Nicola Mining Inc. Completes Preliminary Exploration Program That Includes +0.9% Cu Sample on its Thule Copper Project

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jul 7, 2015) - Nicola Mining Inc. (the "Company" or "Nicola Mining") (TSX VENTURE:NIM) is pleased to announce that it has successfully completed a preliminary (Spring 2015) mineral exploration program on its Thule Project, which covers an area of 8,272 hectares in the Nicola Mining Division, located 14 kilometres northwest of Merritt in southern British Columbia.

A total of 48 rock samples were collected over the property from 14 known mineral tenures (MINFILES) located within the Company's mineral tenure. (http://minfile.gov.bc.ca/default.aspx?page=searchresults&d=150706062917&10=50&11=10&12=9&13=50&14=15&15=

The rock samples consisted of grab samples from road-cut, outcrop and historic trench and shaft dumps. Copper values ranged from trace to 9080 ppm copper. The highest value, 9080 ppm copper sample (0.9% copper), was collected from trench dump material located at the TITAN QUEEN (092ISE034) historic showing. Surface copper mineralization above 2000 ppm was also verified at the MARB (092ISE033), ERIC (092ISE036) and the MARB 72 (092ISW037) mineral showings (MINFILES). Mineralization is primarily hosted 1) as malachite-mineralization along fracture zones within quartz diorite and potasically altered volcanics, 2) in quartz veins with finely disseminated chalcopyrite within quartz diorite, and 3) within magnetite + epidote skarn-altered limy tuffs with malachite +/- azurite +/- chalcopyrite mineralization.

The 2015 Thule exploration program (the "Initial Program") consisted of five main objectives:

1. Examine known historical porphyry and skarn mineral showings (MINFILES).

2. Follow-up on geophysical trends defined in the 2012 helicopter aeromagnetic gradient and spectrometer survey, as highlighted on the Company's website. http://nicolamining.com/wp-content/uploads/2015/03/Geophysical_Interpretation_Memo.pdf.

3. Examine road cut and outcrop exposure along new logging roads.

4. Photo catalogue and re-log diamond drill core from Christopher James Gold Corp's 2005 drilling program on the Craigmont property.

5. To compile and digitize historical geochemical, geophysical, drilling and geological data. Nicola Mining has nine banker boxes worth of "hard copy" data, which includes historical air photos, internal memos, geological maps, more than 1000 underground drill logs, 100 surface drill logs, and over 100,000 line-metres of ground geophysical data. Data and maps from over 100 BC Assessment Reports and property files available electronically are also being included in the electronic data compilation.

Future exploration work will consist of: 1) building upon the initial database compilation with the goal of generating a geological and mineralogical block model for the Craigmont mine site area and 2) further ground exploration work proximal to the MARB 72 and WP showings, with the goal of identifying additional porphyry-style targets.

Property Geology

An east-northeast trending, steeply dipping, volcanic pile of Upper Triassic Nicola Group rocks, bound to the north by the Early Jurassic-Late Triassic Guichon Creek Batholith and unconformably overlain by the Middle and Upper Cretaceous Spences Bridge Group underlies the Thule Property. Thick gravel overburden caps most of the Property.

The Thule Property hosts at least two types of mineralization described as copper-iron skarn and copper porphyry. Carbonate-rich, silicate-rich or intrusive rocks along the southern flanks of the Guichon Batholith

host the two types of mineralization.

Several major faults cut through the property including the north-trending Lornex Fault on the west, responsible for controlling large-tonnage porphyry copper deposits to the north, including Valley, Lornex, Bethlehem and Highmont. Faults controlling mineralization around the mine include the northwest trending Embayment Faults, the Mine East Fault and the East-West fault.

Property History

The Property covers a large area along the southern extents of the Guichon Batholith where many of the copper prospects on the Property have been intermittently explored since as early as the 1930's. The most important discovery to date has been the past producing Craigmont Copper-Iron mine located in the central part of the claim holdings.

Craigmont was operated as an open-pit mine by Craigmont Mines Ltd. from 1961 to 1967 and as an underground sub-level block cave mine from 1967 to 1982. Over its operating life, the mine produced 34,000,000 metric tonnes of ore averaging 1.28% copper from Body No.1 and Body No. 2 (http://nicolamining.com/wp-content/uploads/2015/03/Technical_Report_on_the_Thule_Copper_Iron_Property.pdf). A policy decision was made by the board of Craigmont to shut the mine down in 1982, at a time when the copper price was approximately $0.60 per pound.

From 1982 to 1992, Craigmont shipped up to 60,000 tonnes of clean metallurgical magnetite per year from its stockpile to coal producers in North America for use in the coal flotation process. After 1992, Craigmont continued to produce a limited amount of products for the coal industry from re-worked iron fines in the tailings pond.

On March 3, 2011, Nicola Mining (formerly Huldra Silver Inc.) agreed to buy all of the outstanding shares of Craigmont Holdings Ltd. in consideration for certain cash and share payments. Nicola Mining and the previous owners of the property are the shareholders of Thule Property, which is managed by Nicola Mining.

Historical Estimates

There are currently no mineral resource estimates on the Thule Property. Historical resource calculations are recorded in internal memos and geological reports for Placer Development. An internal memo written by J.F. Bristow on October 30, 1985 to Craigmont Mines Ltd. reported a zone known as "Body No. 3" contains a historical estimate of 1,290,000 tons of copper grading 1.53%*. The estimate assumes a 0.7% cut-off and a 20 foot mining width between drill sections 6565E and 8015E. The material in Body No. 3 contains mineralization primarily in silicate-rich rocks.

Additionally, J.F. Bristow reported in an internal memo on July 22, 1985 to Craigmont Mines Limited a rough calculation of 27,754,000 tonnes of copper grading 1.79% copper left behind in the sub-level cave*. The material is from the previously mined out No.1 Body and No.2 Body

The Company is currently in the process of inputting historic drill holes and underground workings to assess the historical estimate of Body No. 3.

**These are historical resource estimates that do not comply with the current CIM Definition Standards on Mineral Resources and Mineral Reserves as required by NI 43-101. A Qualified Person has not done sufficient work to upgrade or classify these historical resources estimates to current mineral resources prepared in accordance with NI 43-101. The issuer is not treating the historical estimate as current mineral resources and the historical estimate should not be relied on.*

Quality Assurance & Quality Control

Samples were described and sampled bagged, tagged, photographed, catalogued, sealed and sent to Activation Laboratories Ltd. in Kamloops (an ISO 17025 certified lab which is independent of the company) for analysis using aqua regia partial extraction and ICP analysis for 24 elements with fire assay for gold. Due to the preliminary nature of the program, the company relied on internal laboratory standards, blanks and duplicates. A library sample from each sample location site was collected and is currently stored at the Merritt Mill facility.

The foregoing geological disclosure has been reviewed and verified by Brian May, P.Geo., a qualified person for the purpose of National Instrument 43-101, Standards of Disclosure for Mineral Projects.

Stock Option Grants

The Company also announces that it will grant investor relations and consulting firms an aggregate of 530,000 options, each exercisable into one common share of the Company at a price of $0.06 per share until June 19, 2019, pursuant to the conditions of the Company's Stock Option Plan.

Peter Espig, Chief Executive Officer, commented, "Nicola Mining continues to explore the potential of Thule Copper both internally and with third parties in order to better understand the asset and its potential. We are also excited about the Company's momentum and will place greater investor relations emphasis and efforts on explaining the Nicola Mining story in the future."

On behalf of the Board of Directors

Peter Espig
CEO & Director

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Disclaimer for Forward-Looking Information

This press release contains projections and forward-looking information that involve various risks and uncertainties regarding future events related to the Company's proposed exploration plans at its Thule property. Such forward-looking information includes statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company, such as the Company's ability to finance its planned exploration; the Company's ability to source the necessary infrastructure to effect its exploration plans; current economic conditions and the state of mineral exploration and mineral prices in general. These risks and uncertainties could cause actual results, and the Company's plans and objectives, to differ materially from those expressed in the forward-looking information. The Company can offer no assurance that its exploration and development plans will be completed in the time expected or at all. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. Except as required by law, the Company assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.

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