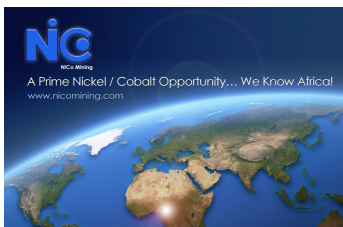


This document is important and requires your immediate attention. If you are in any doubt as to how to deal with it, you should consult your investment dealer, stockbroker, bank manager, lawyer or other professional advisor. No securities commission or similar authority in Canada or in the United States has in any way passed upon the merits of the Offer hereunder and any representation to the contrary is an offence. The Offer is not being made to nor shall deposits be accepted from or on behalf of Shareholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of that jurisdiction.

May 5, 2009



NICO MINING LIMITED

OFFER PURCHASE FOR CASH UP TO A MAXIMUM OF 12,000,000 COMMON SHARES AT A PRICE OF \$0.40 PER SHARE

NiCo Mining Limited (“NICO”) invites its shareholders (“Shareholders”) to deposit up to a maximum of 12,000,000 common shares of NICO (the “NICO Shares”) for purchase and cancellation by NICO, at a price of \$0.40 per NICO Share payable in cash and upon the terms and subject to the conditions set forth in this offer to purchase and the issuer bid circular (the “Circular”) included herein and in the related letter of transmittal (the “Letter of Transmittal”) (which together constitute the “Offer”). **The Offer expires at 5:00 p.m. (Toronto time) on June 9, 2009 unless withdrawn, extended or varied (the “Expiry Time”).**

NICO reserves the right to withdraw the Offer and not purchase any NICO Shares deposited under the Offer unless certain conditions are satisfied. See “Offer to Purchase – Conditions of the Offer”. The Offer is not conditional upon any minimum number of NICO Shares being validly deposited under the Offer and not withdrawn. If the number of NICO Shares validly deposited in response to the Offer is greater than the number NICO is willing to take up, the NICO Shares shall be taken up on a *pro rata* basis, disregarding fractions, according to the number of NICO Shares deposited by each depositing Shareholder.

The NICO Board retained Evans & Evans, Inc. to provide the NICO Board with a formal valuation of the NICO Shares in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

The Offer is being made to afford Shareholders an opportunity to realize a cash return for all or a portion of their investment in NICO at premium of approximately 26%, 29%, 74% and 129% to the market price of the NICO Shares, based on the closing price of the NICO Shares on the TSX Venture Exchange (the “TSX-V”) on the first, 30th, 60th and 90th trading days immediately preceding the announcement of the Offer, respectively, and to enhance the long term market value of the NICO Shares.

At the date thereof, there are 20,898,100 NICO Shares issued and outstanding. Accordingly, the Offer is for a approximately 57% of the currently issued and outstanding NICO Shares. The Offer does not constitute, nor is it intended to be followed by, a going-private transaction.

NICO is making the Offer because it believes that the repurchase of its NICO Shares is an effective use of NICO’s financial resources and in the best interests of its Shareholders. The NICO Board, in making the decision to present the Offer to Shareholders, makes no recommendation to any Shareholder as to whether to deposit or refrain from depositing NICO Shares. Each Shareholder should make his or her own decision whether to deposit NICO Shares and, if so, how many NICO Shares to deposit. Each Shareholder should carefully review and evaluate the Offer in order to make such decision and consult its own investment and tax advisors for assistance.

Shareholders who wish to deposit any or all of their NICO Shares to the Offer must complete and execute the accompanying Letter of Transmittal in accordance with the instructions set forth therein and deposit the completed Letter of Transmittal, together with the certificates representing the NICO Shares being deposited and all other documents required by the Letter of Transmittal, at the specified office of Equity Transfer & Trust Company (the “**Depositary**”) at or prior to the Expiry Time. Shareholders whose NICO Shares are registered in the name of a nominee may request their broker, investment dealer, bank,

trust company or other nominee to take the necessary steps to deposit such NICO Shares under the Offer. Shareholders who wish to deposit NICO Shares under the Offer and whose certificates are not immediately available may do so by following the procedure for guaranteed delivery set forth in “Offer to Purchase – Manner and Time of Acceptance”.

Questions and requests for assistance may be directed to the Depository at the addresses and telephone numbers set out below. Additional copies of this document may be obtained upon request without charge from the Depository at its offices as set out below.

Shareholders should be aware that the disposition of Shares may have tax consequences. Shareholders are encouraged to consult their own tax advisors. See “Canadian Federal Income Tax Considerations” in the Circular.

Office of the Depository for this Offer:

EQUITY TRANSFER & TRUST COMPANY

Inquiries:

Telephone: 416-361-0152
Toll Free (North America): 1-866-393-4891
E-mail: investor@equitytransfer.com

By Hand or Courier or Registered Mail:

200 University Avenue, Suite 400
Toronto, Ontario, M5H 4H1
Attention: Corporate Actions

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FREQUENTLY ASKED QUESTIONS

What securities is NICO offering to purchase?

NICO is offering to purchase up to 12,000,000 NICO Shares for maximum aggregate consideration of \$0.40 per share. Whether NICO purchases the full amount will depend on the amount of NICO Shares deposited to the Offer.

What will NICO pay in exchange for NICO Shares?

All NICO Shares purchased under the Offer will be purchased with cash, denominated in Canadian dollars, at a purchase price of \$0.40 per NICO Share (subject to any applicable withholding tax). Under no circumstances will interest be paid on the purchase price of the NICO Shares regardless of any delay in payment. See Section 5 of the Offer to Purchase, "Payment for Deposited NICO Shares".

Is there a "market price" available for the NICO Shares?

NICO is offering to purchase NICO Shares at \$0.40 per share which is a premium of approximately 26%, 29%, 74% and 129% to the market price of the NICO Shares, based on the closing price of the NICO Shares on the TSX Venture Exchange (the "TSX-V") on the first, 30th, 60th and 90th trading days immediately preceding the announcement of the Offer, respectively.

Can a NICO Shareholder deposit some but not all of its NICO Shares?

NICO Shareholders can deposit all, some or none of their NICO Shares.

How does a NICO Shareholder deposit NICO Shares under the Offer?

NICO Shareholders who wish to deposit NICO Shares under the Offer, must deposit the certificate(s) representing the NICO Shares, together with a Letter of Transmittal relating to such shares, properly completed in accordance with the instructions contained in the Letter of Transmittal, and any other documents required by the Letter of Transmittal at the office of Equity Transfer & Trust Company specified in the Letter of Transmittal well in advance of the expiry of the Offer. NICO Shareholders whose NICO Shares are registered in the name of a nominee, such as a broker, investment dealer, bank, trust company or other nominee, should immediately contact such nominee for assistance in depositing their NICO Shares under the Offer.

When does the Offer expire? Can it be extended or changed?

The Offer will expire at 5:00 p.m. (Toronto time) on June 9, 2009. NICO may, in its discretion, extend or otherwise modify the Offer at any time prior to the Expiry Time. NICO will make an announcement, and provide NICO Shareholders with notice, of any extension or modification it may make to the Offer. If NICO extends the Offer, it may delay the acceptance of any NICO Shares that have been deposited. NICO cannot assure NICO Shareholders that it will extend the Offer or, if it does extend it, for how long. See Section 4 of the Offer to Purchase, "Extension and Variation of the Offer".

When will NICO Shareholders who deposit their NICO Shares receive payment?

Assuming the conditions to the Offer have been satisfied or waived, NICO will take up and pay for NICO Shares to be purchased under the Offer as soon as practicable (and in any event not later than 10 days) after the expiration of the Offer. See Section 5 of the Offer to Purchase, "Payment for Deposited NICO Shares".

If NICO Shares are purchased under the Offer, will NICO Shareholders be taxed on the payment they receive in exchange?

There are tax consequences of participating in the Offer, which are described under “Canadian Federal Income Tax Considerations” in the Circular. The summary of tax consequences is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular NICO Shareholder. Persons who are considering depositing NICO Shares to the Offer should consult with their own tax advisors as to the tax consequences in their particular circumstances.

Will NICO Shareholders be required to pay any brokerage fees or commissions?

NICO Shareholders will not have to pay any brokerage fees or commissions if they deposit NICO Shares directly with Equity Transfer & Trust Company, as Depositary under the Offer. If a NICO Shareholder owns NICO Shares through a broker or other nominee and such broker or other nominee deposits NICO Shares on the NICO Shareholder’s behalf, the broker or other nominee may charge a fee or commission for performing such service. See Section 5 of the Offer to Purchase, “Payment for Deposited NICO Shares”.

Are there conditions to the Offer?

There are certain events that may cause NICO to delay or terminate the Offer. These events are described in Section 3 of the Offer to Purchase, “Conditions of the Offer”.

Can NICO Shareholders withdraw previously deposited NICO Shares?

NICO Shareholders may withdraw all of their deposited NICO Shares at any time before 5:00 p.m. (Toronto time) on June 9, 2009; provided, however, that if NICO extends the Offer beyond that time and has not taken up and paid for the deposited NICO Shares, NICO Shareholders may withdraw all of their deposited NICO Shares at any time until the extended expiry date. NICO Shareholders may also withdraw all of their deposited NICO Shares if NICO has not paid for them within three business days of being taken up. See Section 6 of the Offer to Purchase, “Withdrawal of Deposited NICO Shares”.

What does NICO’s Board think of the Offer?

Although the NICO Board has approved the Offer, neither NICO, the NICO Board nor any representative makes any recommendation as to whether NICO Shareholders should deposit or refrain from depositing their NICO Shares to the Offer. NICO Shareholders must decide for themselves whether to deposit NICO Shares to the Offer.

Who should NICO Shareholders talk to if they have questions about the Offer?

For additional information or assistance, NICO Shareholders may contact their investment dealer, stockbroker, bank manager, accountant, lawyer or other professional advisor. NICO Shareholders may also contact the Depositary, Equity Transfer & Trust Company, at the contact numbers listed at the back of this document.

SUMMARY

The information set out below is intended as a summary only and is qualified in its entirety by the more detailed information appearing elsewhere in this document. Unless the context otherwise requires, all capitalized terms appearing in this summary have the meanings ascribed to such terms elsewhere in this document.

| | |
|---|--|
| Maximum Number of NICO Shares to be Purchased: | 12,000,000 NICO Shares. |
| Maximum Dollar Value of Offer: | \$4,800,000 in the aggregate. |
| Purchase Price: | \$0.40 per NICO Share. All NICO Shares purchased by NICO pursuant to the Offer will be purchased at this purchase price (subject to any applicable tax). |
| Brokerage Commissions: | No fee or commission will be payable by any NICO Shareholder that deposits NICO Shares directly with the Depositary pursuant to the Offer. |
| Conditions of the Offer: | NICO reserves the right to withdraw the Offer and not take up and pay for NICO Shares deposited under the Offer unless all the conditions described in Section 3 of the Offer to Purchase, “Conditions of the Offer” are satisfied. |
| Expiry Date and Time: | June 9, 2009 at 5:00 p.m. (Toronto time), or such later date and time to which the Offer may be extended by NICO (the “ Expiry Time ”). |
| Payment Date: | Assuming the conditions to the Offer have been satisfied or waived, NICO will take up and pay for NICO Shares as soon as practicable after the Expiry Date, and in any event not later than 10 days after the Expiry Date. |
| Currency of Payment: | The purchase price will be paid and denominated in Canadian dollars. |
| Position of NICO Board: | Neither NICO, the NICO Board nor any representative thereof makes any recommendation to any NICO Shareholder as to whether to deposit or refrain from depositing NICO Shares. See “Purpose of the Offer” in the Circular. |
| Withdrawal Rights: | Deposited NICO Shares may be withdrawn at any time until 5:00 p.m. (Toronto time) on June 9, 2009 and may also be withdrawn if the NICO Shares have not been paid for by NICO within three business days of being taken up. See Section 6 of the Offer to Purchase, “Withdrawal of Deposited NICO Shares”. |
| Tax Consequences: | NICO Shareholders should carefully consider the income tax consequences of accepting the Offer. See “Canadian Federal Income Tax Considerations” in the Circular. |
| Further Information Regarding the Offer: | Contact the Depositary or consult with your investment dealer, stockbroker, bank manager, accountant, lawyer or other professional advisor. The addresses and telephone numbers of the Depositary are listed at the back of this document. |

GENERAL INFORMATION

Information Contained in this Document

The information contained in this document is given as at May 5, 2009 except where otherwise noted. Certain information in this document has been taken from or is based on documents that are expressly referred to in this document. All summaries of, and references to, documents that are specified in this document as having been filed, or that are contained in documents specified as having been filed, on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) are qualified in their entirety by reference to the complete text of those documents as filed, or as contained in documents filed, on SEDAR at www.sedar.com under NICO’s profile. NICO Shareholders are urged to read carefully the full text of those documents.

Personal Information

This document is being sent to both registered and non-registered owners of NICO Shares. If you are a non-registered owner of NICO Shares, and NICO or its agent has sent these materials directly to you, your name and address and information about your holdings of NICO Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding NICO Shares on your behalf.

Forward-Looking Information

Certain statements contained in this document constitute “forward-looking statements”. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. The material factors and assumptions that were applied in making the forward-looking statements in this document include but are not limited to assumptions regarding: NICO continuing to have sufficient financial resources and working capital to carry on its business and operations; the Offer not being expected to preclude NICO from pursuing its business and operations or other foreseeable opportunities; and that the Offer can be completed in accordance with applicable law. Material factors that could cause actual results to differ materially from the forward-looking statements in this document include risks and uncertainties relating to: NICO’s ability to implement its strategy or operate its business as NICO currently expects on a substantially modified basis; the fact that there is no assurance that the Offer conditions will be satisfied; the extent to which NICO Shareholders determine to tender their NICO Shares to any offer; and other factors discussed in NICO’s filings with applicable Canadian securities regulatory authorities. Readers are cautioned not to place undue reliance on these statements as NICO’s actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect NICO or its business, or if NICO’s estimates or assumptions prove inaccurate. NICO cannot provide any assurance that forward-looking statements will materialize.

The forward-looking statements in this document are made as of May 5, 2009. Except as required by law, NICO assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

Currency

All references to \$ in this document are to Canadian dollars.

NOTICE TO NICO SHAREHOLDERS

No broker, dealer, salesperson or other person has been authorized to give any information or make any representation other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been authorized by NICO or the Depositary.

THIS OFFER HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA OR IN THE UNITED STATES NOR HAS ANY SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA OR IN THE UNITED STATES IN ANY WAY PASSED UPON THE FAIRNESS OR MERITS OF THIS OFFER OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT, AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to nor shall deposits be accepted from or on behalf of NICO Shareholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of that jurisdiction. NICO may, in its sole discretion, take such action as it may deem necessary to make the Offer in any jurisdiction and extend the Offer to NICO Shareholders in any jurisdiction.

NOTICE TO UNITED STATES NICO SHAREHOLDERS

This Offer is made by NICO, a Canadian issuer, for its own securities and, while the Offer is subject to disclosure requirements under applicable Canadian laws, NICO Shareholders should be aware that these requirements are different from those of the United States.

The enforcement by NICO Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that NICO is incorporated under the laws of Ontario and that some of its directors and officers are residents of Canada.

NICO Shareholders should be aware that acceptance of the Offer may have tax consequences both in the United States and in Canada. United States income tax consequences for NICO Shareholders who are resident in, or citizens of, the United States are not described herein and such residents or citizens are urged to consult their tax advisors as to the application of U.S. federal income tax law to their particular circumstances, as well as to any state, local or foreign income or other tax consequences of a sale of NICO Shares pursuant to the Offer.

DEFINITIONS

In this document, the following terms shall have the meanings set forth below, unless the subject matter or context is inconsistent therewith or such terms are otherwise defined herein.

“**affiliate**” has the meaning ascribed thereto in Multilateral Instrument 62-104.

“**Agent’s Message**” means a message, transmitted by DTC to, and received by, the Depository and forming part of a Book-Entry Confirmation, which states that DTC has received an express acknowledgement from the participant in DTC depositing the NICO Shares which are the subject of such Book-Entry Confirmation that such participant has received and agrees to be bound by the terms of the Letter of Transmittal as if executed by such participant and that NICO may enforce such agreement against such participant.

“**associate**” has the meaning ascribed thereto in Multilateral Instrument 62-104.

“**Book-Entry Confirmation**” means confirmation of a book-entry transfer of a NICO Shareholder’s NICO Shares into the Depository’s account at CDS or DTC, as applicable.

“**CDS**” means CDS Clearing and Depository Services Inc. or its nominee, which at the date hereof is CDS & Co.

“**CDSX**” means the CDS on-line tendering system pursuant to which book-entry transfers may be effected.

“**Circular**” means the issuer bid circular dated May 5, 2009 issued by NICO in connection with the Offer.

“**Depository**” means Equity Transfer & Trust Company.

“**DTC**” means The Depository Trust Company.

“**Eligible Institution**” means a Canadian Schedule 1 chartered bank, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Industry Regulatory Organization of Canada, members of the Financial Industry Regulatory Authority or banks and trust companies in the United States.

“**Evans & Evans**” means Evans & Evans, Inc.

“**Expiry Date**” means June 9, 2009.

“**Expiry Time**” means 5:00 p.m. (Toronto time) on the Expiry Date, unless the Offer is withdrawn, extended or varied.

“**Governmental Entity**” means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign, including any securities regulatory authority, (b) subdivision, agent, commission, board or authority of any of the foregoing, or (c) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under, or for the account of, any of the foregoing.

“**Gowlings**” means Gowling Lafleur Henderson LLP, legal counsel to NICO.

“**NICO**” means NiCo Mining Limited.

“**NICO Board**” means the board of directors of NICO.

“**NICO Shareholders**” means the holders of NICO Shares.

“**NICO Shares**” means the common shares of NICO.

“**Laws**” means all laws, statutes, by-laws, rules, regulations, statutory rules, orders, decrees, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments and terms and conditions of any grant of approval, permission, authority, permit or license of any Governmental Entity.

“**Letter of Transmittal**” means the letter of transmittal for use in connection with the Offer in the form enclosed herewith, which accompanies the Offer and which is incorporated into and forms part of the Offer (printed on PINK paper).

“**Multilateral Instrument 61-101**” means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, as amended or replaced from time to time.

“**Multilateral Instrument 62-104**” means Multilateral Instrument 62-104 – *Take-Over Bids and Issuer Bids*, as amended or replaced from time to time.

“**Notice of Guaranteed Delivery**” means the notice of guaranteed delivery for use in connection with the Offer in the form enclosed herewith, which accompanies the Offer and which is incorporated into and forms part of the Offer (printed on YELLOW paper).

“**Offer**” or “**Offer to Purchase**” means the offer, made by NICO hereby, to purchase up to a maximum of 12,000,000 NICO Shares on the terms and conditions set forth in this Offer and the accompanying Circular, Letter of Transmittal and Notice of Guaranteed Delivery.

“**Option**” means an option granted under the Option Plan.

“**Option Plan**” means the stock option plan of NICO.

“**Person**” means any individual, firm, partnership, association, trust, trustee, executor, administrator, legal or personal representative, government, governmental body, entity or authority, body corporate, corporation, unincorporated organization or any other association, syndicate, joint venture or entity.

“**Principal Office**” means the principal office of the Depositary in Toronto, Ontario.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval.

“**Tax Act**” means the *Income Tax Act* (Canada) and any regulations thereto, as amended from time to time.

“**TSX-V**” means the TSX Venture Exchange.

“**Valuation**” means the valuation of Evans & Evans in respect of the Offer prepared pursuant to, and in compliance with, Multilateral Instrument 61-101.

“**View22**” means View22 Technology Inc.

“**View22 Transaction**” means the proposed investment in View22 as more particularly described in the Section “Description of View22 Transaction” herein.

OFFER TO PURCHASE

The accompanying Circular, which is incorporated into and forms part of this Offer, contains important information that should be read carefully before making a decision with respect to this Offer.

TO: NICO SHAREHOLDERS

May 5, 2009

1. THE OFFER

NICO invites NICO Shareholders to deposit up to a maximum of 12,000,000 NICO shares for purchase and cancellation by NICO, at a price of \$0.40 per NICO Share payable in cash and upon the terms and subject to the conditions set forth in this Offer. The Offer expires at 5:00 p.m. (Toronto time) on June 9, 2009 unless withdrawn, extended or varied (the “**Expiry Time**”). The Offer is made only for outstanding NICO Shares (including any NICO Shares that are issued after the date of the Offer and prior to the Expiry Time on the exercise and/or vesting of any options, warrants and compensation warrants, as applicable). The Offer is not made for any options, warrants, compensation warrants or any other rights to acquire common shares of NICO. The Offer is not conditional upon a minimum number of NICO Shares being validly deposited under the Offer and not withdrawn. If the number of NICO Shares validly deposited in response to the Offer is greater than the maximum of 12,000,000 NICO Shares, the NICO Shares deposited to the Offer shall be taken up on a *pro rata* basis, disregarding fractions, according to the number of NICO Shares deposited by each depositing NICO Shareholder.

The NICO Board, in making the decision to present the Offer to NICO Shareholders, makes no recommendation to any NICO Shareholder as to whether to deposit or refrain from depositing NICO Shares to this Offer. Each NICO Shareholder should make his or her own decision whether to deposit NICO Shares to this Offer and, if so, how many NICO Shares to deposit to this Offer. Each NICO Shareholder should carefully review and evaluate the Offer in order to make such decision and consult his or her own investment and tax advisor for assistance.

The price per NICO Share is denominated and will be paid in Canadian dollars. All references to \$ in this document are to Canadian dollars. All references to US\$ in this document are to U.S. dollars.

2. MANNER AND TIME OF ACCEPTANCE

In order to deposit NICO Shares under the Offer, a NICO Shareholder must, prior to the Expiry Time, either:

- (a) deposit the certificate(s) representing such NICO Shares, together with the Letter of Transmittal (printed on PINK paper), or a manually executed copy thereof, with respect to such NICO Shares, properly completed and executed in accordance with the instructions in the Letter of Transmittal, and any other documents required by the Letter of Transmittal, at the Principal Office of the Depositary specified in the Letter of Transmittal; or
- (b) follow the guaranteed delivery procedures set out below.

The Offer will be considered accepted only if the Depositary has actually received the required documents before the Expiry Time.

A NICO Shareholder who wishes to deposit NICO Shares under the Offer and whose NICO Shares are registered in the name of a nominee, such as a broker, investment dealer, bank, trust company or other nominee, should immediately contact such nominee for assistance in depositing their NICO Shares under the Offer.

Participants of CDS or DTC should contact the Depositary with respect to the deposit of their NICO Shares under the Offer. CDS and DTC will be issuing instructions to their participants as to the method of depositing such NICO Shares under the terms of the Offer.

Letter of Transmittal

Except as otherwise provided in the instructions to the Letter of Transmittal, the signature on the Letter of Transmittal must be medallion guaranteed by an Eligible Institution, or in some other manner acceptable to the Depository (except that no guarantee is required for the signature of a depositing NICO Shareholder which is an Eligible Institution). If a Letter of Transmittal is signed by a person other than the registered holder of the NICO Shares represented by the certificates deposited under the Offer and in certain other circumstances as set out in the Letter of Transmittal, the certificates must be endorsed or be accompanied by appropriate share transfer powers of attorney properly completed by the registered holder with the signature on the endorsement or share transfer power of attorney medallion guaranteed by an Eligible Institution.

The execution of a Letter of Transmittal irrevocably constitutes and appoints each officer and director of NICO, and any other person designated by NICO in writing, as the true and lawful agent, attorney, attorney-in-fact and proxy of the holder of the NICO Shares covered by the Letter of Transmittal with respect to NICO Shares registered in the name of the holder on the books of NICO and deposited pursuant to the Offer, and with respect to any and all dividends, distributions, payments, securities, rights, assets or other interests (collectively, “**Other Securities**”) which may be declared, paid, issued, distributed, made or transferred on or in respect of the NICO Shares on or after the date on which NICO Shares are taken up and paid for under the Offer, except as otherwise indicated in Section 9 of the Offer to Purchase, “Dividends and Distributions; Liens”. The power of attorney granted irrevocably upon execution of a Letter of Transmittal shall be effective on and after the date that NICO takes up and pays for the NICO Shares (the “**Effective Date**”) with full power of substitution in the name and on behalf of such NICO Shareholder (such power of attorney being coupled with an interest) to register or record the transfer of such NICO Shares and Other Securities to the extent consisting of securities on the appropriate securities registers of NICO and to exercise any rights of such holder.

A NICO Shareholder who executes a Letter of Transmittal also agrees, effective on and after the Effective Date, that all prior proxies given by the holder of such NICO Shares or Other Securities with respect thereto shall be revoked and no subsequent proxies may be given by such person with respect thereto. A holder of NICO Shares or Other Securities who executes a Letter of Transmittal covenants to execute, upon request, any additional documents necessary or desirable to complete the sale, assignment and transfer of the NICO Shares and Other Securities to NICO.

Procedure for Guaranteed Delivery

A NICO Shareholder who wishes to accept the Offer and deposit NICO Shares in circumstances in which (i) the certificates representing such NICO Shares are not immediately available, or (ii) such NICO Shareholder cannot deliver the certificates representing such NICO Shares and all other required documents to the Depository prior to the Expiry Time, may nevertheless deposit such NICO Shares under the Offer provided that all of the following conditions are met:

- (c) such deposit is made by or through an Eligible Institution;
- (d) a properly completed and executed Notice of Guaranteed Delivery (printed on YELLOW paper), or a manually executed copy thereof, with respect to such NICO Shares is received by the Depository at the Principal Office specified in the Notice of Guaranteed Delivery prior to the Expiry Time; and
- (e) the certificate(s) representing deposited NICO Shares, in proper form for transfer, together with a properly completed and executed Letter of Transmittal, or a manually executed copy thereof, with respect to such common shares of NICO, and all other documents required by the Letter of Transmittal, are received by the Depository at the Principal Office (the same one to which the Notice of Guaranteed Delivery was delivered) prior to 5:00 p.m. (Toronto time) on the third trading day on the TSX-V following the Expiry Date.

Notices of Guaranteed Delivery must be delivered by hand or courier or sent by facsimile transmission or mail to the Depository at the Principal Office so as to be received by the Depository at the Principal Office prior to the Expiry Time and must include a signature medallion guaranteed by an Eligible Institution in the form set out in the Notice of Guaranteed Delivery.

Acceptance by Book-Entry Transfer

NICO Shareholders may accept the Offer by following the procedures for a book-entry transfer established by CDS, provided that a Book-Entry Confirmation through CDSX is received by the Depository at the Principal Office prior to the Expiry Time. The Depository has established an account at CDS for the purpose of the Offer. Any financial institution that is a participant in CDS may cause CDS to make a book-entry transfer of a NICO Shareholder's NICO Shares into the Depository's account in accordance with CDS procedures for such transfer. Delivery of NICO Shares to the Depository by means of a book-entry transfer will constitute a valid tender under the Offer.

NICO Shareholders, through their respective CDS participants, who utilize CDSX to accept the Offer through a book-entry transfer of their NICO Shares into the Depository's account with CDS shall be deemed to have completed and submitted a Letter of Transmittal and to be bound by the terms thereof and therefore such instructions received by the Depository are considered a valid tender in accordance with the terms of the Offer.

NICO Shareholders may also accept the Offer by following the procedures for book-entry transfer established by DTC, provided that a Book-Entry Confirmation, together with an Agent's Message (as described below) in respect thereof, or a properly completed and executed Letter of Transmittal (including signature guarantee if required) and all other required documents, are received by the Depository at the Principal Office prior to the Expiry Time. Any financial institution that is a participant in DTC may cause DTC to make a book-entry transfer of a NICO Shareholder's NICO Shares into the Depository's account in accordance with DTC's procedures for such transfer.

However, as noted above, although delivery of NICO Shares may be effected through book-entry transfer at DTC, either an Agent's Message in respect thereof, or a Letter of Transmittal, properly completed and executed (including signature guarantee if required), and all other required documents, must, in any case, be received by the Depository, at the Principal Office prior to the Expiry Time. Delivery of documents to DTC in accordance with its procedures does not constitute delivery to the Depository. Such documents or Agent's Message should be sent to the Depository.

General

The method of delivery of certificates representing NICO Shares and all other required documents is at the option and risk of the person depositing NICO Shares. Any use of the mail to forward certificates representing NICO Shares and/or the related Letter of Transmittal shall be at the election and sole risk of the person depositing NICO Shares and documents so mailed shall be deemed to have been received by NICO only upon actual receipt by the Depository. NICO recommends that such certificates and other documents be delivered by hand to the Depository and a receipt from the Depository be obtained therefor. If such certificates and other documents are to be mailed, NICO recommends that registered mail should be used with return receipt or acknowledgement of receipt requested. Delivery by mail shall only be effective if received by the Depository at the Principal Office specified in the Letter of Transmittal for mail delivery.

All questions as to the validity (including, without limitation, timely receipt) and form of notices shall be determined by NICO in its sole discretion, and such determination shall be final and binding.

NICO reserves the absolute right to reject any and all deposits which NICO determines not to be in proper form or which, in the opinion of the counsel thereof, may be unlawful for it to accept under the laws of any jurisdiction. NICO reserves the absolute right to waive any defects or irregularities in the deposit of any NICO Shares. There shall be no obligation on the part of NICO or the Depository to give notice of any defects or irregularities in any deposit and no liability shall be incurred by either of them for failure to give any such notice.

The interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the Notice of Guaranteed Delivery) by NICO shall be final and binding.

Subject to the rights of withdrawal provided for in Section 6 of the Offer to Purchase, “Withdrawal of Deposited NICO Shares”, certificates representing the NICO Shares and Notices of Guaranteed Delivery deposited pursuant to the Offer shall be deposited with the Depositary until the Expiry Time for release to NICO only in the event that all of the conditions set out in Section 3 of the Offer to Purchase, “Conditions of the Offer” have been satisfied or waived. The deposits of NICO Shares under the Offer pursuant to the procedures described in this Section shall not constitute an acceptance of the Offer by a NICO Shareholder and shall only be an agreement between the depositing NICO Shareholder and NICO at the Expiry Time.

Subject to the foregoing provisions of this paragraph, NICO reserves the right to permit the Offer to be accepted in a manner other than that set out above.

3. CONDITIONS OF THE OFFER

NICO reserves the right to withdraw, terminate or amend the Offer and not take up and pay for any NICO Shares deposited under the Offer if at any time before the payment for any such NICO Shares, in the sole judgment of NICO, any of the following events shall have occurred (or shall have been determined in good faith by NICO to have occurred) which makes it inadvisable in the opinion of NICO to proceed with the Offer:

- (a) there shall have been threatened, taken or pending any action, suit or proceeding by any Governmental Entity in any jurisdiction, or by any other Person before any Governmental Entity in any jurisdiction:
 - (i) challenging or seeking to cease trade, make illegal, delay or otherwise directly or indirectly restrain or prohibit the making of the Offer, the acceptance for payment of NICO Shares by NICO or otherwise directly or indirectly relating in any manner to or affecting the Offer; or
 - (ii) seeking material damages or that otherwise has or may have a material adverse effect on the financial condition of NICO and its affiliates, taken as a whole;
- (b) a Law shall have been proposed, enacted, promulgated or applied which prohibits, prevents, restricts, or delays, or may after the passage of time prohibit, prevent, restrict or delay, the Offer from proceeding or being completed;
- (c) there shall have been threatened, taken or pending any action, suit or proceeding or approval withheld or any statute, rule, regulation, stay, decree, judgement or order of injunction proposed, sought, enacted, enforced, promulgated, amended, issued or deemed applicable to the Offer or NICO or any of its affiliates by any Governmental Entity in any jurisdiction, or by any other Person in any jurisdiction, that might directly or indirectly, result in any of the consequences referred to in paragraph (a) or (b) above or would or might prohibit, prevent, restrict or delay consummation of the Offer or otherwise make it inadvisable to proceed with the Offer;
- (d) any change shall have occurred or been proposed to the Tax Act or to the publicly available administrative policies or assessing practices of the Canada Revenue Agency that is detrimental to NICO or its completion of the Offer;
- (e) there shall exist any prohibition at law against NICO making the Offer or taking up and paying for the NICO Shares deposited under the Offer;
- (f) Evans & Evans shall have withdrawn or amended the Valuation; or

- (g) there shall have occurred (i) any general suspension of trading in, or limitation on prices for, securities on any securities exchange or in the over-the-counter market in Canada, or (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in Canada (whether or not mandatory).

The foregoing conditions are for the exclusive benefit of NICO and may be waived by NICO in its sole discretion, in whole or in part, at any time or from time to time without prejudice to any other rights that NICO may have under the Offer. The failure by NICO at any time to exercise any of the foregoing rights shall not be deemed to constitute a waiver of any such right and each such right shall be deemed an ongoing right which may be asserted at any time at or following the Expiry Time and from time to time by NICO. Any determination by NICO concerning the foregoing conditions shall be final and binding upon all Persons.

Any waiver of a condition or the withdrawal of the Offer shall be deemed to be effective on the date on which notice of such waiver or withdrawal is delivered or otherwise communicated in writing to the Depositary at the Principal Office. NICO, after giving notice to the Depositary of any waiver of a condition or the withdrawal of the Offer, shall forthwith make a public announcement of such waiver or withdrawal and provide or cause to be provided notice of such waiver or withdrawal to the TSX-V and the relevant Canadian securities regulatory authorities. If the Offer is withdrawn, NICO shall not be obligated to take up, accept for payment or pay for any NICO Shares deposited under the Offer, and the Depositary shall return all certificates representing deposited NICO Shares, Letters of Transmittal, Notices of Guaranteed Delivery and related documents to the Persons by whom they were deposited at the expense of NICO. If all the conditions have been either satisfied or waived, the Offer may not be extended until NICO has first taken up all NICO Shares deposited and not withdrawn.

4. EXTENSION AND VARIATION OF THE OFFER

The Offer may be accepted until, but not after, the Expiry Time, unless the Offer is withdrawn prior to that time. NICO reserves the right, in its discretion, at any time and from time to time while the Offer is open for acceptance, or at any other time if permitted by law, to extend the Expiry Time or to vary the Offer by giving written notice of the extension or variation to the Depositary at its Principal Office and by causing the Depositary to provide, as soon as practicable thereafter, a copy of the notice in the manner set forth in the section entitled “Offer to Purchase – Notice” to all shareholders of NICO (other than Shareholders whose NICO Shares have been taken up before the extension or variation). As soon as practicable after giving notice of an extension or variation to the Depositary, NICO shall make a public announcement of the extension or variation and provide or cause to be provided notice of such extension or variation to the TSX-V and the applicable Canadian securities regulatory authorities. Any notice of extension or variation shall be deemed to have been given and to be effective on the day on which it is delivered or otherwise communicated in writing to the Depositary at its Principal Office. The Offer shall thereupon be deemed to be extended or varied, as the case may be, in the manner described in such notice of extension or variation.

During any extension of the Offer or in the case of any variation of the Offer, all NICO Shares previously deposited and not taken up or withdrawn shall remain subject to the Offer as amended and may be accepted for purchase by NICO in accordance with the terms of the Offer. Under applicable Canadian provincial securities legislation, if there is a variation in the terms of the Offer other than a variation consisting solely of the waiver of a condition of the Offer, the period during which the NICO Shares may be deposited pursuant to the Offer shall not expire before ten days after the notice of variation has been delivered to Shareholders. An extension of the Expiry Time or a variation of the Offer shall not constitute a waiver by NICO of its rights under the section entitled “Offer to Purchase – Conditions of the Offer”.

5. PAYMENT FOR DEPOSITED NICO SHARES

If the conditions under Section 3 of the Offer to Purchase, “Conditions of the Offer” have been satisfied or have been waived prior to the Expiry Time, NICO, no later than 10 days after the Expiry Date, will take up and pay for the NICO Shares validly deposited under the Offer and not withdrawn. Any NICO Shares taken up shall be paid for by NICO as soon as possible, and in any event not more than three business days after they were taken up. NICO will purchase only a maximum of 12,000,000 NICO Shares pursuant to the Offer. If the number of NICO Shares validly deposited in response to the Offer is greater than the maximum of 12,000,000 NICO Shares, the NICO

Shares deposited to the Offer shall be taken up on a *pro rata* basis, disregarding fractions, according to the number of NICO Shares deposited by each depositing NICO Shareholder. The determination by NICO as to such allocation and the *pro rata* entitlement of each depositing NICO Shareholder shall be final and binding on all Persons.

NICO shall pay for NICO Shares taken up by providing the Depositary with sufficient funds (by bank transfer or other means satisfactory to the Depositary) for transmittal to depositing NICO Shareholders. Under no circumstances shall interest accrue or be paid by NICO or the Depositary to Persons depositing NICO Shares, regardless of any delay in payment. The Depositary shall act as the agent of Persons who have deposited NICO Shares in acceptance of the Offer for the purposes of receiving payment from NICO and transmitting payment to those Persons, and receipt of payment by the Depositary shall be deemed to constitute receipt of payment by Persons depositing NICO Shares.

Settlement in respect of purchased NICO Shares shall be effected by the Depositary forwarding to each holder whose NICO Shares have been taken up, a cheque in the amount payable to such holder pursuant to the Offer. Unless otherwise specified in the Letter of Transmittal, the cheque for NICO Shares taken up shall be issued in the name of the registered holder of the NICO Shares. Unless the Person who deposits the NICO Shares instructs the Depositary to hold the cheque for pick-up by checking the appropriate box in the Letter of Transmittal, such cheques shall be forwarded by first class mail to the registered holder (or such other Person specified by the registered holder in the Letter of Transmittal) at the address specified in the Letter of Transmittal.

If no address is specified, the cheque shall be forwarded to the address of the registered holder as shown on the share register maintained in respect of the NICO Shares.

If any deposited NICO Shares are not accepted for payment pursuant to the terms and conditions of the Offer for any reason, or if certificates are submitted for more NICO Shares than are deposited, certificates representing the unpurchased NICO Shares will be returned (without expense to the depositing holder), to the depositing holder (or such other Person specified by the registered holder in the Letter of Transmittal) at the address specified in the Letter of Transmittal or, if the address is not so specified, at the address shown on the share register maintained in respect of the NICO Shares, as soon as practicable following the earlier of the Expiry Date or the withdrawal and termination of the Offer.

Persons depositing NICO Shares directly to the Depositary shall not be obliged to pay any brokerage fees or commissions. See "Depositary" in the Circular. If a NICO Shareholder owns NICO Shares through a broker or other nominee and such broker or other nominee deposits NICO Shares on the NICO Shareholder's behalf, the broker or other nominee may charge a fee or commission for performing such service. NICO Shareholders are cautioned to consult with their broker or other nominee to determine whether any fees or commissions are payable to their broker or other nominee in connection with a deposit of NICO Shares pursuant to the Offer.

6. WITHDRAWAL OF DEPOSITED NICO SHARES

Except as otherwise herein expressly provided, all deposits of NICO Shares pursuant to the Offer are irrevocable. Any NICO Shares deposited in acceptance of the Offer may be withdrawn by or on behalf of the depositing holder:

- (a) at any time prior to the Expiry Time; or
- (b) at any time after the Expiry Time if the NICO Shares have not been taken up by NICO before receipt by the Depositary of a notice of withdrawal in respect of such NICO Shares; or
- (c) at any time after the NICO Shares have been taken up if the NICO Shares have not been paid for by NICO within three business days of such take up; or
- (d) at any time before the expiration of 10 days from the date upon which either:

- (i) a notice of change relating to a change in the information contained in this document, as amended from time to time, that would reasonably be expected to affect the decision of a NICO Shareholder to accept or not accept the Offer (other than a change that is not within the control of NICO or an affiliate of NICO), in the event that such change occurs before the Expiry Time or after the Expiry Time but before the expiry of all rights of withdrawal in respect of the Offer; or
- (ii) a notice of variation concerning a variation in the terms of the Offer (other than a variation consisting solely of a waiver of a condition of the Offer),

is mailed, delivered, or otherwise properly communicated, but subject to abridgement of that period pursuant to such order or orders as may be granted by applicable courts or securities regulatory authorities and only if such NICO Shares deposited under the Offer have not been taken up by NICO before the date of the notice.

In order for any withdrawal to be made, notice of the withdrawal must be in writing and be actually received by the Depositary at the place of deposit within the applicable time limits set forth above. The notice of withdrawal must (i) be signed by or on behalf of the Person who signed the Letter of Transmittal that accompanied the NICO Shares to be withdrawn, and (ii) specify such Person's name, the number of NICO Shares to be withdrawn, the name of the registered holder and the certificate number shown on each certificate representing the NICO Shares to be withdrawn. Except in the case of NICO Shares deposited for the account of an Eligible Institution, any signature in a notice of withdrawal must be medallion guaranteed by an Eligible Institution in the same manner as in the Letter of Transmittal (or Notice of Guaranteed Delivery) (as described in the instructions set out in the Letter of Transmittal). Neither NICO nor the Depositary shall be under any duty to give notification of any defect or irregularity in any notice of withdrawal or shall incur any liability for failure to give such notification.

All questions as to the validity (including, without limitation, timely receipt) and form of notices of withdrawal shall be determined by NICO in its sole discretion, and such determination shall be final and binding. Withdrawals shall take effect upon receipt by the Depositary of the properly completed and executed notice of withdrawal.

A NICO Shareholder who wishes to withdraw NICO Shares under the Offer and whose NICO Shares are registered in the name of a nominee, such as a broker, investment dealer, bank, trust company or other nominee, should immediately contact such nominee for assistance in withdrawing their NICO Shares under the Offer.

Any NICO Shares withdrawn shall be deemed not validly deposited for the purposes of the Offer, but may be redeposited at any subsequent time prior to the Expiry Time by following the applicable procedures described in Section 2 of the Offer to Purchase, "Manner and Time of Acceptance".

7. NOTICE

Except as otherwise provided in the Offer, any notice to be given by NICO or the Depositary under the Offer shall be deemed to have been properly given if it is in writing and is mailed by first class mail, postage prepaid, to the registered holders of NICO Shares at their respective addresses as shown on the share register maintained in respect of the NICO Shares and shall be deemed to have been received on the first day following the date of mailing which is not a Saturday, Sunday or statutory holiday in the Province of Ontario. These provisions apply despite (i) any accidental omission to give notice to any one or more holders of NICO Shares, and (ii) any interruption of or delay in mail service in Canada or the United States following mailing. In the event of an interruption of or delay in mail service in Canada or the United States following mailing, NICO intends to make reasonable efforts to disseminate the notice by other means, such as publication. Except as otherwise required or permitted by law, in the event of any such interruption of or delay in mail service or if post offices in Canada or the United States are not open for the deposit of mail, any notice which NICO or the Depositary may give or cause to be given under the Offer shall be deemed to have been properly given and to have been received by holders of NICO Shares if it is issued by way of news release.

The Offer to Purchase shall be mailed to registered holders of NICO Shares or sent in such a manner as is permitted by applicable regulatory authorities and NICO shall use its reasonable efforts to furnish the Offer to investment dealers, stockbrokers, banks and similar persons in whose names or the names of whose nominees appear on the shareholder list or, if security position listings are available, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of NICO Shares when such list or listing is received.

Wherever the Offer calls for documents to be delivered to the Depositary, such documents shall not be considered delivered unless and until they have been physically received at the Principal Office specified on the Letter of Transmittal or Notice of Guaranteed Delivery, as applicable.

8. PAYMENT IN THE EVENT OF MAIL SERVICE INTERRUPTION

Notwithstanding the provisions of the Offer, the Circular, the Letter of Transmittal or the Notice of Guaranteed Delivery, cheques in payment for NICO Shares purchased under the Offer and certificates representing any NICO Shares to be returned shall not be mailed if NICO determines that delivery by mail may be delayed. Persons entitled to cheques or certificates which are not mailed for this reason may take delivery thereof at the Principal Office of the Depositary to which the deposited certificates representing NICO Shares were delivered until NICO has determined that delivery by mail shall no longer be delayed. NICO shall provide notice, in accordance with Section 7 of the Offer to Purchase, "Notice", of any determination not to mail made under this Section as soon as reasonably practicable after such determination is made. The deposit of cheques with the Depositary in these circumstances shall constitute delivery to the Persons entitled to them.

9. DIVIDENDS AND DISTRIBUTIONS; LIENS

NICO Shares acquired pursuant to the Offer shall be transferred by the Shareholders and acquired by NICO free and clear of all liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising there from except as otherwise expressly provided herein. Any dividends or distributions which may be paid on the NICO Shares to Shareholders of record on or prior to the date upon which the NICO Shares are taken up and paid for under the Offer shall be for the account of such Shareholders.

10. OTHER TERMS OF THE OFFER

The Offer and all contracts resulting from its acceptance at the Expiry Time upon the waiver or satisfaction of the conditions set out in Section 3 of the Offer to Purchase, "Conditions of the Offer" hereof shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Each party to a contract resulting from an acceptance of the Offer unconditionally and irrevocably attorns to the jurisdiction of the courts of the Province of Ontario.

No Person has been authorized to give any information or make any representations on behalf of NICO in connection with the Offer other than those contained in the Offer to Purchase, the Circular, the Letter of Transmittal or the Notice of Guaranteed Delivery. If given or made, any such information or representation must not be relied upon as having been authorized by NICO.

The provisions of the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery accompanying the Offer, including the instructions contained therein, are incorporated herein by reference and form part of the terms and conditions of the Offer.

NICO, in its sole discretion, shall be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery, the validity of any acceptance of the Offer and the validity of any withdrawals of NICO Shares, and shall be entitled to make a final and binding determination of the allocation of NICO Shares validly deposited under the Offer and the *pro rata* entitlement of each depositing Shareholder.

The Offer is not being made to, nor will deposits be accepted from or on behalf of, Shareholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of that jurisdiction. NICO may, in its sole discretion, take such action as it may deem necessary to make the Offer in any jurisdiction and extend the Offer to Shareholders in any jurisdiction.

The accompanying Circular together with the Offer constitute the issuer bid circular required under Canadian provincial securities legislation with respect to the Offer.

NICO MINING LIMITED

(signed) Anthony Frizelle
Chairman and Chief Executive Officer

The accompanying Circular contains additional information relating to the Offer.

ISSUER BID CIRCULAR

This Circular is issued by NICO in connection with the Offer by NICO to purchase for cancellation, on and subject to the terms and conditions specified in the Offer, up to a maximum of 12,000,000 NICO Shares at a price of \$0.40 per NICO Share payable in cash. Words and terms used in this Circular, unless otherwise defined herein, are defined and have the same meaning as in the Offer to Purchase. The terms and conditions of the Offer to Purchase are incorporated into and form part of this Circular. Reference is made to the Offer to Purchase for details of the terms and conditions of the Offer.

NICO

NICO is a Canadian-based exploration and development mining company that holds a portfolio of nickel and cobalt concessions in Cameroon, being Lomie 1, Lomie 2 and Lomie 3 (collectively, the “Lomie Concessions”).

NICO was incorporated under the *Business Corporations Act* (Ontario) under the name Sudbury Capital Corp. on June 17, 2005. By articles of amendment dated March 11, 2008, and following its acquisition of NiCo Mining Corp., NICO changed its name to NiCo Mining Limited. NICO is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

The NICO Shares are listed and posted for trading on the TSX-V under the symbol “NCL”. As of May 4, 2009, there were 20,898,100 NICO Shares issued and outstanding and 9,388,940 and 1,984,880 NICO Shares issuable pursuant to warrants and options issued by NICO, respectively. A total of 3,210,000 NICO Shares are held in escrow under escrow agreements between certain shareholders of NICO and Equity Transfer & Trust Company.

PURPOSE OF THE OFFER

The Offer is being made to afford NICO Shareholders an opportunity to realize a cash return for all or a portion of their investment in NICO at a premium of approximately 26%, 29%, 74% and 129% to the market price of the NICO Shares, based on the closing price of the NICO Shares on the TSX Venture Exchange (the “TSX-V”) on the first, 30th, 60th and 90th trading days immediately preceding the announcement of the Offer, respectively, and to enhance the long term market value of the NICO Shares.

In December 2008, NICO received a request from certain of its significant shareholders requesting the board to make a substantial cash distribution to shareholders due to the then global liquidity crisis and the illiquid nature of NICO’s shares.

Following receipt of the request, representatives of NICO discussed the future direction of NICO with certain of its major shareholders. While certain of these shareholders preferred a cash distribution, other shareholders believed that NICO should preserve its cash resources and continue as a junior publicly traded company.

In presenting the Offer, the NICO Board is effectively giving each NICO Shareholder a choice between (i) selling all or most of such shareholder’s equity interest in NICO, resulting in a cash return in the near term or (ii) keeping such shareholder’s equity interest in NICO, resulting potentially in an increased proportionate equity interest in NICO following completion of the Offer.

Assuming the Offer is completed, NICO expects to continue as an exploration company. NiCo intends to maintain its interest in its Lomie nickel and cobalt properties in the Cameroon which are being held on a care and maintenance basis and will continue to investigate other opportunities which may be available to NICO in order to maximize shareholders value.

The Offer does not constitute, nor, to the best of the knowledge, information and belief of the NICO Board, is it intended by NICO to be followed by, a going-private transaction. It is the current intention of NICO to continue as a publicly traded company and to pursue business ventures following the completion of the Offer. However, following completion of the Offer, NICO may not meet the continued listing requirements of the TSX-V and in such

case may be placed under delisting review. NICO expects that it would have some time to correct the deficiencies that triggered any such review. However, if any such deficiencies cannot be remedied, then NICO may be delisted from the TSX-V. NICO cannot provide any assurance that its current plans for its business and operations, including completion of the Offer or completion of the View 22 Transaction, will materialize or as to its continued listing on the TSX-V or elsewhere. See “General Information – Forward-Looking Information” in this document.

Canadian securities laws prohibit NICO and its affiliates from acquiring any NICO Shares on terms not generally offered to all NICO Shareholders until at least 20 business days after expiry of the Offer. NICO may in the future, subject to applicable law, purchase additional NICO Shares on the open market, in private transactions, through issuer bid or otherwise. Any such purchases may or may not be on the same terms to NICO Shareholders as the terms of the Offer. Any possible future purchases by NICO will depend on many factors, including the market price of the NICO Shares, NICO’s business and financial position, the results of the Offer and general and economic and market conditions.

BACKGROUND OF THE OFFER

In September 2008, the NICO Board decided that, as a result of the depressed commodities and equity markets for junior exploration companies and the outlook for nickel and cobalt, NICO should wind down its exploration activities and investigate other opportunities in order to maximize shareholder value. Management was also instructed to substantially reduce corporate expenditures.

In December 2008, NICO received a request from certain of its significant shareholders requesting the board to make a substantial cash distribution to shareholders due to the then global liquidity crisis and the illiquid nature of NICO’s shares.

Following receipt of the request, representatives of NICO discussed the future direction of NICO with certain of its major shareholders. While some of these shareholders preferred a cash distribution, other shareholders believed that NICO should preserve its cash resources and continue as a junior publicly traded company.

Since several of the larger shareholders of NICO also participated in previous private placements of View22, management believed that the competing preferences could be resolved if NICO distributed a significant amount of its cash resources to shareholders by means of a substantial issuer bid and invest some of the remaining cash in interest-bearing secured debentures of View22.

During January a representative of NICO discussed with View22 the possibility of NICO acquiring secured debentures of View22 and the terms of such investment.

At a meeting held on January 29, 2009, the NICO Board considered the future direction of NICO, including the request for a cash distribution and an investment in View22. A draft term sheet setting out the terms of a possible investment in secured debentures was discussed and management was authorized to pursue negotiations with View22 substantially on the terms set out in the term sheet presented to the NICO Board.

At a meeting held on February 23, 2009, the NICO Board authorized management to proceed with the Issuer Bid under which NICO would make an offer to shareholders to purchase for cancellation up to a maximum of 12,000,000 Common Shares at a price to be determined by the board which would be approximately equal to the net cash value per share at the time of the Issuer Bid.

At this meeting, the NICO board also approved a non-binding term sheet (the “Term Sheet”) with View22 providing for the purchase of up to \$3,000,000 of 12% secured debentures (the “Secured Debentures”) of View22 accompanied by up to 600,000 bonus shares of View 22 (the “View 22 Transaction”) and the appointment of Wellington West Capital Markets Inc. (“Wellington West”) as strategic advisor to advise NICO with respect to the proposed Issuer Bid and the purchase of Secured Debentures.

The terms of the Issuer Bid and the View22 Transaction were described in a press release issued by NICO on February 23, 2009. The Issuer Bid and the View22 Transaction are independent transactions and are not conditional on one another.

Subsequent to the meeting of the NICO Board on February 23, 2009, and at the request of the TSX-V, NICO received written consents from shareholders beneficially owning approximately 68% of the issued NICO Shares, constituting more than two-thirds of the issued NICO Shares, consenting to proceed with the View22 transaction substantially on the terms set out in NICO's press release of February 23, 2009.

At meetings of the NICO Board held on March 4, 2009 and March 19, 2009, Wellington West made presentations to the board on View22 and its business. At these meetings, the NICO Board reviewed the proposed investment in View22. Certain of the directors expressed concerns about the future impact the View22 transaction might have on NICO's mining business, including whether the transaction would restrict NICO from participating in future resource opportunities.

At a meeting of the NICO Board held on April 14, 2009, following a review of the Issuer Bid and the View 22 Transaction, the NICO Board passed resolutions authorizing NICO to purchase up to 12,000,000 common shares for cancellation at a price of \$0.40 per share and to proceed with the View22 Transaction substantially on the terms set out in NICO's press release of February 23, 2009. See "Description of the View 22 Transaction" for a summary of the proposed transaction with View 22.

SUMMARY OF VALUATION

Engagement of Valuator

Evans & Evans was first contacted in connection with the preparation of a valuation for a possible substantial issuer bid on or about March 13, 2009, and was engaged by NICO on March 20, 2009. The NICO Board requested the Valuation in order to have an independent opinion as to the fair market value of 100% of the issued and outstanding NICO Shares at a recent date.

In connection with such engagement, NICO has agreed to pay Evans & Evans fees and expenses estimated to be approximately \$9,300 in the aggregate. The fees and expenses of Evans & Evans are not contingent in whole or in part upon the outcome of the Offer and Evans & Evans has no financial interest in NICO or in any of its affiliates that may be affected by the Offer. NICO has determined that the compensation paid for the services provided has not in any way interfered with Evans & Evans' independence.

The NICO Board reviewed a draft of the written report of Evans & Evans containing the Valuation with respect to the NICO Shares, and had a further discussion regarding the Valuation with Evans & Evans on April 6, 2009. Thereafter, the Valuation as at February 28, 2009 (the "**Valuation Date**") was finalized by Evans & Evans and delivered to the NICO Board.

Credentials of Valuator

Evans & Evans has been determined by NICO to be qualified to produce the Valuation. Evans & Evans is a leading Canadian boutique investment banking firm which offers a range of independent and advocate services including valuation and fairness opinions, business planning and research, mergers and acquisitions advice, business due diligence, market and competitive research and capital formation assistance. The NICO Board believes that for purposes of the Valuation, Evans & Evans has appropriate qualifications within the meaning given to such term in Multilateral Instrument 61-101.

Independence of Valuator

Evans & Evans has been determined by the NICO Board to be independent on the basis that there has been no past relationship, and there is no present or anticipated relationship, between Evans & Evans and NICO or any interested party that may be relevant to any perceived lack of independence of Evans & Evans. Neither Evans &

Evans nor any of its affiliates is an insider, associate or affiliate (as those or similar terms are used in Multilateral Instrument 61-101) of NICO or any person or company that, whether alone or jointly or in concert or combination with others, holds or would hold, upon successful completion of the Offer, NICO Shares sufficient to affect materially its control (collectively, the “**Interested Parties**”). Neither Evans & Evans nor any of its affiliates is an adviser (as such term is used in Multilateral Instrument 61-101) to any of the Interested Parties in respect of the Offer (other than for the purposes of conducting the Valuation) or is a manager, co-manager or member of any soliciting dealer group formed in respect of the Offer other than a member who does not perform services beyond the customary soliciting dealer’s function or a member who does not receive more than the per security or per security holder fees payable to other members of the group. The fee payable to Evans & Evans for the Valuation is not dependent on the conclusions reached by Evans & Evans or the outcome of the Offer. There are no understandings or agreements between Evans & Evans and NICO or any Interested Party with respect to future business dealings.

Having reviewed all of the relevant circumstances, Evans & Evans has advised the NICO Board that it is qualified for and independent in the preparation of the Valuation.

Scope of Valuation

In preparing the Valuation, Evans & Evans carried out the work necessary in their opinion to complete the Valuation. Evans & Evans reviewed extensive information provided by NICO and undertook various procedures, including interviews and discussions with the senior management of NICO. Evans & Evans also conducted other investigative exercises including, but not limited to, review of publicly available information related to corporations which may be considered to be comparable to NICO. Evans & Evans was given access to management of NICO and their advisors and, to its knowledge, was not denied any type of requested information that might be considered to be material to the Valuation.

Copy of Valuation

A copy of the Valuation may be obtained on request from the Chief Financial Officer, NiCo Mining Limited, 2 Bloor Street West, Suite 1803, Toronto, Ontario, M4W 3E2, Telephone: (416) 637-2080. A copy of the Valuation is being filed on SEDAR under NICO’s profile concurrently with this document.

General Assumptions

Evans & Evans relied upon and assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations and other material obtained by it from public sources and from NICO and its respective advisors.

Definition of Fair Market Value

For the purposes of the Valuation, Evans & Evans has taken “fair market value” to mean the highest price available in an open and unrestricted market between informed, prudent parties acting at arm’s length and under no compulsion to act, expressed in terms of cash. **In addition, NICO Shareholders are reminded that the Valuation was prepared as of the Valuation Date, before the Offer was announced, and, as such, the Valuation does not consider the existence or impact of the Offer.**

Valuation Methodology

The Valuation was prepared by Evans & Evans based on its professional judgment and in compliance with Multilateral Instrument 61-101. The Valuation is based upon techniques and assumptions that Evans & Evans considers appropriate in the circumstances for the purposes of arriving at an opinion as to the range of fair market value of the NICO Shares.

Given the nature and status of NICO’s overall business operations (i.e. exploration area properties), Evans & Evans concluded that NICO should be valued based on a going concern approach and that the most appropriate

methods in determining the range of the fair market value of NICO were an Asset Approach, namely the Adjusted Book Value Method, and a Market Approach, namely the Guideline Public Company Method.

Adjusted Book Value Method

The first step in undertaking the Adjusted Book Value Method was to determine the fair market value of the NICO's exploration stage property, the Lomie Project. The Multiple of Exploration Expenditures Method ("MEE Method") was utilized to arrive at the fair market value of NICO's properties. The MEE Method involves assigning a premium or discount to the relevant effective expenditure base (i.e. the sum of adjusted historical expenditures), represented by past expenditures, through application of a prospectivity enhancement multiplier. This factor directly relates to the success or failure of exploration completed to date, and to an assessment of the future potential of the asset. Evans & Evans determined that the fair market value of the Lomie Project under the MEE Method was in the range of \$1,010,000 to \$1,230,000.

Upon arriving at the fair market value of the Lomie Project, it was then necessary to adjust the balance sheet of NICO to arrive at the fair market value of 100% of the issued and outstanding NICO Shares.

Guideline Public Company Method

The Guideline Public Company Method involves identifying public companies similar to the subject company with stocks that trade freely in the public market on a daily basis. The objective of the Guideline Public Company Method is to derive multiples to apply to the fundamental financial variables of the subject company. Since the indication of value is based on minority interest transactions, if one is valuing a controlling interest, it may sometimes be necessary to consider applying a premium for control. A discount for lack of marketability may also be appropriate.

Evans & Evans used a multiple of enterprise value to book value as a means of deriving the fair market value of 100% of NICO. Enterprise values for the guideline public companies were selected as at the Valuation Date.

Valuation Conclusions

Based upon the foregoing and subject to the assumptions, restrictions and the scope of Evans & Evans' work as set out in the Valuation, Evans & Evans concluded that in its opinion, the fair market value of 100% of the issued and outstanding NICO Shares as at the Valuation Date is in the range of \$10,100,000 million to \$10,700,000 million (\$0.483 to \$0.512 per NICO Share).

TRADING RANGE AND VOLUME OF NICO SHARES

The NICO Shares are listed on the TSX-V. The following table sets forth the price ranges and the total volume of the NICO Shares traded on the TSX-V for the eight month period preceding the date of the Offer:

| Month | High (\$) | Low (\$) | Trading Volume |
|--------------|------------------|-----------------|-----------------------|
| 2008 | | | |
| September | 0.300 | 0.200 | 837,800 |
| October | 0.220 | 0.130 | 429,500 |
| November | 0.345 | 0.220 | 2,237,600 |
| December | 0.360 | 0.230 | 1,810,900 |
| 2009 | | | |
| January | 0.340 | 0.285 | 668,900 |
| February | 0.330 | 0.305 | 13,000 |

| Month | High (\$) | Low (\$) | Trading Volume |
|--------------|------------------|-----------------|-----------------------|
| March | 0.380 | 0.320 | 445,900 |
| April | 0.340 | 0.320 | 105,730 |

The Offer was announced on February 23, 2009. The closing price of the NICO Shares on the TSX on February 22, 2009, the trading day immediately preceding the announcement of the Offer, was \$0.31.

OWNERSHIP OF SECURITIES OF NICO

As of May 4, 2009, there were 20,898,100 NICO Shares issued and outstanding and 9,388,940 and 1,984,880 NICO Shares issuable pursuant to warrants and options issued by NICO, respectively.

Directors and Officers

The names of the directors and officers of NICO, the positions held by them, the number of NICO Shares and Options beneficially owned or over which control or direction is exercised by each of them (including the percentage of the outstanding NICO Shares and Options) and, to their knowledge after reasonable inquiry, by each of their respective associates, are as follows:

| Name and Position | Number of NICO Shares and % of Outstanding NICO Shares⁽¹⁾⁽²⁾ | Number of Options and % of Outstanding Options |
|--|--|---|
| Anthony Frizelle Chairman and Chief Executive Officer | 43,000 ⁽³⁾ | 150,000 (7.56%) |
| Laurence Mutch Director | 100,000 | 225,000 (11.34%) |
| R.A. Bondy Secretary and Director | 75,100 | 50,000 (2.50%) |
| Philip Martin Director | 37,000 | 120,000 (6.05%) |
| Richard Giel Chief Financial Officer | 10,000 | 75,000 (3.78%) |

Notes:

- (1) The information as to NICO Shares owned or over which control or direction is exercised, not being within the knowledge of NICO, has been furnished by the respective directors and officers of NICO individually.
- (2) Each of the directors and officers listed herein own or exercise control or direction of less than 1% of the issued and outstanding NICO Shares.
- (3) In addition, Mr. Frizelle and members of his family are beneficiaries of discretionary trusts that own all of the shares of two private companies which beneficially own an aggregate of 2,325,000 NICO shares.
- (4) During March, 2009, Stephen Haggerty resigned as a director of NICO.

Principal Shareholders

Except as disclosed in the following table, to the knowledge of the directors and officers of NICO after reasonable inquiry, there are no securities of NICO beneficially owned or over which control or direction is exercised by (i) any associate or affiliate of NICO, (ii) any insider of NICO (other than a director or officer of NICO), (iii) any associate or affiliate of an insider of NICO, or (iv) any Person acting jointly or in concert with NICO.

| <u>Name</u> | <u>Number of NICO Shares and % of Currently Outstanding NICO Shares</u> |
|---|---|
| Lawrence Asset Management Inc. ⁽¹⁾ | 2,723,500 (13%) |

Notes:

(1) Owned on behalf of funds it manages.

PRIOR VALUATION

Other than the Valuation, NICO is not aware of any prior valuations of the NICO Shares of NICO made in the 24 months preceding the date of the Offer. See "Summary of Valuation".

ACCEPTANCE OF THE OFFER

The directors and officers of NICO who beneficially own, directly or indirectly, or exercise control or direction over NICO Shares have agreed not to accept the Offer. To the knowledge of the directors and officers of NICO, after reasonable inquiry, none of (i) the associates and affiliates of NICO, (ii) the insiders of NICO (other than a director or officer of NICO), (iii) associates and affiliates of the insiders of NICO, or (iv) any Person acting jointly in concert with NICO, has indicated definitively that it intends to deposit NICO Shares into the Offer, except for a director, who has indicated that he intends to deposit 37,000 NICO Shares to the Offer.

BENEFITS FROM THE OFFER

There are no direct or indirect benefits to any of the directors and officers of NICO and their respective associates, any associate or affiliate of NICO, any insider of NICO (other than a director or officer of NICO), any associate or affiliate of an insider of NICO, or any Person acting jointly or in concert with NICO arising as a consequence of their acceptance or refusal to accept the Offer, except to the extent that if any such party does not deposit his, her or its NICO Shares under the Offer and the NICO Shares are deposited to and taken up under the Offer then his, her or its holdings (if any) shall represent an increased proportion of the issued and outstanding NICO Shares subsequent to the completion of the Offer.

ARRANGEMENTS BETWEEN NICO AND SECURITY HOLDERS

Except as described or referred to herein, there are no agreements, commitments or understandings made or proposed to be made between NICO and any NICO security holder relating to the Offer.

COMMITMENTS TO ACQUIRE SECURITIES OF NICO

Except as described or referred to herein, there are no agreements, commitments or understandings made by NICO or, to the knowledge of the directors and officers of NICO, after reasonable inquiry, by any of the directors and officers of NICO and their respective associates, any associate or affiliate of NICO, any insider of NICO (other than a director or officer of NICO), any associate or affiliate of an insider of NICO, or any Person acting jointly or in concert with NICO, to acquire any securities of NICO.

DESCRIPTION OF VIEW22 TRANSACTION

On February 23, 2009, NICO announced that it had signed a non-binding term sheet (the "Term Sheet") with View22 providing for the purchase of up to \$3,000,000 of 12% secured debentures (the "Secured Debentures") of View22, subject to certain conditions described below.

The Term Sheet contemplates execution by NICO of an agreement (the "Loan Facility Agreement") with View22 which will provide for the purchase by NICO of the Secured Debentures in three tranches of \$1,000,000

each. Each tranche will be subject to the satisfaction of certain performance milestones or other conditions to be provided for in the Loan Facility Agreement

The Secured Debentures, if issued, will: (i) bear interest at the rate of 12% per annum on the principal outstanding payable quarterly; (ii) be repayable at any time but no later than 24 months from their respective dates of issue; and (iii) be secured by a first fixed and floating charge on all of the assets and undertaking of View22.

If NICO proceeds with the purchase of the Secured Debentures, it will receive up to 600,000 common shares of View22.

While any of the Secured Debentures are outstanding, in the event that View22 desires to effect a "Liquidity Event" involving a reverse take-over or similar business combination, NICO will be granted a right of first offer, for a period of 60 days, to negotiate with View22 the terms upon which NICO would be the counterparty in any such transaction.

Completion of the View22 Transaction is subject to certain conditions, including receipt of all applicable regulatory approvals, finalization and execution of the Loan Facility Agreement, due diligence investigation and receipt of approvals of the directors and shareholders of NiCo. There can be no assurance that NICO will proceed with the purchase of the Secured Debentures. Wellington West Capital Markets Inc. has been retained as a strategic advisor to advise the Company with respect to the proposed Issuer Bid and the purchase of Secured Debentures.

View22 is a privately-owned corporation based in Richmond Hill, Ontario. Its core business is to deploy, license and monetize 3D Web applications to Global 2000 brands and consumers. View22's patented technology allows users to create, configure and customize three-dimensional spaces on the Web for the purpose of increasing eCommerce sales, advertising and marketing.

View22 derives its revenues through a licensing and transactional revenue model, including brand sponsorships, advertising and virtual goods.

In 2007, View22 developed and launched a new direct-to-consumer brand to take advantage of the rapid growth in the use of social networks such as Facebook, MySpace and Friendster. Today, fifty-seven percent of online users have joined a social network making it the number one platform for social interaction and brand advertising on the Web.

View22 is focused on deploying its patent-pending 3D and rich media applications to consumers across social networks. In late 2007, View22 launched its first social networking application on Facebook. This application quickly became one of the fastest growing 3D Web applications ever and currently has over 2.8 million registered users.

R.A. Bondy and Tony Frizelle, both directors and officers of NICO, separately own or control, directly or indirectly, less than 1% of the voting shares of View22 in the aggregate. In particular, Mr. Frizelle and members of his family are beneficiaries of discretionary trusts that own a total of 121,400 common shares of View22, and Mr. Bondy owns 31,800 common shares of View22. As of the date hereof, there are 19,064,675 common shares of View22 issued and outstanding.

MATERIAL CHANGES IN THE AFFAIRS OF NICO

Except for the proposed investment in View 22 or as otherwise described or referred to herein, as of the date hereof, (i) no information is known to any of the directors or officers of NICO that indicates any material change in the affairs of NICO since December 31, 2008, the date of the most recent published financial statements of NICO, and (ii) NICO has no present plans to make any material change in the business, corporate structure, management or personnel thereof.

PREVIOUS PURCHASES AND SALES

No securities of NICO have been purchased or sold by NICO during the twelve months preceding the date of the Offer.

PREVIOUS DISTRIBUTIONS

Except as disclosed in the following table, no NICO Shares have been distributed during the five years preceding the date of this Offer:

| <u>Date of Issuance</u> | <u>Number</u> | <u>Price Per Security (\$)</u> | <u>Aggregate Proceeds Received by NICO (\$)</u> |
|-------------------------|---------------------------|--------------------------------|---|
| February 21, 2006 | 200,000 ⁽¹⁾ | \$0.05 | \$100,000 |
| August 31, 2006 | 200,000 ⁽¹⁾ | \$0.10 | \$200,000 |
| March 12, 2008 | 20,498,100 ⁽²⁾ | - | - |

Notes:

(1) After giving effect to the 10 for 1 share consolidation completed on March 12, 2008

(2) Issued in exchange for all the issued and outstanding shares of NiCO Mining Corp. pursuant to a reverse takeover transaction

FINANCIAL STATEMENTS

Copies of the most recent financial statements of NICO for the year ended December 31, 2008 have been filed on SEDAR under NICO's profile and are being sent to NICO Shareholders. Additional copies are available without charge from NICO.

DIVIDEND POLICY

Although NICO has not declared or paid dividends on any shares since incorporation and does not anticipate declaring or paying dividends in the foreseeable future, the NICO Board may declare from time to time such cash dividends out of the monies legally available for dividends as the NICO Board considers advisable. Any future determination to pay dividends will be at the discretion of the NICO Board and will depend on the capital requirements of NICO, results of operations and such other factors as the NICO Board considers relevant.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

CONSIDERATIONS FOR NICO SHAREHOLDERS

In the opinion of Gowling Lafleur Henderson LLP, Canadian counsel to NICO, the following summary fairly describes the principal Canadian federal income tax consequences currently applicable to NICO Shareholders pursuant to the Tax Act who dispose of NICO Shares pursuant to the Offer, who, for purposes of the Tax Act, at all relevant times, is not exempt from tax, deal at arm's length and is not "affiliated" (as defined under the Tax Act) with NICO, and who hold their NICO Shares as capital property. Generally, the NICO Shares will be considered capital property to a holder thereof unless they are held in the course of carrying on the business of trading or dealing in securities or were acquired in a transaction or transactions considered to be an adventure in the nature of trade. Certain NICO Shareholders who are resident in Canada and who might not otherwise be considered to hold such NICO Shares as capital property may be entitled to have them treated as capital property by making the election provided by subsection 39(4) of the Tax Act.

This summary is not applicable to a NICO Shareholder that is a "financial institution" or "specified financial institution", as defined in the Tax Act, or to a holder an interest in which is a "tax shelter investment", or whose NICO Shares would be a "tax shelter investment" as defined in the Tax Act or to whom the functional

currency reporting rules under the Tax Act apply. Any such holder should consult with their own tax advisors with respect to the Offer.

This summary is based upon the current provisions of the Tax Act, the regulations thereunder, counsel's understanding of the current published administrative and assessing practices of the Canada Revenue Agency and the proposed amendments to the Tax Act and regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**"). This summary assumes that the Proposed Amendments will be enacted as proposed but does not take into account or anticipate any other changes in law whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular NICO Shareholder. Accordingly, NICO Shareholders should consult their own tax advisors with respect to their particular circumstances.

RESIDENTS OF CANADA

INDIVIDUAL NICO SHAREHOLDERS RESIDENT IN CANADA

NICO Shareholders who are individuals resident in Canada who sell NICO Shares to NICO pursuant to the Offer will realize a capital loss (gain) on disposition of the NICO Shares equal to the amount, if any, by which the shareholder's proceeds of disposition, net of any costs of disposition, is less than (or exceeds) the adjusted cost base to the shareholder of the NICO Shares sold to NICO pursuant to the Offer. Under the Tax Act, generally one-half of any capital loss (gain) realized by the shareholder represents an allowable capital loss (taxable capital gain). Such Shareholders will not be deemed to receive a dividend on such disposition as the amount paid by NICO for the NICO Shares will be less than the paid-up capital of such shares for purposes of the Tax Act.

Allowable capital losses realized in a year may be deducted only against taxable capital gains realized in the year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back up to three taxation years or carried forward indefinitely and deducted against net taxable capital gains in those years, to the extent and in the circumstances specified in the Tax Act.

If the NICO Shareholder is a trust under which a corporation is a beneficiary, the amount of any such capital loss otherwise determined will be reduced by the amount of dividends or deemed dividends received on the NICO Shares to the extent and under the circumstances prescribed by the Tax Act. Similar rules apply where a partnership or a trust is a beneficiary of a trust or such a trust is a member of a partnership that disposes of NICO Shares pursuant to the Offer.

An individual NICO Shareholder who has realized a capital loss on the sale of NICO Shares under the Offer may have all or a portion of that loss denied if the "superficial loss" rules in the Tax Act apply. This may be the case where the individual NICO Shareholder (or a person affiliated with the individual NICO Shareholder) has acquired additional NICO Shares in the period commencing 30 days prior to the sale of NICO Shares under the Offer and ending 30 days after the sale of the NICO Shares under the Offer. NICO Shareholders are urged to consult with their own tax advisors.

An individual NICO Shareholder who has realized a capital gain as a result of a sale of NICO Shares under the Offer should consult their own tax advisors with respect to the "alternative minimum tax" rules set out in the Tax Act.

CORPORATE NICO SHAREHOLDERS RESIDENT IN CANADA

A corporate NICO Shareholder that is resident in Canada and that sells NICO Shares to NICO pursuant to the Offer will realize a capital loss (gain) on disposition of the NICO Shares equal to the amount, if any, by which the NICO Shareholder's proceeds of disposition, net of any costs of disposition, is less than (or exceeds) the adjusted cost base to the shareholder of the NICO Shares sold to NICO pursuant to the Offer. Under the Tax Act,

generally one-half of any capital loss (gain) realized by a NICO Shareholder represents an allowable capital loss (taxable capital gain). Such shareholders will not be deemed to receive a dividend as the amount paid by NICO for the NICO Shares is less than the paid-up capital of such shares for purposes of the Tax Act.

Allowable capital losses realized in a year may be deducted only against taxable capital gains realized in the year.

If the NICO Shareholder is a corporation, the amount of any capital loss arising from the disposition of a NICO share will be reduced by the amount of dividends received or deemed to be received by the corporation on such share, to the extent and under circumstances specified by the Tax Act. Similar rules apply where the corporation, directly or through a trust or partnership, is a member of a partnership or a beneficiary of a trust that owns shares. Corporate NICO Shareholders from whom these rules are relevant should consult their own tax advisors.

A corporate NICO Shareholder which has realized a capital loss on the sale of the NICO Shares under the Offer may have all or a portion of that loss denied if the corporate NICO Shareholder (or person affiliated with the corporate NICO Shareholder) has acquired additional NICO Shares in the period commencing 30 days prior to the sale of NICO Shares under the Offer and ending 30 days after the sale of NICO Shares under the Offer.

A NICO Shareholder that is a “Canadian controlled private corporation” throughout the year (as defined in the Tax Act) may be liable to pay additional refundable tax of 6 2/3% on its “aggregate investment income” for the year, which is defined to include an amount in respect of taxable capital gains (but not to include dividends or deemed dividends that are deductible in computing taxable income). Corporate NICO Shareholders are urged to consult their own tax advisors.

NON-RESIDENTS

The following portion of this summary is applicable to NICO Shareholders (i) who at all relevant times are not resident or deemed to be resident of Canada for purposes of the Tax Act; (ii) who do not use or hold and are not deemed to use or hold the NICO Shares in carrying on a business in Canada; (iii) whose NICO Shares are not “designated insurance property”; (iv) who at no time during the 60-month period ending at the time of disposition of the NICO Shares owned (or had options to acquire) either alone or together with persons with whom the NICO Shareholder does not deal at arm’s length, 25% or more of the issued shares of any class or of any series of the capital stock of NICO; and (v) whose NICO Shares are not deemed to be “taxable Canadian property” as defined under the Tax Act.

A non-resident shareholder will not be subject to tax under the Tax Act in respect of any capital gains realized on the disposition of NICO Shares.

A non-resident shareholder that sells NICO Shares to NICO pursuant to the Offer will not be deemed to receive a dividend as the amount paid by NICO for the NICO Shares is less than the paid-up capital of such shares for income tax purposes.

SOURCE OF FUNDS

The total amount of funds required to purchase the NICO Shares subject to the Offer, together with all related fees and expenses, will be paid out of the general funds of NICO.

DEPOSITARY

NICO has engaged Equity Transfer & Trust Company to act as Depositary in respect of the Offer for: (i) the receipt of certificates representing NICO Shares and the related Letters of Transmittal and Notices of Guaranteed Delivery deposited under the Offer; (ii) the receipt of certificates representing NICO Shares delivered pursuant to the procedures for guaranteed delivery set forth in Section 2 of the Offer to Purchase, “Manner and Time of Acceptance”; (iii) the receipt from NICO of cash to be paid in consideration for the NICO Shares acquired by NICO

under the Offer, as agent for the depositing holders of NICO Shares; and (iv) transmitting such cash to the depositing holders of NICO Shares, as agent for the depositing holders of NICO Shares. The Depositary will receive reasonable and customary compensation for its services in connection with the Offer, will be reimbursed for certain out-of-pocket expenses and will be indemnified by NICO against certain liabilities and expenses in connection with the Offer, including liabilities under securities laws and expenses in connection therewith.

FEES AND EXPENSES

NICO expects to incur expenses of approximately \$110,000 in connection with the Offer, including filing fees and legal, accounting, valuation, depositary and printing fees. Such expenses will be paid from cash on hand.

STATUTORY RIGHTS OF ACTION

Securities legislation in the provinces and territories of Canada provides security holders of NICO with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to those security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

CONSENTS

To: The Directors of NICO

We hereby consent to the inclusion of our name in the section entitled “Canadian Federal Income Tax Considerations” in the circular dated May 5, 2009 accompanying the Offer made by NICO to the holders of common shares of NICO and the reference to our opinion contained therein.

Toronto, Ontario
May 5, 2009

(Signed) GOWLING LAFLEUR HENDERSON LLP

CONSENTS

To: The Directors of NICO

We refer to the formal valuation dated April 3, 2009, which we prepared for NiCo Mining Limited in connection with the offer made by NiCo Mining Limited to the holders of common shares of NiCo Mining Limited. We hereby consent to the filing of the formal valuation with the applicable securities regulatory authorities on SEDAR and to the inclusion of a summary of our formal valuation dated May 5, 2009 in the issuer bid circular dated May 5, 2009 accompanying the offer made by NiCo Mining Limited to the holders of common shares of NiCo Mining Limited. We also consent to the reference to our formal valuation contained under the heading "Summary of Valuation" in the issuer bid circular dated May 5, 2009 accompanying the offer made by NiCo Mining Limited to the holders of common shares of NiCo Mining Limited.

May 5, 2009

(Signed) EVANS & EVANS, INC.

APPROVAL AND CERTIFICATE

DATED: May 5, 2009

The directors of NICO have approved the contents of the Offer to Purchase and the Circular and the sending, communication or delivery of the Offer and the Circular to the shareholders of NICO. The Offer to Purchase and the Circular contain no untrue statement or a material fact and do not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

(Signed) Anthony Frizelle
Chairman and Chief Executive Officer

(Signed) Richard Giel
Chief Financial Officer

On behalf of the Directors

(Signed) R.A. Bondy
Director

(Signed) Philip Martin
Director

Office of the Depositary for this Offer:
EQUITY TRANSFER & TRUST COMPANY

Inquiries:

Telephone: 416-361-0152
Toll Free (North America): 1-866-393-4891
E-mail: investor@equitytransfer.com

By Hand or Courier or Registered Mail:

200 University Avenue, Suite 400
Toronto, Ontario, M5H 4H1
Attention: Corporate Actions

Any questions or requests for assistance may be directed to the Depositary at the addresses and telephone numbers specified above. Shareholders may also contact their investment dealer, stockbroker, bank manager, accountant, lawyer or other professional advisor for assistance concerning the Offer. Additional copies of the Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depositary.