

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 attached hereto.

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 31, 2018