



TSXV: NIM

NICOLA MINING ANNOUNCES CLOSING OF FLOW-THROUGH PRIVATE PLACEMENT

VANCOUVER, BC, December 22, 2020 – Nicola Mining Inc. (TSX.V: NIM) (FSE: HLI), (the “Company” or “Nicola”) announces that, further to its news release dated December 14, 2020, it has completed its flow-through private placement financing (the “Offering”) pursuant to which it sold an aggregate of 4,761,535 units (each, a “Unit”) at a price of \$0.13 per Unit for gross proceeds of up to \$618,999.55. The Offering was oversubscribed by \$18,999.55.

Each Unit consists of one common share of the Company issued on a “flow-through” basis pursuant to the *Income Tax Act* (Canada) (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 (each, a “Warrant Share”) (on a non-flow-through basis) at a price of \$0.17 per Warrant Share for a period of two years following the closing of the Offering.

The Company paid cash finder’s fees of \$40,144.97 and issued 66,500 share purchase warrants (the “Finder’s Warrants”) to three finders in connection with certain subscriptions in the Offering. The Finder’s Warrants have the same terms as the Warrants.

All securities issued in connection with the Offering are subject to a statutory hold period expiring April 23, 2021.

An insider of the Company acquired 150,000 Units in the Offering which constituted a related party transaction under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The issuance to the insider is 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 Units did not exceed 25% of the Company’s market capitalization.

The aggregate gross proceeds from the sale of the Offering are expected to be used for further exploration on the Company’s wholly-owned New Craigmont Property, which covers an area of 10,084 hectares along the southern end of the Guichon Batholith and is adjacent to Teck Resources Ltd.’s Highland Valley Copper, Canada’s largest copper mine

About Nicola Mining

Nicola Mining Inc. is a junior mining company listed on the TSX Venture and Frankfurt Exchanges that maintains a 100% owned 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 the New Craigmont Project, a high-grade copper property, and an active gravel pit that is located adjacent to its milling operations.

On behalf of the Board of Directors

"Peter Espig"

Peter Espig
CEO & Director

For additional information

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