

VANCOUVER, B.C. / TheNewswire / August 9, 2016 - [Nicola Mining Inc.](#) (the "Company") (TSX.V: NIM) is pleased to announce that it has commenced shipping of concentrate and entered into an offtake agreement (the "Agreement") with MRI Trading Ag. (the "Buyer"), a company headquartered in Switzerland and a subsidiary of CWT Group, a leading global logistics and commodity marketing company. CWT Group employs approximately 6,000 people and has sales of approximately \$10.0 BN annually.

During the week August 1 through August 6, 2016, the Company shipped 111.28 metric tonnes (104 dry metric tonnes based on average moisture content of 6.56%) of concentrate to the Buyer's warehouse for final sale. The Company engaged ISO 17025 accredited ALS Environmental to conduct 70 analyses of the concentrate prior to shipping.

Average grading of the 104 dry tonnes concentrate was 3.243 ounces Au and 18.1 ounces Ag, for an approximate 337 ounces Au and 1877 ounces Ag. Final grades confirmation will occur after processing from the smelter.

The Company will continue to ship concentrate during the week starting August 8, 2016.

The material currently being processed by the Company is from Gavin Mines Inc. ("Gavin Mines"). Terms of the Milling and Profit Share Agreement (the "GMI Agreement") were announced in the Company's news release of May 31, 2016. Under the GMI Agreement, the Company will produce both gravity and flotation concentrates that will be sold to third parties for production of gold dore bars.

The Company and Gavin Mines expect to ship an additional 1000 - 1500 tonnes of material that is located near Dome Mountain Mine upon receipt of the First Payment. Dome Mountain Mine is located approximately 38 kilometres due east of the Town of Smithers in northwest British Columbia, Canada.

Peter Espig, Chief Executive Officer of the Company, commented, "We continue to make great progress as a Company and credit needs to be given to the entire Nicola team. Though this is a significant milestone, we are fully cognizant of the importance continued hard work that will be required in the future. We are about to conduct due diligence on a new opportunity and continue to monitor silver prices as the latter augments the value of our fully-owned Treasure Mountain silver mine."

[Nicola Mining Inc.](#) is a junior mining company listed on the TSX Venture Exchange, and is in the process of recommencing mill feed processing operations at its 100% owned state-of-the-art 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 is able to process both gold and silver mill feed via gravity and floatation processes. The Company also owns 100% of Treasure Mountain, its high grade silver property, and a gravel pit, which 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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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Disclaimer for Forward-Looking Statements

This news release contains projections and forward-looking statements that involve various risks and uncertainties regarding future events. Such forward-looking statements are based on current expectations of management and a number of risks and uncertainties and are not guarantees of future performance of the Company. These statements include statements regarding

the Company's expected processing timing and capabilities, statements regarding the milling and profit sharing agreements and statements regarding potential future plans. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information, including the inability of the Company to effect the expanded operations; the timing of delivery of material to the Mill site; the timing and price of delivery and processing of same; and other factors beyond the Company's control. Actual results and future events could differ materially from those anticipated in such forward-looking statements. These and all subsequent written and oral forward-looking statements 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, the Company does not assume any obligation to update any forward-looking statements in this news release should circumstances or management's estimates or opinions change.

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