

VANCOUVER, B.C. / TheNewswire / April 18, 2016 - [Nicola Mining Inc.](#) (the "Company" or "Nicola") is pleased to announce that it has received an amendment to its M-68 Mine Permit. The amendment allows the Company to enter into third part custom milling contracts and enables it to mill up to 200 tonnes per day at its wholly-owned Craigmont Mine site, located 10 kilometers from Merritt, British Columbia.

The Company's mill is constructed on a freehold I-3 Industrial Zoned site that Nicola acquired for \$8.0 MM. Nicola then constructed a new \$21.0 MM processing mill and \$2.0 MM fully-lined tailings facility. Nicola is capable of processing both gold and silver mill feed by utilizing gravity and floatation systems to create concentrates and is currently considering installing ovens that will allow it to pour dore bars.

Nicola expects to start receiving material from Siwash Minerals Inc. (the "Miner") in early May and plans to commence milling upon receipt of 1000 tonnes. As disclosed in the November 2, 2015 news release Miner is required to use its best efforts to transport greater than 7.08738 g/t Au to the Company's processing facility. In addition to the Miner, the Company has entered into 3 other Milling Profit Share Agreements and continues to discuss with other high-grade gold sources. Currently, all of the Milling Profit Share Agreements are with gold-focused mining properties.

Given the complexities and costs of attaining a mill site in British Columbia the Company is positioning itself as a "milling hub" for high-grade gold properties located in the province. Under the amendment to Permit M-68 the Nicola is required to notify the Chief Inspector at least 10 days prior to initiating a change in mill feed from each unique mill source.

Peter Espig, Chief Executive Officer, commented, "The Amendment to Permit M-68, which approves milling of third-party material, is a monumental milestone. We have moved a huge step towards generating revenues and establishing ourselves as a province-wide milling hub for mining projects. I would like to thank the team, especially our CFO, Warwick Bay, who has worked diligently in moving the Company forward. "

On behalf of the Board of Directors

"Peter Espig"
Peter Espig

CEO & Director

For additional information

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Cautionary Note Regarding Forward Looking Information:

This news release contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information includes, without limitation, statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company or Siwash such as the statements that Siwash will extract mill feed from its Monument Gold Zone Property and ship this to Nicola, that Nicola will process the mill feed into concentrate and then arrange for the sale of the concentrate to smelters and third parties, the quantity of mill feed that may be extracted under the sample permit if granted, regarding the plans for storage of the mill feed, the expected grade of the mill feed, plans for allocation of costs and profit associated with mining and milling, and Nicola's intention to progress towards operational cash flow. There are numerous risks and uncertainties that could cause actual results and the Company and Siwash's plans and objectives to differ materially from those expressed in the forward-looking information, including the inability of the parties to complete the proposed mining and milling activities as proposed or at all, that the bulk sample permit may not be granted, that the Company may not be able to successfully negotiate agreements for the sale of the concentrates, and that the mill feed may not be of a grade or quality that is sellable, and other factors beyond the Company and Siwash's control. Actual results and future events could differ materially from those anticipated in such information. 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 are expressly qualified in their entirety by this notice. Except as required by law, neither the Company nor Siwash assume any obligation to update forward-looking information should circumstances or management's estimates or opinions change.

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