



Annual Information Form

For the year ended October 31, 2017

Dated as of February 27, 2018

IDM Mining Ltd

Suite 1800, 555 Burrard Street

Vancouver, British Columbia, Canada V7X 1M9

Phone: (604) 681-5672 or 1-888-681-5672

Fax: (604) 998-1051

www.idmmining.com

TABLE OF CONTENTS

GLOSSARY OF TECHNICAL TERMS	1
introduction	2
DATE OF INFORMATION	2
FINANCIAL INFORMATION	3
FORWARD LOOKING INFORMATION	3
DOCUMENTS INCORPORATED BY REFERENCE	4
CURRENCY	4
QUALIFIED PERSONS UNDER NI43-101	4
CORPORATE STRUCTURE	4
NAME, ADDRESS AND INCORPORATION	4
INTERCORPORATE RELATIONSHIPS.....	5
GENERAL DEVELOPMENT OF THE BUSINESS	5
THREE YEAR HISTORY	5
DESCRIPTION OF THE BUSINESS	10
General	10
Material Mineral Properties	10
History, Exploration & Drilling	11
Metallurgical Testing & Mineral Processing	13
Mineral Resource Estimate	14
Mineral Reserve Estimate	16
Mining Methods.....	16
Recovery Methods	19
Project Infrastructure.....	20
Environment & Permitting	20
Capital Cost Estimate	21
<i>Operating Cost Estimate</i>	22
<i>Economic Analysis</i>	23
<i>Sensitivity Analysis</i>	25
<i>Project Development</i>	26
RISK FACTORS	26
Exploration and Development.....	26
Title to Assets.....	27
Requirement for New Capital	27
Reliability of Mineral Resources Estimates	27
Operating Hazards and Risks	28
Fluctuating Metals Prices	28
Environmental Factors	28
Competition.....	28
Political and Economic Instability	29
Management.....	29
Government Regulation	29
DIVIDENDS	30
CAPITAL STRUCTURE	30
MARKET FOR SECURITIES	32
Trading Price and Volume	32
ESCROWED SECURITIES	32
DIRECTORS AND OFFICERS	32
Name, Occupation and Security Holding.....	32
Cease Trade Orders, Bankruptcies, Penalties or Sanctions	36
Conflicts of Interest.....	36
AUDIT COMMITTEE INFORMATION	37
PROMOTERS	38
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	39
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	39
TRANSFER AGENT AND REGISTRAR	39

MATERIAL CONTRACTS.....	39
EXPERTS	39
ADDITIONAL INFORMATION	40

GLOSSARY OF TECHNICAL TERMS

Acre	A unit of area (43,560 square feet or 0.4047 hectares) used in English-speaking countries.
Ag	The elemental symbol for silver.
Alteration	Usually referring to chemical reactions in a rock mass resulting from the passage of hydrothermal fluids.
Anomalous	Departing from the expected or normal.
As	The elemental symbol for arsenic.
Arsenopyrite	Arsenopyrite is an iron arsenic sulphide (FeAsS). Arsenopyrite also can be associated with significant amounts of gold. Consequently it serves as an indicator of gold bearing reefs. Many arsenopyrite gold ores are refractory.
Assay	An analysis to determine the presence, absence or quantity of one or more components, elements or minerals.
Au	The elemental symbol for gold.
Biotite	A common rock forming mineral of the mica group.
Breccia	A rock consisting of more or less angular fragments in a matrix of finer-grained material or cementing material.
Diamond drill	A type of rotary drill in which the cutting is done by abrasion rather than percussion. The cutting bit is set with diamonds and is attached to the end of the long hollow rods through which water is pumped to the cutting face. The drill cuts a core of rock which is recovered in long cylindrical sections, an inch or more in diameter.
Dip	The angle at which a vein, structure or rock bed is inclined from the horizontal as measured at right angles to the strike; may also apply to the angle of inclination for a drill hole.
Epigenetic	If a mineral deposit formed much later than the rocks which enclose it, it is said to be epigenetic. An example is a vein.
Epithermal	A hydrothermal mineral deposit formed within about one kilometre of the earth's surface and in the temperature range of 50 – 200 degrees Celsius. Also used to denote the environment of deposition.
Fault	A break in rocks with noticeable movement or displacement of the rocks on either side of the break.
Fracture	Break in a rock, usually due to intensive folding or faulting.
g/t or gpt	Grams per tonne.
Geochemical	Pertaining to various chemical aspects (e.g. concentration, associations of elements) of naturally occurring media such as rock, soil and water.
Hectare	An area of 10,000 square metres (or 2.471 acres).
Hydrothermal	Hot fluids, usually water, which may, or may not carry metals and other compounds in solution to the site of mineral deposition or wall rock alteration.
Igneous	A rock formed by the cooling of molten silicate material.
Intrusion	A general term for a body of igneous rock formed below the surface of the earth.

Lode	The metalliferous material that fills a fissure or vein.
Mineralization	A term used to describe the presence of minerals of possible economic value. Also used to describe the process by which concentration of economic minerals occurs.
Pb	The elemental symbol for lead.
Porphyritic	An igneous rock in which large crystals of one mineral, usually feldspar, occur in a fine groundmass of other minerals.
Pyrite	Iron sulphide mineral. The most common and abundant sulphide mineral and often found in association with copper and gold.
Pyrrhotite	Pyrrhotite is an unusual iron sulphide mineral with a variable iron content: $Fe(1-x)S$ ($x = 0$ to 0.2).
Quartz	The second most common rock forming mineral in the earth's crust (SiO_2).
Sedimentary	A rock formed from cemented or compacted sediments.
Sediments	The debris resulting from the weathering and breakup of other rocks that have been deposited by or carried by runoff, streams and rivers, or left over from glacial erosion or sometimes from wind action.
Silica	A common rock forming compound comprised of SiO_2 that can exist in crystalline and non-crystalline (amorphous) forms.
Sill	A tabular igneous intrusion that parallels the planar structure of the surrounding rock.
Stockwork	A mineral deposit consisting of a three-dimensional network of irregular veinlets closely enough spaced that the whole mass can be mined.
Strike	The direction or bearing from true north of a vein, rock formation or structure measured on a horizontal surface.
Vein	A geological feature comprised of minerals (usually dominated by quartz) that are found filling openings in rocks created by faults or replacing rocks on either side of faults or fractures.
Zn	The elemental symbol for zinc.

Metric Equivalents

To convert from metric	To imperial	Multiply by
Hectares	Acres	2.471
Metres	Feet	3.281
Kilometres	Miles	0.621
tonnes (1,000 kilograms)	tons (2,000 pounds)	1.102
grams per tonne	ounces (troy) per ton	0.029
Kilograms	ounces (troy)	32.151

INTRODUCTION

DATE OF INFORMATION

Unless otherwise indicated, all information contained in this Annual Information Form (“AIF”) of IDM Mining Ltd. (the “Company” or “IDM”) is as of February 27, 2018.

FINANCIAL INFORMATION

All financial information in this AIF is prepared in accordance with International Financial Reporting Standards.

FORWARD LOOKING INFORMATION

Certain statements contained in this AIF, and in certain documents incorporated by reference herein, contain "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (together "forward-looking statements"). These forward-looking statements are made as of the date of this AIF or, in the case of documents incorporated by reference herein, as of the date of such documents and the Company does not intend, and does not assume any obligation, to update these forward-looking statements. Forward-looking statements may include, but are not limited to, statements with respect to the future price of commodities, the acquisition by the Company of interests in mineral properties, the time and cost of exploration, success of exploration activities, plans and budgets for and expected results from exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Such factors may include, among others, risks related to acquisitions of interests in mineral properties; risks related to joint venture operations; actual results of current exploration activities being different than anticipated by the Company; actual results of reclamation activities; future metal prices; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental or regulatory approvals or financing or in the completion of development activities, as well as those factors discussed in the section entitled "Risk Factors" and elsewhere in this AIF. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking statements are based on certain assumptions that management believes are reasonable at the time they are made. In making forward-looking statements included in this AIF, the Company has applied several assumptions, including without limitation, the assumptions that: (1) the proposed acquisition of interests in, and exploration and development of, the Company's mineral projects will be viable operationally and economically and proceed as planned; (2) market fundamentals will result in sustained metals and minerals demand and prices consistent with the Company's expectations; and (3) any additional financing needed will be available on reasonable terms. Other material assumptions are discussed throughout this AIF and, in particular, in the section entitled "Risk Factors" in this AIF. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company specifically disclaims any intention or obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by applicable law.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this AIF from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Company's head office at Suite 1800, 555 Burrard Street, Vancouver, British Columbia, V6C 1T2 (telephone: (604) 681-5672) or by accessing the disclosure documents available through the internet on the System for Electronic Document Analysis and Retrieval ("SEDAR") which can be accessed at www.sedar.com. The following documents are specifically incorporated by reference in this AIF:

- Annual financial statements, together with the accompanying report of the auditors, for the years ended October 31, 2017 and 2016 (the "Annual Financial Statements").
- Management's discussion and analysis for the years ended October 31, 2017 and 2016.
- Technical report titled "NI43-101 Feasibility Study Technical Report Red Mountain Gold Project, British Columbia, Canada" ("**2017 FS**") prepared by Gord Doerksen, P.Eng., Michael Makarenko, P. Eng, Dr. Gilles Arseneau, P. Geo, Andrew Hamilton, P. Geo, Kelly McLeod, P. Eng, Ken Embree, P. Eng, Kelly Sexsmith, P. Geo and Bruce Murphy, P. Eng dated August 10, 2017.
- Technical Report titled "Mineral Resource Update for the Red Mountain Gold Project, Northwestern, BC, Canada" ("**2017 Resource Estimate**") prepared by Dr. Gilles Arseneau, P. Geo and Andrew Hamilton, P. Geo dated March 1, 2017.

CURRENCY

All dollar amounts in this AIF are expressed in Canadian dollars unless otherwise indicated.

QUALIFIED PERSONS UNDER NI43-101

Except where specifically indicated otherwise, the disclosure in this AIF of scientific and technical information regarding exploration projects on the Company's mineral properties has been reviewed and approved by Rob McLeod, P. Geo, President and CEO for the Company and a qualified person for the purposes of NI 43-101.

CORPORATE STRUCTURE

NAME, ADDRESS AND INCORPORATION

The Company was incorporated under the *Business Corporations Act* (British Columbia) ("BCBCA") on July 14, 2009 under the name "Nuukfjord Gold Ltd." On August 30, 2010 the Company changed its name to "Revolution Resources Corp." On June 6, 2014, the Company changed its name to "IDM Mining Ltd". The Company completed its initial public offering ("IPO") during the year ended October 31, 2010 and is a reporting issuer or the equivalent in the Provinces of British Columbia, Alberta, Ontario and Nova Scotia. The Company's common shares (the "Common Shares") were voluntarily delisted listed from trading on the Toronto Stock Exchange ("TSX") after close of trading on December 29, 2015 and were listed on the TSX Venture Exchange ("TSXV") on open of the trading on December 30, 2015 under the symbol "IDM".

On June 6, 2014, the Company consolidated its issued and outstanding shares on the basis of 6 pre-consolidated shares for one post-consolidated share. All share amounts in this AIF have been adjusted to reflect the share consolidation.

The principal offices of the Company are located at Suite 1800, 555 Burrard Street, Vancouver, British Columbia, V7X 1M9 and its registered and records office is located at the offices of its corporate counsel, DuMoulin Black LLP, 10th Floor – 595 Howe Street, Vancouver, British Columbia, V6C 2T5.

INTERCORPORATE RELATIONSHIPS

IDM has two wholly-owned subsidiary companies – Minera Golondrina S. de R.L. de C.V, incorporated in Mexico and Minera Revolution, S.A. de C.V, incorporated in Mexico. Unless the context otherwise requires, all references herein to the “Company” include IDM and its subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

The Company’s mandate is to explore, discover and develop economic gold deposits located in British Columbia and the Yukon. The Company’s primary focus is on the high grade underground Red Mountain Project which is in the BC and Canadian environmental assessment process.

THREE YEAR HISTORY

The following is a summary of the material events in the general development of the business for the last three years.

Red Mountain, Canada – Gold property

In April 2014, the Company entered into an option agreement with Seabridge Gold Inc (“Seabridge”) to acquire a 100% interest in the Red Mountain gold project located near Stewart, BC.

Under the terms of the option agreement, the Company issued 4,955,500 common shares, paid \$2,000,000 in cash and incurred \$7,500,000 in exploration and development expenditures by June 4, 2017. In May 2017, the Company exercised its option to acquire 100% and completed the acquisition of the mineral claims, certain other assets and assumed the decommissioning and restoration liability related to the Red Mountain property.

Pursuant to the option agreement, the Company is required to make an additional one-time \$1,500,000 cash payment upon commercial production to Seabridge, and Seabridge also retained a gold metal stream on the Red Mountain project to acquire 10% of the annual gold production from the property at a cost of US\$1,000 per ounce up to the maximum of 500,000 ounces produced (50,000 ounces to Seabridge). Alternatively, Seabridge may elect to receive a one-time cash payment of \$4,000,000 at the commencement of production in exchange for the buyback of the gold metal stream.

Yukon Properties – Gold properties

In February 2016, the Company acquired from Osisko Mining Corporation (“Osisko”) its portfolio of Yukon Properties. As consideration, IDM issued 7,188,889 shares and granted a 1% net smelter royalty over the properties and certain other rights to Osisko. The properties are subject to certain other underlying royalties. The Yukon portfolio consists of approximately 14,500 claims covering over 11 project areas consisting of 52 claim groups totaling over 300,000 hectares.

In March 2017, IDM sold its Yukon Properties to Strikepoint Gold Inc. (“Strikepoint”) in exchange for cash of \$150,000 and 10,500,000 common shares of Strikepoint.

Champion Hills, USA – Gold property

The Company had entered into various option and purchase agreements to acquire 100% of the Champion Hills properties covering approximately 704 acres located in North Carolina. In fiscal year 2015, the Company elected not to purchase or extend the lease periods on these properties.

Mexico Properties – Gold properties

The Company through its wholly-owned subsidiary Minera Golondrina, held 100% of the rights, title and interest in Montana de Oro (comprised of Montana de Oro, Lluiva de Oro and La Bufa projects) and Universo Properties in Mexico (“Mexico Properties”).

During the year ended October 31, 2013 the company elected to abandon the Universo Property and a portion of the Montana de Oro Property, including La Bufa and Lluvia de Oro. During the year ended October 31, 2014, the Company elected to abandon the remaining Montana De Oro Properties.

Exploration and Development Highlights:

Fiscal Year Ended October 31, 2017

- In January 2017, the Company updated its NI 43-101 compliant resource estimate for the Red Mountain Project to include the results from the drilling completed during the 2016 field program. This revised estimate yielded a 32% increase in contained Measured & Indicated (“M&I”) gold ounces (“oz”) and an increase in average grade from 8.36 grams per tonne (“g/t”) to 8.75 g/t. The January 2017 resource update for the Project has a resource of 2,074,700 tonnes in the M&I category averaging 8.75 g/t gold and 25 g/t silver for 583,700 oz of gold and 1,655,700 oz of silver with an additional 324,700 tonnes in the Inferred category, averaging 6.21 g/t gold and 10.0 g/t silver, for 64,800 oz of gold and 105,500 oz of silver.
- In March 2017, the Company completed the sale of its portfolio of properties located in the Yukon to StrikePoint Gold Inc. (“Strikepoint”) in exchange for \$150,000 in cash and 10,500,000 common shares of StrikePoint.
- In May 2017, the Company completed the acquisition of the mineral claims and certain other related assets and assumed the decommissioning and restoration liability comprising the Red Mountain Project from Seabridge Gold Inc pursuant to an Option Agreement entered into April 2014.
- In June 2017, the Company announced positive results from a feasibility study completed for the Red Mountain Project. Assuming a gold price of US\$1,250/oz, an exchange rate of C\$1.00 to US\$0.76 and applying a 5% discount rate, the Project base case estimates generates a pre-tax net present value of C\$155 million and an internal rate of return of 40%. The proposed mine will operate year-round over an initial period of approximately six years. The first two years of gold production averages 91,000 ounces per year, with a life-of-mine average annual gold production of 78,000 ounces. Initial capital expenditure to fund construction and commissioning is estimated at C\$135.7 million, with a life-of-mine cost of C\$202.4 million (including an average

of 10% contingency and C\$8.6 million in closure costs). The average operating cost is estimated to be C\$140.02 per tonne.

- Concurrent with the feasibility study, the Company released its initial NI43-101 compliant Mineral Reserve for the Red Mountain Project. Using a gold cut-off grade of 3.55 g/t for longhole mining and 4.10 g/t for development and cut & fill mining, a total of 1,953,000 tonnes averaging 7.53 g/t Au and 21.86 g/t Ag for a total of 473,000 ounces of gold and 1,373,000 ounces of silver were estimated,
- In September 2017, the Company resubmitted its Application and Environmental Impact Statement (the “**Application/EIS**”) for an environment assessment certificate for the Red Mountain Project with the BC Environmental Assessment Office (“**BC EAO**”) and Canadian Environmental Assessment Agency (“**CEAA**”).
- During the 2017 field season, the Company completed a total 29,312 meters, consisting of 104 underground, eight surface and three geotechnical core holes on the Red Mountain Project. The objective of this program was to expand resources in all zones and explore the northern extension with the objective of extending potential mine life.

Fiscal Year Ended October 31, 2016

- In February 2016, the Company received its Section 11 Order for the Red Mountain Project from the BC EAO, setting out the scope, requirements, processes, and methods of the provincial environmental assessment (“**EA**”), as well as the public and Aboriginal consultation procedures.
- In April 2016, the Company updated its NI 43-101 compliant Resource Estimate for the Red Mountain Project, which included the results of the additional drilling completed by the Company in 2014 and a revised geologic interpretation which resulted in extensions of multiple previously defined zones as well as the inclusion of mineral resources in two new zones. This estimate yielded a 16% increase in contained Measure & Indicated (“**M&I**”) gold ounces and 31% increase in contained Inferred gold ounces. The April 2016 resource update for the Project had a resource of 1,641,800 tonnes in the M&I category averaging 8.36 grams per tonne (“**g/t**”) gold and 26 g/t silver for 441,500 ounces of gold and 1,379,800 ounces silver with an additional 548,100 tonnes in the Inferred category, averaging 6.1 g/t gold and 9.0 g/t silver, for 107,500 ounces of gold and 153,700 ounces silver.
- In July 2016, the Company announced the results of an updated NI43-101 Preliminary Economic Assessment on the Red Mountain Project.
- During 2016 field season, the Company completed significant rehabilitation work of the Red Mountain surface and underground facilities, including dewatering the 2,000 meters of underground workings. Surface and underground drilling, as well as surface exploration was completed. A total of 51 drill holes were completed. Mineralization was expanded to the north, south and down-dip in all directions of the major zones. All zones remain open to expansion.
- On October 5, 2016, the Red Mountain Project entered the 30-day public consultation period for the draft Application Information Requirement document (“**dAIR**”) of the EA process. This

period completed with only minor comments received. The final dAIR was submitted on February 5, 2017 and published on March 13, 2017.

Fiscal Year Ended October 31, 2015

- In August 2015, the Company submitted a Project Description on the Red Mountain Project to BC EAO and CEAA. In November 2015, BC EAO and the CEAA initiated the EA of the Project under Section 10(1)(c) of the *British Columbia Environmental Assessment Act*.
- The Company continued to advance the environmental baseline studies for the Project by completing surface and groundwater sampling and analysis, geo-hazard assessment, wildlife and fisheries studies and archaeological assessments;
- No field exploration was completed during calendar year ended October 31, 2015.
- The Company elected not to purchase or extend the lease periods on the Champion Hills Properties

Financing Transactions

Fiscal Year Ended October 31, 2017 – Private Placements and Other Share Issuances

- a) completed a non-brokered private placement in March 2017 for gross proceeds of \$15,248,000, consisting of 29,400,000 common shares at \$0.17 per share and 41,000,000 flow-through common shares at a price of \$0.25 per flow-through share.
- b) completed a non-brokered private placement in two tranches in August and September 2017 for gross proceeds of \$6,000,000 consisting of 38,709,676 flow-through shares at \$0.155 per flow-through share.

Finder's fees payable in connection with the financing consisted of \$233,952 and 1,470,655 finders' warrants exercisable for a period of 12 months at \$0.23 per share.

Fiscal Year Ended October 31, 2016 – Private Placements and Other Share Issuances

- a) completed a non-brokered private placement in December 2015 for gross proceeds of \$1,581,488, consisting of 9,989,800 flow-through units at \$0.11 per flow-through unit and 5,362,333 common units at \$0.09 per common unit. Each common and flow-through unit consisted of one common share and one half-warrant, with each whole warrant exercisable for a period of 24 months at \$0.14 per share.

Finder's fees payable in connection with the financing consisted of \$48,485 and 552,939 finders' warrants exercisable for a period of 12 months at \$0.10 per share.

- b) completed a private placement in December 2015 with Osisko for gross proceeds of \$1,000,000, consisting of 11,111,111 common shares at a price of \$0.09. Finder's fees payable in connection

with the financing consisted of \$50,000 and 555,555 finders' warrants exercisable for a period of 12 months at \$0.10 per share.

- c) completed a brokered and non-brokered private placement in April 2016 for gross proceeds of \$10,848,898, consisting of 37,269,208 flow-through units at \$0.11 per flow-through unit and 74,992,058 common units at \$0.09 per common unit. Each common and flow-through unit consisted of one common share and one half-warrant, with each whole warrant exercisable for a period of 24 months at \$0.15 per share. Finder's fee payable in connection with the financing consisted of \$611,625 and 6,372,730 finders' warrants exercisable for a period of 12 months at \$0.15 per share.
- d) completed a brokered and non-brokered private placement in October 2016 for gross proceeds of \$8,994,707, consisting of 12,084,129 flow-through shares at \$0.21 per flow-through share and 37,982,589 common units at \$0.17 per common unit. Each common unit consisted of one common share and one half-warrant, with each whole warrant exercisable for a period of 24 months at \$0.25 per share. Finder's fees payable in connection with the financing consisted of a total of \$418,270 and 2,138,739 finders' warrants exercisable for a period of 12 months at \$0.25 per share.
- e) Issued 7,188,889 common shares to Osisko to acquire the Yukon properties valued at \$647,000. A finder's fee payable connection with the acquisition consisted of a total \$32,350 and 359,444 finders' warrants exercisable for a period of 12 months at \$0.10 per share. The finder's warrants have been recorded at a fair value of \$5,617, which is included in reserves.
- f) Issued 3,750,000 commons shares to settle debts relating to past operations on the Mexico Property, valued at \$637,500.

Fiscal Year Ended October 31, 2015 – Private Placements and Other Share Issuances

- a) a non-brokered private for gross proceeds of \$2,030,781, consisting of 7,302,900 flow-through units at \$0.14 per flow-through unit and 10,083,750 common units at \$0.10 per common unit. Each flow-through unit consisted of one common share and one half-warrant, with each whole warrant exercisable for a period of 24 months at \$0.18 per share. Each common unit consisted of one common share and one half-warrant exercisable for a period of 24 months at \$0.15 per share. Finder's fees payable in connection with the financing consisted of a total of \$13,300 and 130,200 finder's warrants.
- b) issued 7,500,000 common shares and 20,000,000 warrants to Lake Shore Gold Corp. (“**Lake Shore**”) as full settlement of the Company's remaining payment obligation of \$5,000,000 pursuant to the amended Purchase and Sale Agreement, whereby the Company acquired Lake Shore's subsidiary Minera Golondrina. Each warrant is exercisable for a period of 60 months at \$0.20 per share. The warrants are subject to an acceleration provision if the Company's shares trade at or above \$0.40 per share for 20 consecutive trading days.
- c) issued 4,512,301 common shares for debt relating to services provided on the Red Mountain project.

SIGNIFICANT ACQUISITIONS

There were no significant acquisitions during the Company's most recently completed financial year ended October 31, 2017 for which disclosure is required under Part 8 of National Instrument 51-102 Continuous Disclosure Obligations.

DESCRIPTION OF THE BUSINESS

General

The principal business of the Company is acquiring, exploring and developing natural resource properties in North America. The Company is currently focused on exploring and developing the Red Mountain Gold Project located in northern British Columbia, Canada.

Competitive Conditions

The exploration and mining business is a competitive business. The Company competes with numerous other companies and individuals in the search for and the acquisition of attractive mineral properties. The ability of the Company to acquire further properties will depend not only on its ability to operate and develop its existing properties but also on its ability to select and acquire suitable properties or prospects for development or mineral exploration.

Business Cycles

The mining business is subject to mineral price cycles. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles. If the global economy stalls and commodity prices decline as a consequence, a continuing period of lower prices could significantly affect the economic potential of the Company's current property and result in the Company determining to cease work on, or drop its interest in some or all of such property.

In addition to commodity price cycles, and recessionary periods, exploration activity may also be affected by seasonal and irregular weather conditions in the areas where the Company operates.

Employees

As of the date of this AIF, the Company has eight full time employees. The Company engages administrative, financial, legal, geological, metallurgical, and engineering consultants from time to time as required to assist in maintaining corporate records and preparing reporting requirements, evaluating its interests and recommending and conducting work programs. The operations of the Company are managed by its directors and officers.

Material Mineral Properties

Red Mountain Gold Project, Canada – Gold property

Unless other stated, information detailed below of a scientific or technical nature regarding the Red Mountain project is derived from the 2017 FS. The 2017 FS is available under the Company's profile on SEDAR www.sedar.com. The reader is cautioned that the information described below is an abridged summary and the detailed disclosure in the 2017 FS is incorporated by reference into this AIF.

General

On April 15, 2014, IDM entered into an option agreement with Seabridge to acquire a 100% interest in the Red Mountain gold project located near Stewart, BC.

IDM satisfied the terms of option agreement and exercised its option to acquire 100% the Red Mountain property. Claim title is under IDM. The Red Mountain property claims are subject to two royalties. Franco-Nevada Corporation (Franco) holds a 1% Net Smelter Return (NSR) royalty and a 2.5% NSR royalty is payable to Wotan Resources Corp. A \$50,000 advance royalty is payable to Wotan annually.

Under the terms of the option agreement, IDM issued 4,955,500 shares of IDM, paid \$2 million and incurred in excess of the \$7.5 million in exploration and development expenditures by June 4, 2017.

Pursuant to the option agreement, IDM will make an additional one-time \$1.5 million cash payment upon commercial production to Seabridge and Seabridge also retained a gold metal stream on the Red Mountain property to acquire 10% of the annual gold production from the property at a cost of US\$1,000 per ounce up to a maximum of 500,000 ounces produced (50,000 ounces to Seabridge). Alternatively, Seabridge may elect to receive a one-time cash payment of \$4 million at the commencement of production in exchange for the buy-back of the gold metal stream.

Property Description, Accessibility and Climate

The 17,125 hectare (ha) Red Mountain gold property is situated in northwestern British Columbia approximately 18 km east-northeast of Stewart, BC. The project is located at 55° 57' N latitude and 129° 42' W longitude west of the Cambria Ice Field and north of the Bromley Glacier at elevations ranging between 1,500 and 2,000 m. On NTS map sheets 103P/13 and 104A/4, the property is centred on 55°59'4"N, 129°45'37"W. The UTM coordinates are 452,450 E, 6,250,325 N in Zone 9 (NAD 83).

The area is characterized by rugged, steep terrain with weather conditions typical of the north coastal mountains including significant (+2 m) snow accumulation in the winter. Access to the site is presently by helicopter from Stewart with a flight time of 10 to 15 minutes. An existing road extends for approximately 13 km along Bitter Creek Valley but stops approximately 7 km from the proposed mine site.

The Red Mountain gold property consists of 47 contiguous mineral claims totalling 17,125 ha. The mineable deposits are located roughly in the middle of the mineral claims. No significant risks are identified which would affect access, title, or the right or ability to perform work on the property.

The property falls within the Nass Wildlife Area as set out in the Nisga'a Final Agreement (NFA). Pursuant to the NFA, the Nisga'a Nation has rights to the management and harvesting of fish and wildlife within the Nass Wildlife Area.

History, Exploration & Drilling

Placer mining commenced in Bitter Creek at the base of Red Mountain at the turn of the century, but significant work on the current deposit began in 1988 when Wotan Resources Inc. staked claims in 1988 and optioned the property to Bond Gold Canada Inc. (Bond) in 1989.

In that year, gold mineralization in the Marc and Brad zones were discovered by drilling. LAC Minerals Ltd. (LAC) acquired Bond in 1991. Surface drilling on the Marc, AV, and JW zones continued in 1991, 1992, 1993, and 1994. Underground exploration of the Marc zone was conducted in 1993 and 1994. In 1995, LAC was acquired by Barrick who subsequently optioned the property to Royal Oak Mines Ltd. (Royal Oak) in 1996. North American Minerals Inc. (NAMC) purchased the property from the receivership sale of Royal Oak in 2000. NAMC subsequently sold the property to Seabridge in 2002 who optioned the property to Banks Island Gold Ltd. (Banks). Banks terminated the option in 2013 and the property reverted to Seabridge. Seabridge subsequently optioned the property to IDM in 2014. IDM acquired 100% interest in the property in May 2017.

Red Mountain 1988-2017 Chronological Exploration Summary

Year	Description of Exploration
1988-89	Staking of Red Mountain by Wotan Resources Inc.
1989	Red Mountain and Wotan properties optioned to Bond. Discovery of gold-silver mineralization by drilling in the Marc zone (3,623 m); airborne EM and magnetic survey.
1990	Exploration of Marc zone and adjacent area (11,615 m of drilling) by Bond.
1991	LAC acquired 100% of Bond. A 2,400 m drill program was completed on the Marc and AV Zones.
1992	Results of a 4,000 m drill program by LAC increased Red Mountain resources and indicated excellent potential for expansion.
1993	28,800 m of surface drilling defined the Marc, AV, and JW Zones and identification of the 141 Zone. An underground exploration adit allowed bulk sampling of the Marc zone. 8,600 m of underground drilling completed in the Marc zone.
1994	LAC completed a 350 m extension of the main decline, 30,000 m of underground drilling and 16,000 m of surface drilling.
1995	Red Mountain gold project acquired by Barrick following Barrick's take-over of LAC. No exploration work completed by Barrick.
1996	Royal Oak undertakes exploration to explore for additional reserves. Extended underground drift by 304 m and completed 26,966 m of surface and underground drilling.
2000	NAMC purchased the property and project assets from Price Waterhouse Coopers, conducts detailed relogging of existing drill core and constructs a geological model for resource estimation purposes and exploration modelling.
2002-2012	Seabridge purchases property, completes two Preliminary Assessment Studies ("PEA")
2012-2013	Banks options property, two surface drill holes completed, completes PEA study.
2014	IDM options property and drilled 12 diamond drill holes
2016	IDM drilled 11 surface diamond drill holes and 51 underground infill and resource expansion drill holes and conducted geotechnical and metallurgical investigations from the holes.
2017	IDM continues to conduct metallurgical test work on the 2016 drilling samples, completes a feasibility study and acquires a 100% of the property from Seabridge IDM drilled 104 underground and 8 surface infill and resource expansion drill holes and 3 geotechnical core holes.

Geology & Mineralisation

Red Mountain is located near the western margin of the Stikine terrain in the Intermontane Belt. There are three primary stratigraphic elements in Stikinia and all are present in the Stewart area: Middle and Upper Triassic clastic rocks of the Stuhini Group, Lower and Middle Jurassic volcanic and clastic rocks of the Hazelton Group, and Upper Jurassic sedimentary rocks of the Bowser Lake Group. Many primary textures are preserved in rocks from all of these groups, and mineralogy suggests that the regional metamorphic grade is probably lower greenschist facies.

Mineralized zones consist of crudely tabular, northwesterly trending and moderately to steeply southwesterly dipping gold and silver bearing iron sulphide stockworks. Pyrite is the predominant sulphide; however, locally pyrrhotite is important. The stockwork zones are developed primarily within the Hillside porphyry and to a lesser extent in rafts of sedimentary and volcanoclastic rocks.

The stockwork zones consist of pyrite microveins, coarse-grained pyrite veins, irregular coarse-grained pyrite masses and breccia matrix pyrite hosted in a pale, strongly sericite altered porphyry. Vein widths vary from 0.1 cm to approximately 80 cm but widths of 1 to 3 cm are most common. The veins are variably spaced and average 2 to 10 per metre. The veins are very often heavily fractured or brecciated with infillings of fibrous quartz and calcite. Orientations of veins in the stockworks are variable; however, sets with northwesterly trends and moderate to steep northeasterly and southwesterly dips have been identified in underground workings.

The pyrite veins typically carry gold grades ranging from ~3 g/t to greater than 100 g/t. Gold occurs in grains of native gold, electrum, petzite and a variety of gold tellurides and sulphosalts. The stockwork zones are surrounded by more widespread zone of disseminated pyrite and pyrrhotite alteration.

Metallurgical Testing & Mineral Processing

Multiple test programs were completed between 1991 and 2015. The most recent test program was completed in 2016-2017 by Basemet Laboratories in Kamloops, BC. The feasibility-level metallurgical test program was completed on variability and composite samples for Marc, AV, JW and 141 zones. Initially the test work focused on the 2016 Preliminary Economic Assessment flowsheet, which included rougher flotation followed by concentrate leach. Pyrrhotite levels varied significantly in the deposit and were found to affect flotation performance due the reactivity and oxidation of the material. As a result whole ore leach (WOL) became the focus of the program. Optimization continued primarily on the Marc zone composite and was confirmed with the AV, JW and 141 samples. The final flowsheet included two stages of grinding to target a product size of 80% passing (P_{80}) 25 μm , followed by carbon in leach (CIL), and acid wash, stripping and electrowinning for the recovery of gold and silver doré.

The table below presents the estimated metallurgical recoveries based on the correlation between cyanide concentration and gold or silver recovery. The 141 zone recoveries are a weighted average of test work results from four composites. The overall projected recovery is a weighted average of recovery by zone and projected tonnages based on the mine plan.

Estimated Metallurgical Recoveries

Recovery by Zone	Au (%)	Ag (%)
Marc Zone	92.8	90.1
AV Zone	88.1	78.3
JW Zone	92.1	90.3
141 Zone	89.9	84.9
Overall Recovery based on the projected mine plan	90.9	86.3

Source: JDS and Basemet Laboratories (2017)

Mineral Resource Estimate

In January 2017, the Company completed an update to its April 2016 resource estimate incorporating results from drilling completed during the 2016 field program. An independent technical report was prepared by Dr. Gilles Arseneau, P. Geo and Andrew Hamilton, P. Geo, following the guidelines of the Canadian Securities Administrators National Instrument 43-101 and Form 43-101F report, titled “Mineral Resource Update for the Red Mountain Gold Project, Northwestern., BC Canada”. The report was filed on SEDAR on March 2, 2017 and can be viewed on the SEDAR website, www.sedar.com, and/or IDM’s website www.idmmining.com.

The mineral resource estimate was prepared using 3D GEMS block modeling software. Resources were estimated from 538 surface and underground drill holes in 4 by 4 by 4 m blocks by ordinary kriging and anisotropic search ellipsoids designed to fit geology. Grade estimates were based on capped 1.5 m composite assay data. Gold values used in the interpolation runs were top cut to 55 g/t gold and silver top cut to 220 g/t silver.

Summary of Estimated Resources as of January 23, 2017, reported at 3.0 g/t Au cut-off.

Deposit	Tonnage	In situ Gold Grade	In situ Silver Grade	In situ Contained	In situ Contained
	(tonnes)	g/t	g/t	(Troy ounces)	(Troy ounces)
MEASURED					
MARC	682,000	10.62	38.33	232,800	840,500
AV	519,400	7.73	20.03	129,100	334,500
JW	44,600	10.11	13.21	14,500	19,000
INDICATED					
Marc	32,200	9.69	32.61	10,100	33,800
AV	236,300	9.07	19.25	68,900	146,300
JW	314,200	8.54	17.98	86,300	181,600
141	188,600	4.91	11.1	29,700	67,300
Marc FW	18,100	6.15	12.05	3,600	7,000
Marc Outliers	4,200	3.43	16.77	500	2,300
NK	10,700	5.58	7.57	1,900	2,600
JW Lower	24,300	8.15	26.58	6,400	20,800
TOTAL MEASURED & INDICATED	2,074,700	8.75	24.82	583,700	1,655,700
INFERRED					
MARC	4,500	10.43	43.35	1,500	6,200
AV	43,300	8.13	15.39	11,300	21,400
JW	111,700	6.78	7.39	24,400	26,500
141	15,100	4.67	4.69	2,300	2,300
Marc FW	12,600	5.12	6.38	2,100	2,600
Marc Outliers	7,300	6.54	27.36	1,500	6,400
NK	7,300	5.98	9.05	1,400	2,100
JW Lower	2,000	13.94	9.26	900	600
AV Lower	42,500	5.55	6.05	7,600	8,300
132	78,700	4.73	11.51	12,000	29,100
TOTAL INFERRED	324,700	6.21	10.11	64,800	105,500

- (1) Measured and Indicated Resources are inclusive of Reserves
(2) Resources that are not mineral reserves do not have demonstrated economic viability

Mineral Reserve Estimate

The Mineral Reserve for the Project was estimated by Michael Makarenko, P. Eng., an independent Qualified Person of JDS. All Mineral Reserves are Proven and Probable Mineral Reserves. The Mineral Reserves are not in addition to the Mineral Resources, but are a subset thereof.

Summary of Estimated Mineral Reserves as of June 26, 2017

Category	Diluted Tonnes (kt)	Au Grade (g/t)	Au Ounces (kOz)	Ag Grade (g/t)	Ag Ounces (kOz)
Proven	1,308	7.82	329	25.09	1,055
Probable	645	6.93	144	15.32	318
TOTAL	1,953	7.53	473	21.86	1,373

A gold price of US\$1,250/oz and an exchange rate of CDN\$1.00 to US\$0.76.

A gold cut-off grade of 3.55 g/t for longhole mining and 4.10 g/t for development and cut & fill mining.

Silver was not used in the estimation of cut-off grades but is recovered and contributes to the revenue stream.

Rounding as required by reporting guidelines may result in summation differences.

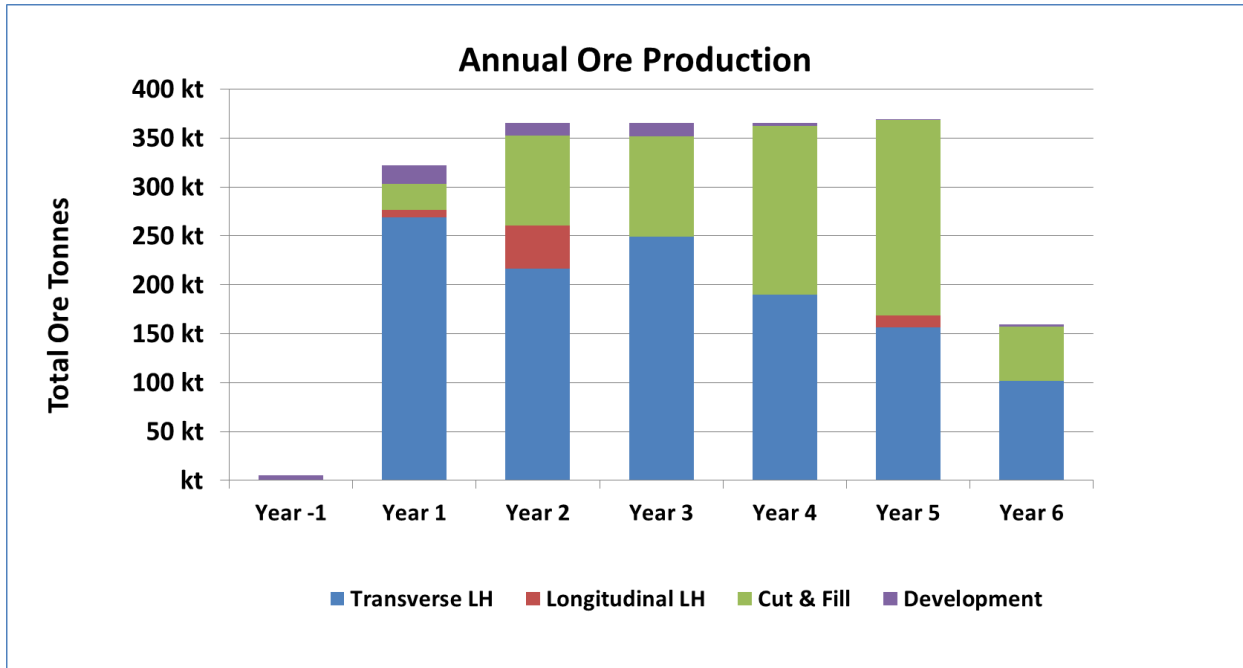
Both the Mineral Resource and Mineral Reserve Estimates take into consideration on-site operating costs (e.g. mining, processing, site services, general and administration, royalties), metallurgical recoveries, and selling costs. In addition, the reserves incorporated allowances for mining recovery and dilution, and overall economic viability.

Mining Methods

The mine plan in the 2017 FS is based on a ramp access underground mining operation, producing an average of 1,045 t/day of ore from a blend of mining methods:

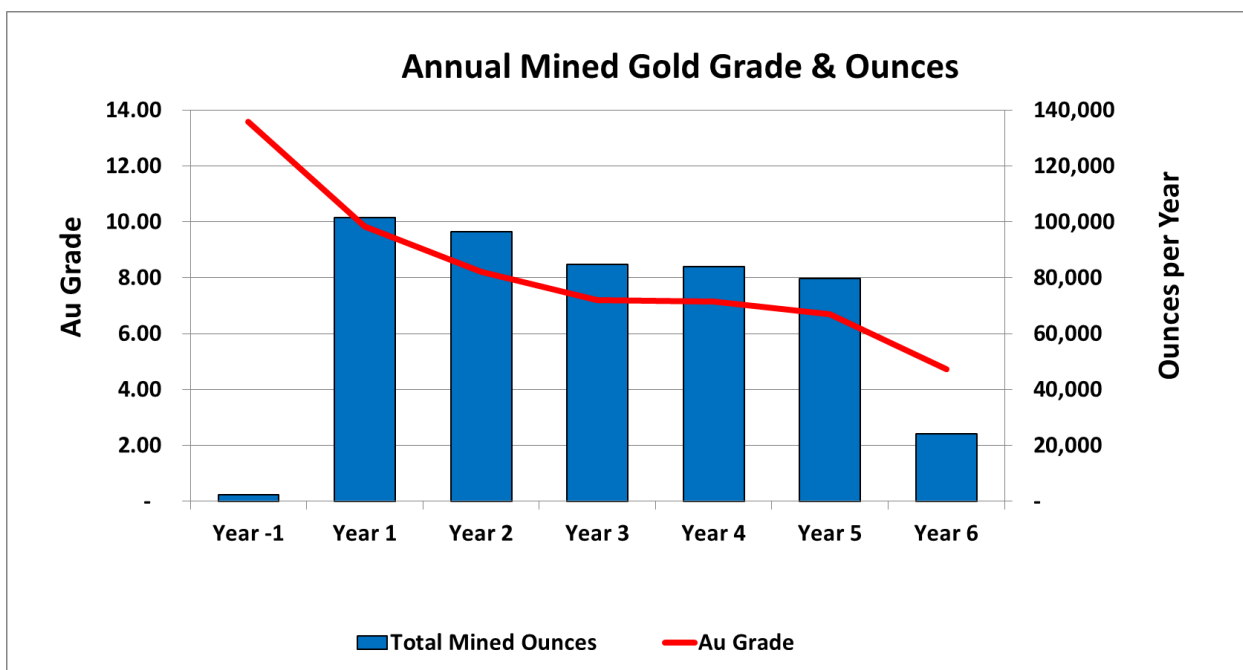
- A combination of transverse and longitudinal longhole stoping for mining blocks dipping steeper than 55°, which represents 63% of the reserves. This is the preferred mining method from a productivity and operating cost perspective;
- Cut and Fill for mining areas with dips of less than 55° and zones not amenable to LH stoping, is more selective and represents 33% of reserves; and
- The remaining 4% of the potentially mineable tonnage comes from access and stope cross-cut development.

Mining recovery and dilution factors were applied to each mining shape based on the mining method used. Average external dilution for the production stopes was calculated to be 12%. Annual ore production by mining method is shown in **Error! Reference source not found.** and grade and gold ounces are shown **Annual Ore Production by Mining Method**



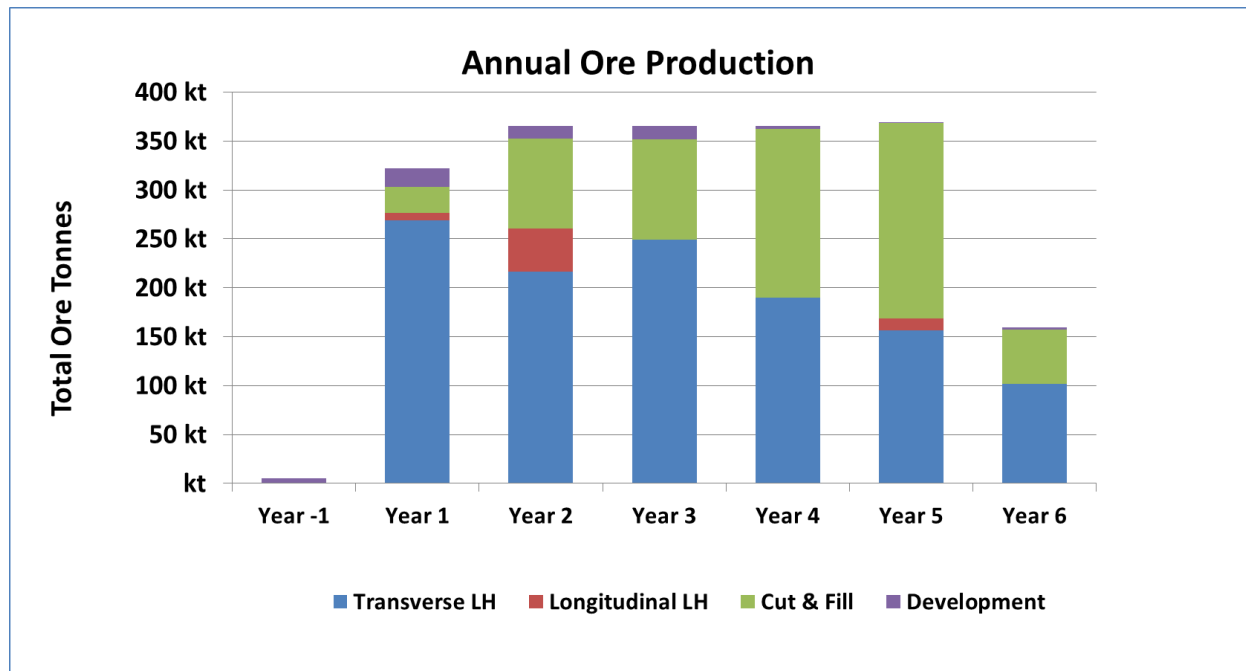
Source JDS (2017)

Annual Mined Gold Ounces and Grade



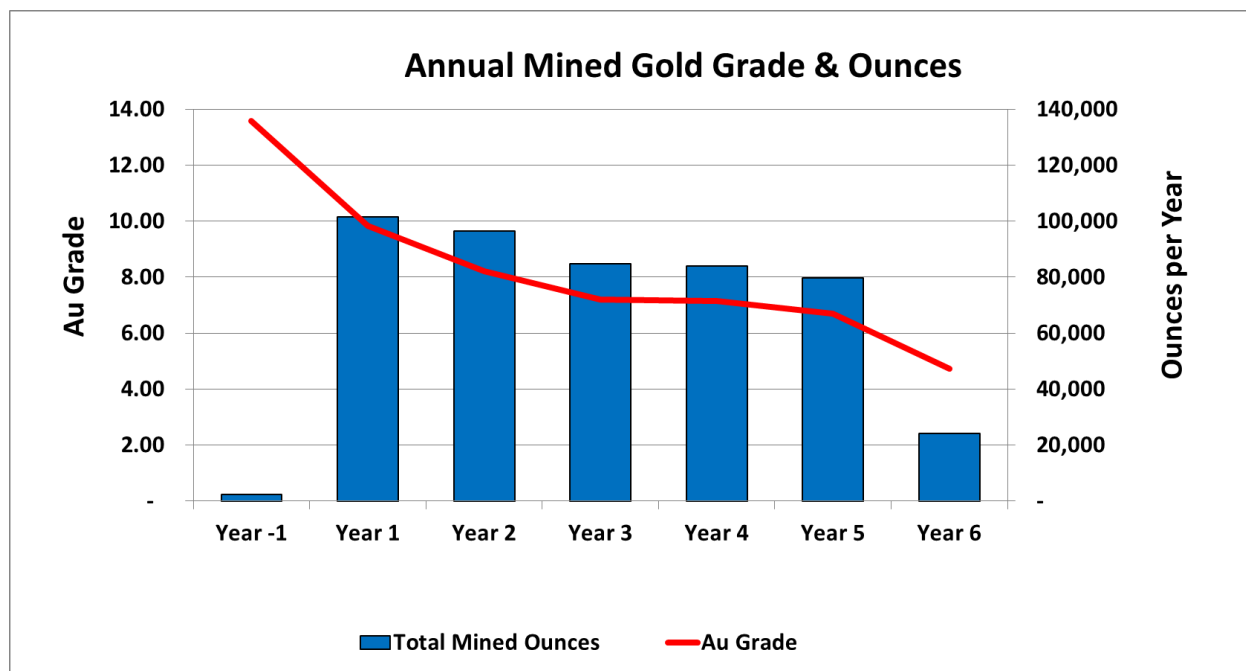
Source JDS (2017)

Annual Ore Production by Mining Method



Source JDS (2017)

Annual Mined Gold Ounces and Grade



Source JDS (2017)

In the 2017 FS, the deposit will initially be accessed from the existing portal and exploration ramp in addition to a new portal accessing the top level of the mine, which will be used for ventilation exhaust and a secondary escape way. A third lower access, to be used for haulage, will be added in Year 1 of the

mine life. Access ramps will be driven at a maximum grade of 15% at a 4.5 m by 4.5 m profile to accommodate 30-tonne haul trucks.

Level spacing for the longhole zones will vary up to a maximum spacing of 25 m. Mineralized zone development will be driven using a 4.0 m x 4.0 m profile. Cut and fill zones will be accessed by attack ramps with a maximum gradient of +/- 17%. Cemented rock fill (CRF) using crushed waste rock will be utilized in a majority of the completed stopes, with rock fill used in secondary cut and fill stopes and longhole stopes at the end of the zones. Ore/waste passes are planned for the Marc and AV zones once the lower access drift is completed.

The ventilation network will consist of primary ventilation fans with mine air heaters located outside of the upper portal, pushing air down the ramp and across the levels exhausting out the second upper and the lower portals. Level ventilation will be controlled by a combination of regulators, ducting, and auxiliary fans.

Mine water and ground water will be collected at the level sumps and allowed to drain down via gravity to the main pump stations placed at strategic locations in the mine. Generally there will only be two main pump stations in operation at any time. Pump stations have been designed for a peak inflow capacity of 10,000 m³/day. Average inflow volumes were estimated to be 3,450 m³/day.

The 2017 FS mine plan focusses on accessing and mining higher value material early in the mine life. The plan commences with the mining of Marc zone, followed by AV, and then JW and 141 zones. The mine production rate will be targeting 1,045 t/day, over 350 assumed operating days per year.

The 2017 FS production plan for the Red Mountain project is summarized below.

Mine Production Schedule

Parameter	Unit	Year - 1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Mineable Tonnage	kt	5	322	366	366	366	368	159	1,953
Gold Grade	g/t	13.59	9.82	8.20	7.20	7.14	6.70	4.72	7.53
Silver Grade	g/t	46.26	34.44	27.14	19.63	15.45	17.54	13.31	21.86
Gold Ounces	koz	2	102	96	85	84	80	24	473
Silver Ounces	koz	8	356	319	231	182	208	68	1,373
Lateral Development	m	1,100	4,800	5,000	5,000	5,100	5,100	2,700	28,900
Vertical Development	m	50	200	200	100	100	-	50	700
Cemented Rock Fill (CRF)	m ³	-	90,000	90,000	84,000	68,000	62,000	33,000	427,000
Waste Fill	m ³	-	21,000	37,000	41,000	54,000	58,000	21,000	232,000

Recovery Methods

The results of the metallurgical test work, together with financial evaluation data, were used to develop metallurgical design criteria and the selected flowsheet for the process facility in the 2017 FS.

The test work has shown that Red Mountain mineralization can be treated using conventional mineral processing techniques for the recovery of gold and silver. A trade-off study was conducted to compare processing the mill feed material, using either a leach or a flotation/regrind/leach circuit. For the 2017 FS, the CIL circuit was selected based on the results of the trade-off study and metallurgical test results.

As outlined in the 2017 FS, the plant will consist of the following unit operations:

- 3-stage crushing;
- Primary and secondary grinding;
- Pre-leach thickening and CIL;
- Cyanide destruction;
- Carbon processing and gold refining; and
- Tailings disposal at the TMF.

The grinding circuit product size in the 2017 FS is targeted at approximately P₈₀ of 25 µm, and CIL to recover gold and silver. The crushing circuit will operate at an availability of 75% while the milling and CIL circuits will operate 24 h/d, 365 d/y at an availability of 92%.

Project Infrastructure

The 2017 FS envisioned the upgrading or construction of the following key infrastructure items for the project:

- Approximately 15 km year-round access road from Highway 37A to the processing plant site;
- Approximately 11 km year-round haul road from the processing plant site to the upper and lower mining portals near the top of Red Mountain;
- Electrical connection to BC Hydro power grid and a transmission line at 138 kV adjacent to the access road;
- Distribution powerline at 25 kV from processing plant site to the upper mine portal;
- Process plant located at Bromley Humps;
- Tailings Management Facility (TMF) and impoundment located at Bromley Humps;
- Water management ponds to manage contact water runoff from around the Project site;
- Diversion ditches to divert non-contact water to the maximum practical extent;
- Temporary development of waste rock storage areas prior to being re-handled into the underground workings as backfill;
- Administration office, mine dry, maintenance shop and warehouse facilities;
- Mine operations office and emergency facilities at the mine portals;
- Tailings effluent water treatment plant;
- Process and fire water storage and distribution and;
- Temporary construction camp located in Stewart.

Environment & Permitting

The project has been designed to minimize short- and long-term environmental impacts, and to maximize lasting benefits to local communities, employees, and shareholders. The goal of the company is to create a sustainable operation that employs best available technology and practices in all aspects of the design and operation, and considers both the short and longer term effects on the project. IDM fully respects the traditional knowledge and culture of the Aboriginal peoples who have historically used or travelled through the Red Mountain project area and will continue to engage in a meaningful and respectful way with Nisga'a leadership and community members.

The project area watershed is relatively undisturbed by human activities with the exception of an access road that was constructed in the late 1990's but is currently decommissioned.

The key environmental objective is to retain the integrity of the current watershed and local ecosystem during the construction and operation phases of the project. Upon closure and reclamation of the project, the goal will be to return the relatively small-disturbed areas to the condition of pre-mine existence.

At closure, the TMF supernatant pond will be drained and a geosynthetic liner installed over the surface of the exposed tailings beach. A graded earthfill/rockfill cover will be constructed on top of the liner and revegetated to facilitate runoff from the surface of the reclaimed TMF towards a permanent closure spillway and to minimize infiltration. The three underground portals will be hydrostatically sealed with engineered bulkheads to allow the mine to flood. Infrastructure will be removed and disturbed sites regraded to natural slopes. The access roads will be deactivated in accordance with the Forest Practice Code. A full closure and reclamation plan will be developed as part of the environmental assessment and provincial permitting process.

Capital Cost Estimate

The capital cost (CAPEX) estimate includes all costs required to develop, sustain, and close the operation for a planned six-year operating life. The construction schedule is based on an approximate 15-month build period. The accuracy of this CAPEX estimate is +/-15% in accordance with the level of detail for a Class 3 estimate.

The summary CAPEX estimate is shown below. The initial or pre-production CAPEX is \$135.7 M, with sustaining CAPEX totaling \$66.8 M. Costs are expressed in Canadian dollars with no escalation (Q2-2017 dollars).

Capital Cost Summary

Area	Pre-Production (C\$M)	Sustaining (C\$M)	Total (C\$M)
Mining	11.3	38.3	49.6
Site Development	9.0	2.2	11.2
Mineral Processing	37.7	0.4	38.0
Tailings Management	7.2	10.9	18.1
Infrastructure	23.7	-	23.7
Off-site Infrastructure	2.8	-	2.8
Project Indirects	9.3	-	9.3
EPCM	13.0	-	13.0
Owner's Costs	9.1	-	9.1
Subtotal Pre-Contingency	123.0	51.7	174.7
Contingency	12.7	5.2	17.9
Subtotal (incl. Contingency)	135.7	56.9	192.6
Closure Costs	-	12.4	12.4
Closure Contingency	-	1.2	1.2
Salvage Value	-	(3.8)	(3.8)
Total Capital Costs	135.7	66.8	202.4

Source: JDS (2017)

Preparation of the capital cost estimate in the 2017 was based on the JDS philosophy that emphasizes accuracy over contingency, and uses defined and proven project execution strategies. The estimates were developed using first principles, applying directly-related project experience, and the use of general industry factors. Almost all of the estimates used in this project were obtained from engineers, contractors, and suppliers who have provided similar services to existing operations and have demonstrated success in executing the plans set forth in this study.

The initial capital estimates include all pre-production mining activities in Year -1 and are based on leased mining equipment. The capital estimate includes the down-payment on the leased equipment only, and lease payments are carried as mining operating costs.

The CAPEX estimate includes the costs required to develop, sustain, and close the operation for the planned six-year mine life, which includes a 15-month construction period. The sustaining capital estimate is based on required capital expenditure during operations for tailings storage, mining equipment lease payments, limited site development work, and mining infrastructure installations as defined by the mine plan. The closure and reclamation estimate is based on a preliminary estimation of a closure plan commencing in Year 6 and continuing to Year 11.

Operating Cost Estimate

The operating cost estimate (OPEX) in the 2017 FS for the Red Mountain project is based on a combination of experience, reference projects, first principle calculations, budgetary quotes, and factors as appropriate for a Feasibility Study.

The operating cost estimate is based on leasing major mining equipment, and a year-round mining and processing operation. The total life-of-mine operating costs are summarized below,

Operating Cost Estimate

Operating Cost	Unit Cost (C\$/t processed)	LOM Cost (C\$M)
Mining*	72.30	141.2
Processing	45.96	89.8
Site Services	10.40	20.3
General & Administrative (G&A)	11.36	22.2
Total	140.02	273.5

*Mining operating cost is \$72.50/t mined during the production period.

Source: JDS (2017)

Major assumptions used to build up the operating costs were:

Main OPEX Component Assumptions

Item	Unit	Value
Electrical power cost	\$/kWh	0.061
Average power consumption	MW	6.8
Overall power consumption (all facilities)	kWh/t processed	162
Diesel cost (delivered)	\$/litre	0.898
LOM average manpower (including contractors, excluding corporate)	employees	224

Source: JDS (2017)

Economic Analysis

An economic model for the 2017 FS was developed to estimate annual cash flows and sensitivities of the project. All costs and economic results are reported in Canadian dollars (C\$ or \$) unless stated otherwise.

Pre-tax estimates of project values were prepared for comparative purposes, while after-tax estimates were developed to approximate the true investment value. It must be noted, however, that tax estimates involve many complex variables that can only be accurately calculated during operations and, as such, the after-tax results are approximations.

Other economic factors considered in the 2017 FS include the following:

- Discount rate of 5% (sensitivities using other discount rates have been calculated for each scenario);
- Closure cost of \$9.9 M (net of \$3.8 M salvage value and \$1.2 M in contingency);
- Nominal 2017 dollars;
- Revenues, costs, and taxes are calculated for each period in which they occur rather than actual outgoing/incoming payment;
- Results are presented on 100% ownership and do not include management fees or financing costs; and
- Exclusion of all pre-development and sunk costs (i.e., exploration and resource definition costs, engineering fieldwork and studies costs, environmental baseline studies costs, permitting, financing, etc.).

Summary of Economic Assumptions and Results in 2017 FS

Parameter	Unit	Value
Au Price	US\$/oz	1,250
Ag Price	US\$/oz	17.00
FX Rate	US\$:C\$	0.76
Mine Life	Years	5.4
Mill Feed	Mt	1.95
Throughput Rate	t/d	1,000
Average Au Head Grade	g/t	7.53
Average Ag Head Grade	g/t	21.86
Au Payable	koz	425
	koz/a	78
Ag Payable	koz	1,173
	koz/a	215
NSR (after Royalties)	C\$M	683.9
Operating Costs	C\$M	273.5
	C\$/t mined	140.02
AISC	US\$/payable oz	658
AISC (Net of By-product)	US\$/payable oz	611
Pre-production Capital	C\$M	123.0
Pre-production Contingency	C\$M	12.7
Total Pre-production Capital	C\$M	135.7
Sustaining & Closure Capital (Net of Salvage)	C\$M	60.4
Sustaining & Closure Contingency	C\$M	6.4
Total Sustaining & Closure Capital	C\$M	66.8
Total Capital Costs Incl. Contingency	C\$M	202.4
Working Capital	C\$M	4.0
Pre-Tax Cash Flow	C\$M	208.0
	C\$M/a	38
Taxes	C\$M	63.2
After-Tax Cash Flow	C\$M	144.8
	C\$M/a	27

Source: JDS (2017)

The project is economically viable with an after-tax internal rate of return (IRR) of 32% and a net present value using a 5% discount rate (NPV_{5%}) of \$104 M using the metal prices and exchange rates at outlined above.

*Economic Results**

Parameter	Unit	Pre-Tax Results	After-Tax Results
NPV _{0%}	C\$M	208	145
NPV _{5%}	C\$M	155	104
IRR	%	40	32
Payback Period	Production years	1.7	1.9

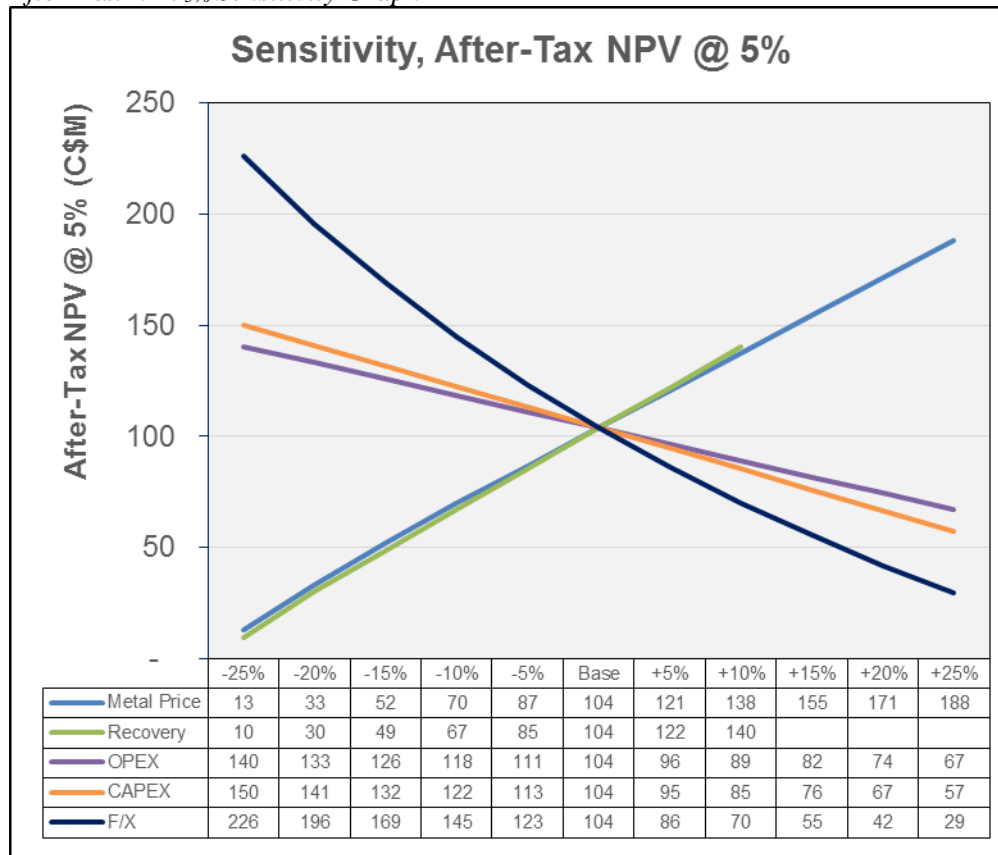
Source: JDS (2017)

Sensitivity Analysis

Sensitivity analyses were performed using metal prices, FX rate, recovery, OPEX, and CAPEX as variables. The value of each variable was changed +/-5% independently of each other while all other variables remained constant. As with most metal mining projects, the project is most sensitive to recovery, metal prices (gold and silver), and FX rate. The FX rate sensitivity evaluation includes revenues only.

The project is slightly more sensitive to CAPEX than OPEX.

After-Tax NPV_{5%} Sensitivity Graph



Source: JDS (2017)

Project Development

The overall construction and commissioning period for the project is estimated to be approximately 15 months from the start of the site access road to first gold pour and will be preceded by nine months of engineering and procurement. Engineering, preliminary procurement, preliminary road work and some site prep will take place in Year -2 of the project. The remainder of the facilities will be built during Year -1.

During Year -1, underground mine development will commence approximately 6 months prior to the final commissioning of the process plant, once the haul road is completed to the upper portal. Initially, mining will commence from the upper portal to develop access to the Year 1 production stopes in the Marc zone and will utilize as much of the existing underground development as possible.

Permanent mine surface infrastructure will be installed during Years -1 and 1, while underground development is ongoing. This includes surface buildings, primary ventilation, water management and a cemented rock fill (CFR) batch plant.

Process plant and TMF construction will begin early in Year -1, as soon as the 15 km road from the plant site to Highway 37A is re-established to allow collection of runoff for reclaim to the plant site at mill startup.

RISK FACTORS

The securities of the Company should be considered highly speculative. The following are major risk factors management has identified which relate to the Company's business activities. Such risk factors could materially affect the Company's future results, and could cause events to differ materially from those described in forward-looking statements relating to the Company. Though the following are major risk factors identified by management, they do not comprise a definitive list of all risk factors related to the Company's business and operations. Other specific risk factors are discussed elsewhere in this AIF, as well as in the Company's Annual Financial Statements (under the headings "Significant Accounting Policies" and "Financial Instruments and Risk Management") and Management's Discussion and Analysis (under the headings "Critical Accounting Policies and Estimates", "Financial Instruments and Risk Management" and "Risk Factors for the years ended October 31, 2017 and 2016, and its other disclosure documents, all as filed on SEDAR. Readers should consider all of the information disclosed in this AIF and under the Company's profile on SEDAR.

Exploration and Development

Exploration and development of natural resources involves a high degree of risk, and few properties which are explored are ultimately developed into producing properties. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of minerals. The long term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that resources will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

The operations of the Company may require licenses and permits from various governmental authorities. There can be no assurances that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects. Failure to obtain such licenses and permits may adversely affect the Company's business as the Company would be unable to legally conduct its intended exploration work, which may result in it losing its interest in the subject property.

Title to Assets

The Company holds mineral claims which constitute its property holdings. There is no guarantee that title to one or more claims at the Company's property will be not challenged or impugned. The Company may not have, or may not be able to obtain, all necessary surface rights to develop a mineral property. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained a secure claim to individual mining properties may be severely constrained. A successful claim contesting the Company's title to a property could cause it to lose its rights to explore, develop or undertake production thereon. This could also result in the Company not being compensated for its prior expenditures relating to the such property.

Requirement for New Capital

As an exploration stage company without revenues, the Company needs more capital than it currently has available to it. The Company has to raise, by way of debt or equity financing, considerable funds to meet its capital needs. Adverse changes in market event and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, may negatively affect the Company's ability to access the funds required to continue its operations.

There is no assurance that sufficient funding will be available to the Company for further exploration and development of its property interests or to fulfill its obligations under applicable agreements. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of new projects with the possible loss of such properties. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Company's shareholders.

If mineable deposits are discovered, substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. No assurance can be given that mineral resources will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained at all or on terms acceptable to the Company.

Reliability of Mineral Resources Estimates

Mineral resources are estimates only, and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Mineral resource estimates may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing and other relevant issues. There are numerous uncertainties inherent in estimating mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral resource estimate is a function of the quantity and quality of available data, the nature of the mineralized body and of the assumptions made and judgments used in

engineering and geological interpretation. These estimates may require adjustments or downward revisions based upon further exploration or development work or actual production experience.

Fluctuations in gold or silver prices, results of drilling, metallurgical testing and production, the evaluation of the mine plans after the date of any estimate, permitting requirements or unforeseen technical or operational difficulties, may require revision of mineral resource estimates. Should reductions in mineral resources occur, the Company may be required to take a material write-down of its investment in mining properties, reduce the carrying value of one or more of its assets or delay or discontinue production or the development of new projects, resulting in increased net losses and reduced cash flow. Mineral resources should not be interpreted as assurances of mine life or of the profitability of current or future operations. Any material reductions in estimates of mineral resources could have a material adverse effect on the Company's results of operations and financial condition.

Operating Hazards and Risks

Exploration for natural resources involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Although the Company has or will obtain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Fluctuating Metals Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of gold and other metals or interests related thereto. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of gold, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Environmental Factors

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, director and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Competition

The resource industry is intensely competitive in all its phases, and the Company competes with many other companies possessing greater financial resources and technical facilities than it has. Competition could adversely affect the Company's ability to acquire suitable properties for exploration in the future.

Political and Economic Instability

The Company may acquire properties located in countries where mineral exploration activities may be affected by varying degrees of political instability and haphazard changes in government regulations such as tax laws, business laws and mining laws. Any changes in regulations or shifts in political conditions would be beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price control, export controls, income taxes, and expropriation of property, environmental legislation, and mine safety.

The Company may also be affected by possible economic instability. The risks include, but are not limited to, terrorism, military repression, extreme fluctuations in currency exchange rates and high rates of inflation. Changes in resource development or investment policies or shifts in political attitude in certain countries may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. The effect of these factors cannot be accurately predicted.

Management

The Company is dependent upon the personal efforts and commitment of its management, which is responsible for the development of future business. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company. The Company is dependent on a relatively small number of key employees, the loss of any of whom could have an adverse effect on the Company.

Government Regulation

The Company's operations and exploration and development activities are subject to extensive federal, provincial, and local laws and regulations governing such matters as environmental protection, management and use of toxic substances and explosives, management of natural resources, health, exploration and development of mines, production and post-closure reclamation, safety and labour, mining law reform, price controls, import and export laws, taxation, maintenance of claims, tenure, government royalties and expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations. The activities of the Company require licenses and permits from various governmental authorities.

The costs associated with compliance with these laws and regulations can be substantial, and possible future laws and regulations, changes to existing laws and regulations and more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its properties. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety practices of the Company's past and current operations, or possibly even of substantial fines, penalties or other civil or criminal sanctions. The Company retains competent and well trained individuals and consultants in jurisdictions in which it does business; however, even with the application of considerable skill the Company may inadvertently fail to comply with certain laws. Such events can lead to financial restatements, fines, penalties, and other material negative impacts on the Company.

First Nations

The Red Mountain Project lies within the traditional First Nation territory and in the Nass Area, as defined in the *Nisga'a Final Agreement* between the Nisga'a First Nation and the federal and provincial governments, which came into effect on May 11, 2000. However, there may be overlapping claims by other First Nations. Given the unsettled nature of land claims and treaty rights in British Columbia, as well as the rights of the Nisga'a under the Nisga'a Final Agreement, there can be no guarantee that there will not be delays in project approval, unexpected interruptions in project progress, requirements for First Nations consent, cancellation of permits and licenses, or additional costs to advance the Company's projects.

In order to facilitate further development, mine permitting and the commencement of mining activities, the Company may deem it necessary and prudent to obtain the cooperation and approval of the Nisga'a First Nation. Any cooperation and approval may be predicated on the Company's commitment to take measures to limit the adverse impacts on Nisga'a First Nation and ensuring that some of the economic benefits of the construction and mining activity will be enjoyed by the Nisga'a First Nation. There can be no guarantee that any of the Company's efforts to secure such cooperation or approval would be successful or that the assertion of Nisga'a First Nation rights and title, or claims or in sufficient consultation or accommodation, will not create delays in project approval or unexpected interruptions in project progress, requirements for Nisga'a First Nation consent, cancellation of permits and licenses, or result in additional costs to advance.

DIVIDENDS

The Company has paid no dividends since its inception. At the present time, the Company intends to retain any earnings for corporate purposes. The payment of dividends in the future will depend on the earnings and financial condition of the Company and on such other facts as the board of directors of the Company may consider appropriate. However, since the Company is currently in the exploration and development stage, it is unlikely that earnings, if any, will be available for the payment of dividends in the foreseeable future.

CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As at October 31, 2017 there were 397,808,519 common shares issued and outstanding and at the date of this AIF there were 397,808,519 Common Shares issued and outstanding.

The holders of the Common Shares are entitled to vote at all meetings of the Company's shareholders, to receive dividends if, as and when declared by the directors and to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Company. The Common Shares carry no pre-emptive rights, conversion or exchange rights, redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring the holder of Common Shares to contribute additional capital and no restrictions on the issuance of additional securities by the Company. There are no restrictions on the repurchase or redemption of Common Shares by the Company except to the extent that any such repurchase or redemption would render the Company insolvent pursuant to the BCBCA.

As at the date of this AIF, the Company had 30,755,000 options outstanding to purchase Common Shares as follows:

Number Issued	Date of Issuance	Exercise Price	Expiry Date
2,850,000	July 3, 2014	\$0.24	July 3, 2019
150,000	October 10, 2014	\$0.30	October 10, 2019
1,230,000	April 27, 2015	\$0.11	April 27, 2020
2,925,000	October 28, 2015	\$0.10	October 28, 2020
10,500,000	May 11, 2016	\$0.19	May 11, 2021
350,000	July 19, 2016	\$0.23	July 19, 2021
750,000	August 26, 2021	\$0.19	August 26, 2021
7,500,000	February 1, 2017	\$0.15	February 1, 2022
1,300,000	February 9, 2017	\$0.17	February 9, 2022
200,000	May 1, 2017	\$0.155	May 1, 2022
3,000,000	October 18, 2017	\$0.14	October 18, 2022

As at the date of this AIF, the Company had 90,881,465 warrants outstanding to purchase Common Shares as follows:

Number Issued	Date of Issuance	Exercise Price	Expiry Date
50,419,519	April 27, 2016	\$0.15	April 27, 2018
1,277,005	August 21, 2017	\$0.23	August 21, 2018
193,650	September 13, 2017	\$0.23	September 13, 2018
18,991,291	October 4, 2016	\$0.25	October 4, 2018
20,000,000	July 31, 2015	\$0.20	July 31, 2020

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares commenced trading on the TSX under the symbol “NUU” on April 27, 2010. On September 8, 2010, trading of Common Shares on the TSX changed to the symbol “RV”. On June 6, 2014, trading of Common Shares on the TSX changed to the symbol “IDM”. After close of trading on December 29, 2015, the Company’s Common Shares were voluntarily delisted from TSX and were listed on the TSX Exchange (the “TSXV”) on open of trading on December 30, 2015. The following table shows the high, low and closing prices and trading volume of the Common Shares on the TSX for the fiscal year commencing November 1, 2016 and ended October 31, 2017.

Month	High	Low	Volume
November 2016	\$0.19	\$0.12	20,733,6836
December 2016	\$0.155	\$0.12	10,341,463
January 2017	\$0.15	\$0.135	10,779,140
February 2017	\$0.175	\$0.14	14,646,257
March 2017	\$0.17	\$0.135	13,113,368
April 2017	\$0.175	\$0.15	10,211,578
May 2017	\$0.155	\$0.135	14,951,834
June 2017	\$0.155	\$0.13	12,201,836
July 2017	\$0.145	\$0.125	3,301,923
August 2017	\$0.25	\$0.16	6,219,866
September 2017	\$0.22	\$0.175	12,903,323
October 2017	\$0.215	\$0.175	4,493,879

ESCROWED SECURITIES

The Company does not currently have shares in escrow.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table sets out the names of the current directors and executive officers of the Company, and the provinces or states and countries of residence, positions with the Company, principal occupations within the five preceding years, periods during which each director has served as a director and the number of Common Shares and percentage of the issued Common Shares beneficially owned, directly or indirectly, or subject to control or direction by those persons.

The term of each of the current directors of the Company will expire at the next annual general meeting unless his office is earlier vacated in accordance with the Articles of the Company, or he becomes disqualified to act as a director.

Name, Position and Residence	Position with the Company	Principal Occupation for the Past Five Years⁽¹⁾	Director Since	Number and Percentage of Company Common Shares Beneficially Owned or Controlled^{(1) (2)}
Robert McLeod ⁽⁶⁾ British Columbia, Canada	Director, President and Chief Executive Officer	President and Chief Executive Officer of the Company from Oct 2013 to present.	July 16, 2009	1,033,632 0.26%
Michael McPhie ⁽⁶⁾ British Columbia, Canada	Director and Chair	CEO of Falkirk Resource Consultants Ltd from Sep 2008 to present. Executive Chair of the the Company from Apr 2014 to Dec 2017. Chair from Jan 2018 to present. CEO and President of Prize Mining Corporation from Feb 2018 to present. Chair of Ridley Terminals Inc from Sep 2017 to present	January 8, 2014	821,706 0.21%
David Parker ⁽³⁾⁽⁶⁾ British Columbia, Canada	Director	Adjunct Professor and Executive in Residence at Norman B. Keevil Institute of Mining Engineering at the University of British Columbia from 2014 to present.	June 16, 2014	54,167 0.01%
Andrew Farncomb ⁽⁴⁾⁽⁵⁾ Ontario, Canada	Lead Director	Managing Partner at Cairn Merchant Partners, LP from Mar 2012 to present Senior Vice President and Director Contact Gold from June 2017 to present	June 16, 2014	597,659 0.15%

Name, Position and Residence	Position with the Company	Principal Occupation for the Past Five Years (1)	Director Since	Number and Percentage of Company Common Shares Beneficially Owned or Controlled ^{(1) (2)}
Duncan Middlemiss ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾ Ontario, Canada	Director	President and CEO and director of Wesdome Gold Mines Ltd. from Jul 2016 to present President and CEO of St. Andrew Goldfields Ltd. from Oct 2013 to Jan 2016.	Feb 9, 2017	Nil Nil%
Andree St. Germain ⁽³⁾⁽⁴⁾⁽⁵⁾ British Columbia, Canada	Director	CFO of Integra Resources Corp from Aug 2017 to present CFO of Integra Gold Mar 2017 to July 2017 CFO of Golden Queen Mines Ltd from Sep 2013 to Mar 2017	October 19, 2017	Nil Nil%
Terence Harbort, Ontario, Canada	Director	Chief Geoscientist of Barkerville Gold Mines Ltd from May 2017 to present. VP President of Exploration of Talisker Exploration Services Inc from 2010 to present	October 19, 2017	Nil Nil%
Susan Neale British Columbia, Canada	CFO	CFO of the Company from Sep 2014 to present.	N/A	158,824 0.04%

Name, Position and Residence	Position with the Company	Principal Occupation for the Past Five Years ⁽¹⁾	Director Since	Number and Percentage of Company Common Shares Beneficially Owned or Controlled ^{(1) (2)}
Ryan Weymark British Columbia, Canada	VP Project Development	<p>VP Project Development of the Company from Nov 2017 to present</p> <p>Manager Project Development of the Company from May 2017 to Nov 2017</p> <p>Project Manager of Ledcor Contractors Ltd from Apr 2015 to May 2017</p> <p>Planning Engineer of Teck Resources Ltd from Oct 2014 to Apr 2015</p> <p>Project Manager of Teck Resources from Oct 2013 to Oct 2014</p>	NA	10,000 0.00%
Sheryl Elsdon British Columbia, Canada	Corporate Secretary	Corporate Secretary of for a number of other public companies.	N/A	Nil Nil%

(1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled has been provided by the respective directors and officers.

(2) As a group, the directors and executive officers beneficially own or control a total of 2,675,988 Common Shares, or 0.67% of the Common Shares of the Company. Percentages of Common Shares owned are based on 397,808,519 Common Shares issued and outstanding.

(3) Member of Nominating and Governance Committee.

(4) Member of Audit Committee.

(5) Member of Compensation Committee

(6) Member of Safety and Sustainability Committee

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, no director or executive officer of the Company, or a personal holding company of such person is, as at the date of this AIF, or has been, within 10 years before the date of this AIF, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company that:

- (a) was subject to a cease trade or similar order to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as a director, CEO or CFO of such company; or
- (b) was subject to a cease trade or similar order to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, CEO or CFO but which resulted from an event that occurred while the director or executive officer was acting in the capacity as director, CEO or CFO of such company.

To the knowledge of the Company, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities to affect materially the control of the Company, or a personal holding company of such person:

- (a) is, as at the date of this AIF, or has been within 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer;
- (c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (d) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting

involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. The directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the *Business Corporations Act* (British Columbia) and shall govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

To the best of the Company's knowledge, and other than as disclosed above and elsewhere in this AIF, or in documents incorporate by reference herein, there are no known existing or potential conflicts of interest among the Company, its subsidiaries, directors and officers or other members of management of the Company or its subsidiaries as a result of their outside business interests. See "Related Party Transactions" in the Annual Financial Statements and Management's Discussion and Analysis for the years ended October 31, 2017 and 2016 of the Company, all as filed on SEDAR and incorporated by reference herein.

AUDIT COMMITTEE INFORMATION

Pursuant to the provisions of the British Columbia *Business Corporations Act* and National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110"), the Company is required to have an Audit Committee and to disclose annually in its Annual Information Form certain information concerning the constitution of its Audit Committee and its relationship with the Company's independent auditor. The general function of the Audit Committee is to review the overall audit plan and the Company's system of internal controls, to review the results of the external audit, and to resolve any potential dispute with the Company's auditor.

Audit Committee Charter

A copy of the Audit Committee Charter is attached to this AIF as Schedule A.

Composition and Background of the Audit Committee

The Audit Committee of the Company currently consists of Andree St. Germain, Andrew Farncomb and Duncan Middlemiss. All members are considered to be independent within the meaning of NI 52-110. The members of the Audit Committee are financially literate with a wide experience with accounting principles and the evaluation of financial statements.

Mr. Andrew Farncomb is a founder and Managing Partner of Cairn Merchant Partners and has extensive experience advising companies in mergers, acquisitions and financing transactions. Prior to founding Cairn Merchant Partners, Mr. Farncomb was a partner and Investment Banking Professional at Paradigm Capital. Mr. Farncomb graduated from Smith school of Business at Queen's University with Bachelor of Commerce (Honors) degree. Mr. Farncomb is a member of the Board of Directors of several TSX and TSX Venture Exchange listed and private companies. He is also a member of the Board of Directors and chairs the Investment Committee at the Flavelle Family Foundation.

Ms. Andree St-Germain is a senior mining executive with an extensive background in banking, mining finance and operating mine-site financial management. Ms. St-Germain, an MBA (Honours) Graduate from the York University Schulich School of Business in Toronto, Ontario, began her career in investment banking with Dundee Capital Market Inc. As an investment banker, Ms. St. Germain worked exclusively with mining companies on advising companies in mergers, acquisitions and financing transactions. Ms St-Germain is currently CFO for Integra Resources Ltd and a director of Barkerville Gold Mines Ltd. Formerly, Ms. St-Germain was CFO of Integra Gold Corp and prior to that Golden Queen Mining Co. Ltd.

Mr. Duncan Middlemiss is a senior mining executive with more than 25 years of financing, operational and project development experience. Mr. Middlemiss is currently President, CEO and director of Wesdome Gold Mines Ltd. Mr. Middlemiss graduated from Queen’s University with Bachelor of Science degree in mining engineering. Formerly, Mr. Middlemiss was the President and CEO of St. Andrew Goldfields Ltd, Mine Manager of Kirkland lake Gold – Macassa Mine and Chief Mine Engineer at Barrick Gold Corp.’s – Holt McDermott Mine.

The Company has not relied on and is not currently relying on any of the exemptions to the requirement to have all audit committee members be independent (as contained in sections 2.4, 3.2, 3.3(2), 3.4, 3.5 and 3.6 of NI 52-110) or that all committee members be financially literate (as contained in section 3.8 of NI 52-110) or the exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Audit Committee Oversight

At no time since the commencement of the Company’s most recently-completed fiscal year was a recommendation of the Audit Committee to nominate or compensation an external auditor not adopted by the board of directors of the Company.

Pre-Approval Policies and Procedures

All services to be performed by the Company’s independent auditor must be approved in advance by the Audit Committee. The audit committee is required to pre-approve the audit, audit-related and non-audit services performed by the external auditors. Unless a type of service is to be provided by the external auditors receives general pre-approval, it requires specific pre-approval by the Company’s Audit Committee.

External Auditor Service Fees

Davidson & Company LLP has served as the Company’s auditing firm since 2009. The aggregate fees billed by the Corporation’s external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
October 31, 2017	\$45,000	Nil	\$8,750	Nil
October 31, 2016	\$25,000	Nil	\$12,000	Nil

PROMOTERS

There is no person or company that has been, within the two most recently completed financial years or during the current financial year, a promoter of the Company or a subsidiary of the Company, as such term is defined in the *Securities Act* (British Columbia).

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not a party to any legal proceedings or regulatory actions currently material to it or of which any of the Company's properties is the subject matter, and no such proceedings or actions are known by the Company to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed in this AIF, no informed person (a director, executive officer or person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Company's common shares) or any associate or affiliate of any informed person had any interest in any transaction which has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries, within the three most recently completed financial years.

TRANSFER AGENT AND REGISTRAR

The Company's Registrar and Transfer Agent is Computershare Investor Services Inc., 2nd Floor, 510 Burrard Street, Vancouver, B.C. V6C 3B9.

MATERIAL CONTRACTS

Other than as disclosed in the AIF, there were no other contracts, other than those entered into in the ordinary business, that were material to the Company and that were entered into between November 1, 2016 (being the commencement of the Company's most recently completed financial year) and up to the date of this AIF or that were entered into prior to November 1 2016 and remain in effect during fiscal year 2017.

EXPERTS

Gord Doerksen, P.Eng, Michael Makarenko, P.Eng, Kelly McLeod, P. Eng, of JDS Energy & Mining Inc., Dr. Gilles Arseneau, P Geo of ARSENEAU Consulting Services Ltd, Ken Embree, P.Eng of Knight Piesold Ltd, Kelly Sexsmith, P. Geo and Bruce Murphy, P. Eng of SRK Consulting (Canada) Inc prepared the technical report titled "NI 43-101 Feasibility Study Technical Report for the Red Mountain Project, British Columbia, Canada". Each of them is an independent "qualified person" as defined under National Instrument 43-101.

Dr. Gilles Arseneau, P.Geo. of ARSENEAU Consulting Services Ltd and Andrew Hamilton, P. Geo prepared the technical report titled "Mineral Resource Update for the Red Mountain Gold Project, Northwestern, BC, Canada". Each of them is an independent "qualified person" for the purposes of NI43-101.

Davidson & Company LLP audited the financial statements of the Company since the Company's incorporation. Davidson & Company LLP has no beneficial interest, direct or indirect, in any securities of the Company's issued capital, or in the property of the Company or of an associate or affiliate of the Company. Davidson & Company LLP has confirmed it is independent with respect to the Company within the meaning of the rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

The Company is required to distribute an information circular to its security holders. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, if applicable, are contained in the Company's information circular for its 2017 annual general meeting of shareholder dated May 8, 2017. Additional financial information is provided in the Company's audited financial statements and MD&A for the year ended October 31, 2017.

These documents may be obtained upon request from the Company's head office, or may be viewed on the Company's website (www.idmmining.com) or on the SEDAR website (www.sedar.com).

Schedule A

Audit Committee Charter

I. PURPOSE

The Board of Directors of IDM Mining Ltd. (the “**Company**”) has established an Audit Committee (the “**Committee**”). The primary function of the Committee is to assist the board of directors of the Company (the “**Board**”) in fulfilling its oversight of the accounting and financial reporting and financial statements audits.

II. ROLE

The Committee’s primary function is to assist the Board in fulfilling its oversight responsibilities, including:

- a. Provide independent review and oversight of the Company’s financial reporting process and continuous disclosure risks.
- b. Management of the audit process, including selection recommendation, oversight, review and compensation of the Company’s external auditors.
- c. Provide oversight of the Company’s risk management and its principal business risks.
- d. Monitor the Company’s systems of internal controls regarding finance and accounting.
- e. Carry out oversight responsibilities respecting compliance with tax, securities and other applicable laws and regulations as well as ethics, the code of conduct and the whistle-blower policy.
- f. Provide an open avenue of communication among the Company’s auditors, senior management and the Board of Directors.

III. COMPOSITION AND MEMBERSHIP

- a. The members of the Board will annually appoint the members of the Committee. The members will be appointed to hold office until the next annual general meeting of shareholders of the Company or until their successors are appointed.
- b. The Committee shall be comprised of three or more directors as determined by the Board of Directors. Each of these directors shall be independent as required by the applicable legislation of the Company’s regulators. No member of the Committee is permitted to have participated in the preparation of the financial statements of the Company or any current subsidiary, if applicable, at any time during the past three years.

If permitted by applicable legislation in effect from time to time, one director who (i) is not independent as defined and required under applicable legislation, and (ii) is not a current employee or an immediate family member (as defined under applicable legislation) of such employee, may be appointed to the Audit Committee if the Board, under exceptional and limited circumstances, determines that membership on the Audit Committee by the individual is required in the best interests of the Company and its shareholders. In such event, the Board will disclose in the Company's next annual proxy statement the nature of that director's relationship with the Company and the reasons for that determination. A director appointed to the Committee pursuant to this exception may not serve in excess of two consecutive years and may not chair the Committee.

- c. All Committee members will be financially literate as defined by applicable legislation. If, upon appointment, a member of the Committee is not financially literate as required, the person will be provided a three-month period in which to achieve the required level of literacy
- d. The Board will appoint one of the members to act as the Chair of the Committee (the "**Chair**").

IV. MEETINGS AND PROCESS

- a. The Committee will meet as frequently as determined by the Committee Members and Committee Chair in order to fill the responsibilities described below and in any event at least quarterly. As part of its role to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.
- b. Meetings of the Committee will be held at such times and places as the Chair may determine, and may be held in person, by telephone, and/or by video conference.
- c. A majority of the members of the Committee shall constitute a quorum.
- d. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present, or by a unanimous written consent.
- e. Members shall be provided with a minimum of 48 hours' notice of meetings. The notice period may be waived by a quorum of the Committee.
- f. The Committee Chair, if present, will act as the chair of meetings of the Committee and shall establish the agenda of the meeting and, where possible, ensure that materials are circulated sufficiently in advance to provide adequate time for review prior to the meeting.
- g. The Committee Chair will appoint a Recording Secretary at each meeting. The Secretary will keep minutes of each meeting, which will be distributed in advance of subsequent meetings for Committee approval.
- h. The Committee may delegate work to one or more of its members, and such members must report to the Committee at its next schedule meeting or as other mandated.

- i. The Committee has the authority to communicate directly with officers and employees of the Company, its auditors, legal counsel and to such information respecting the Company as it considers necessary or advisable in order to perform its duties and responsibilities. This extends to the requiring the external auditor to report directly to the Committee.
- j. The Committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the Committee will set the compensation for such advisors.
- k. At each meeting of the Committee, there shall be an “*in camera*” session of only the independent members, if applicable.
- l. The Committee shall report its discussions to the Board at the next Board Meeting.

V. DUTIES AND RESPONSIBILITIES

The Audit Committee will:

- a. Review and update the Charter annually;
- b. Review and report to the Board of the Company on the following before they are published:
 - i. the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of the Company; and
 - ii. the auditor’s report, if any, prepared in relation to those financial statements,
- c. Review the Company’s annual and interim earnings press releases before the Company publicly discloses this information,
- d. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- e. Review any related-party transactions.
- f. Satisfy itself that adequate procedures are in place for the review of the Company’s public disclosure of financial information extracted or derived from the Company’s financial statements and periodically assess the adequacy of those procedures,
- g. Recommend to the Board:
 - i. the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company; and
 - ii. the compensation of the external auditor,

- h. Oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting,
- i. Review annually the performance of the external auditors
- j. Monitor, evaluate and report to the Board on the integrity of the financial reporting process and the system of internal controls that management and the Board have established,
- k. Monitor the management of the principal risks that could impact the financial reporting of the Company,
- l. Establish procedures for:
 - i. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - ii. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters,
- m. Pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor,
- n. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company,
- o. With respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with National Instrument 52-109,
- p. Review and recommend to the Board any changes to accounting policies,
- q. Review the opportunities and risks inherent in the Company's financial management and the effectiveness of the controls thereon; and
- r. Review major transactions (acquisitions, divestitures and funding).

VI. APPROVAL

Audit Committee
Board of Directors

POLICY TYPE
Board Governance

ADOPTED:
February 27, 2018