(Formerly Revolution Resources Corp.)

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE SIX MONTH PERIOD ENDED APRIL30, 2015

INTRODUCTION

This Management's discussion and analysis ("**MD&A**") reviews the significant activities of IDM Mining Ltd. ("**IDM**" or the "**Company**") and its subsidiaries and compares the financial results for the six month period ended April 30, 2015 (the "**second quarter 2015**") and the comparable period in 2014 (the "**second quarter 2014**"). This MD&A should be read in conjunction with the unaudited condensed consolidated financial statements for second quarter 2015 and the audited consolidated financial statements and accompanying notes for the years ended October 31, 2014, and MD&A's for all relevant periods, which are available on the SEDAR website at www.sedar.com.

All financial information in this document is prepared in accordance with International Financial Reporting Standards ("**IFRS**") and presented in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is June 15, 2015.

Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

Additional information related to the Company is available for view on SEDAR at www.sedar.com and on the Company's website at www.idmmining.com.

DESCRIPTION OF BUSINESS

IDM is based in Vancouver and was incorporated on July 14, 2009 pursuant to the *Business Corporations Act* (British Columbia) and commenced business at that time. The Company trades on the Toronto Stock Exchange (the "**TSX**" or "**Exchange**") under the symbol "IDM". On June 6, 2014, the Company changed its name from "Revolution Resources Corp." to "IDM Mining Ltd." and consolidated its issued and outstanding shares on the basis of 6 pre-consolidated shares for one post-consolidated share. All share and per share amounts in this MD&A have been adjusted to reflect the share consolidation.

The Company is an exploration stage company in the business of acquiring, exploring and developing natural resource properties in British Columbia. The Company is currently earning an option to acquire a 100-per-cent interest in the high-grade Red Mountain gold project located near Stewart, B.C..

HIGHLIGHTS AND SIGNIFICANT EVENTS

The following is a summary of significant events and transactions that occurred during, and subsequent to, the first half of fiscal year 2015:

- In November 2014, the Company advanced the permitting of Red Mountain Gold Project by submitting a Project Description to British Columbia Environment Assessment Office ('**BC EAO**"). Comments have been received on the report from BC EAO, other provincial and federal agencies and First Nations.

- In November 2014, the Company announced results for step-out holes at the 141 Zone completed as part of the initial surface drilling campaign. The objective of the drilling at the 141 Zone was to target high-grade underground mineralization similar to the resource area and confirm the presence of wide intervals of lower-grade porphyry-style gold mineralization, similar to other large gold deposits in north western BC. Drill hole MC14-03 accomplished both tasks, intersecting 138 meters of 1.41 g/t Au including; 7.5 meters of 10.45g/t Au. Drilling was also completed at the Cambria Zone, Marc Extension Zone and AV Zone. Results from nine additional holes from these areas are currently pending.

- In January 2015, the Company announced that it received results from sampling of un-assayed historic drill core from the 141 Zone at the Red Mountain Gold Project. The objective of the historic drill programs at the time was to target high-grade gold, resulting in many areas of strong alteration and sulphide mineralization remaining un-sampled. The mineralized trend of the of the 141 Zone is subparallel with the resource area including the Marc/AV/JW Zones, spanning a broad area at least 325 meters long by 350 meters wide and is open for expansion in all directions.

- In January 2015, the Company announced that director Aaron Keay had resigned.

- In April 2015, the Company announced that it extinguished $676,845 of amounts owing to certain creditors through the issuance of 4,512,301 common shares of the Company at a deemed price of $0.15 per share.

- In May 2015, the Company announced that is arranging a non-brokered private placement offering ("**Private Placement**") to sell flow-through share units ("**Flow-Through Units**") at a price of $0.14 per Flow Through Unit and common share units ("**Common Share Units**") at a price of $0.10 per Common Share Unit, for aggregate gross proceeds of up to $2.0 million. In June 2015, the Company announced that Delbrook Capital Advisors Inc has committed to invest $1.15 million in the Private Placement and is increasing the size of the Private Placement to raise aggregate gross proceeds of up to $2.5 million. Closing of the Private Placement is subject to receipt of approval from the TSE, including shareholder approval.

- In May 2015 the Company announced the appointment of Harry Pokrandt and Glen Masterman to an Advisory Board of the Company; and

- In June 2015, the Company announced it has entered into an agreement (the "**Letter Agreement**") with Lake Shore Gold Corp ("**Lake Shore**") to amend the terms of the $5 million cash or share payment due on or before December 17, 2017. Under the terms of the Letter Agreement, Lake Shore will subscribe for $250,000 of the Private Placement, the Company will issue 7,500,000 common shares and 20,000,000 common share warrants. Each warrant will entitle Lake Shore to acquire one common share at a price of $0.20 for a period of 60 months following the issuance of the warrants. The warrants will be subject to an acceleration provision if the Company's shares trade at or above $0.40 per share for 20 consecutive trading days. Closing of the transaction is subject to final documentation and receipt of approval from the TSE, including shareholder approval.

Additional information, including the full news release, can be found on www.sedar.com and the Company's website www.idmmining.com

RESERVES AND RESOURCES

National Instrument 43-101 ("43-101") of the Canadian Securities Administrators – Standards of Disclosure for Mineral Projects – requires that each category of mineral reserves and mineral resources be reported separately. Readers should refer to IDM's continuous disclosure documents available at www.sedar.com for this detailed information, which is subject to the qualifications and notes therein set forth.

PROPERTIES

Red Mountain, British Columbia

IDM has an option to earn a 100% interest in the 17,125 hectare Red Mountain Project. It is located in northwestern B.C., 15 kilometers ("**km**") northeast of the town of Stewart. Discovered in 1989, the property was explored extensively until 1996 by Lac Minerals Ltd. and Royal Oak Mines Inc., with 466 diamond drill holes and over 2,000 meters ("**m**") of underground development completed, along with extensive engineering and environmental baseline work. Additional studies were completed over the past 12 years by Seabridge Gold Inc., North American Metals Corp. and Banks Island Gold Ltd.

In April 2014, IDM entered into an option agreement with Seabridge Gold Inc ("**Seabridge**") granting IDM the right to acquire a 100% interest in the Red Mountain Project, subject to certain underlying royalties and gold streams. To acquire 100%, IDM must issue 4,955,000 shares (issued), pay $2.0 million over 1.5 years ($1.0 million paid) and incur $7.5 million in exploration and development expenditures over 3 years ($2.5 million per year - $3.8 million incurred to date).

IDM has the right to extend the deadline of the final $2.5 million of exploration and development expenditures by one year upon payment of $250,000 to Seabridge. Upon the commencement of commercial production, the Company will make an additional one-time payment of $1.5 million to Seabridge. Seabridge will also retain a gold metal stream on the Red Mountain Project, allowing Seabridge 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 to Seabridge). Alternatively, Seabridge may elect to receive a one-time cash payment of $4.0 million at the commencement of production in exchange for the buy-back of the gold metal stream.

During the year ended October 31, 2014, an Independent Technical Report was prepared by JDS Energy & Mining Incorporated and TS Technical Services Ltd., following the guidelines of the Canadian Securities Administrators National Instrument 43-101 and Form 43-101F1 report, titled "Preliminary Economic Assessment Technical Report, Red Mountain Gold Project, Northwestern, BC, Canada" ("**PEA**"). The report was filed on SEDAR on September 3, 2014 and can be viewed on the SEDAR website, www.sedar.com, and IDM's website www.idmmining.com. This report, which includes a revised resource estimate, was authored by Dunham Craig, P.Geo., Scot Klingmann, P.Eng., Gord Doerksen, P.Eng., and Tom Shouldice, P.Eng. who are independent Qualified Persons as defined under National Instrument 43-101.

The PEA is preliminary in nature; it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and that there is no certainty that the PEA will be realized.

Red Mountain Preliminary Economic Assessment Results

A summary of the PEA results based on a US$1,250 per ounce gold price and US$20 per ounce silver price is as follows. Full details are available in the NI 43-101 Technical Report.

Key Aspects and Assumptions of the PEA Study:

Summary of Results		
Mine Life	Years	5.0
Resource Mined	M tonnes	1.4
Waste Mined	M tonnes	0.0
Total Mined	M tonnes	1.4
Strip Ratio	w:o	0.0
Throughput Rate	Tpd	1,022
Average Au Head Grade	g/t	7.25
Average Ag Head Grade	g/t	24.44
Au Payable	k oz.	277.0
	k oz./yr	55.5
Ag Payable	k oz.	852.0
	k oz./yr	170.6

Summary Economics:

Summary Economics at US$1,250/oz. gold, US$20/oz. Silver		
Total LOM Pre-Tax Free Cash Flow	C$ M	$119.4
Average Annual Pre-Tax Free Cash Flow	C$ M	$23.9
LOM Income Taxes	C$ M	$40.1
Total LOM After-Tax Free Cash Flow	C$ M	$79.2
Average Annual After-Tax Free Cash Flow	C$ M	$15.9
Initial Capital Costs (includes 15% contingency)	C$ M	$76.1
Discount Rate	%	5%
Pre-Tax NPV	C$ M	$90.1
Pre-Tax IRR	%	43.3%
Pre-Tax Payback	Years	1.3
After-Tax NPV	C$ M	$57.6
After-Tax IRR	%	32.9%
After-Tax Payback	Years	1.5
	US $*	C $
Cash Cost ($/oz.)	516.23	543.40
Cash Cost ($/oz.) Net of By Product*	454.73	478.66

**Exchange rate of $1.00 equals US$0.95 was used*

2014 Resource Estimate

Numerous resource estimates were completed from 1989 to present. During 2000, North American Metal Corp ("NAMC") conducted a detailed review of all data, relogged all core within a 20 m envelope of the mineralized material within the Marc, AV and JW zones and reviewed all exploration holes for potential inclusion into the resource. An extensive quality control and quality assurance ("QA/QC") review was completed on all exploration work and a comparative analysis was performed on drill hole data, underground bulk sampling and geology. The 2000 NAMC resource was reviewed, cross checked and verified for accuracy in May 2014 and is the basis for IDM Mining's revised resource estimate below.

Mineral Resource Statement for the Red Mountain Gold Project at a 3 grams per tonne ("**g/t**") Cut-off Grade*

Zone	Tonnage	In situ Gold Grade	In situ Silver Grade	In situ Contained Gold	In situ Contained Silver
	(tonnes)	g/t	g/t	(Troy ounces)	(Troy ounces)
Marc Zone					
Measured	651,600	9.26	40.06	194,000	839,215
Indicated	10,800	9.71	30.33	3,400	10,477
Inferred	0	0.00	0.00	0	0
AV Zone					
Measured	508,200	7.14	20.88	116,700	341,202
Indicated	283,800	7.32	21.03	66,800	191,935
Inferred	1,800	10.96	39.50	600	2,308
JW Zone					
Measured					
Indicated					
Inferred	331,100	7.67	12.57	81,600	133,900
Total Measured & Indicated	1,454,300	8.15	29.57	380,900	1,382,800
Total Inferred	332,900	7.69	12.72	82,300	136,200

*3 g/t Au is calculated as the cut-off grade for underground long hole stoping.

This resource estimate utilizes a more robust and conservative geologic model as compared with the previous 2013 NI 43-101 resource estimate for Red Mountain, prepared by Banks Island. Additionally, due to sparse drill density, Inferred Resources from the 141 Zone are not included in the current IDM resource estimate.

The current mineral resource estimate, effective date July 23, 2014, was prepared under the supervision of Dunham Craig, P.Geo. using 3D GEMS block modeling software. Resources were estimated from 206 surface and underground drill holes in 4 by 4 by 4 m blocks by ordinary kriging and anisotropic search ellipsoids designed to fit the geology. Grade estimates were based on capped 1.5 m composited assay data. Gold values used in the interpolation runs were top cut to 44 g/t Au, and silver top cut to 220 g/t Ag.

Activities in the First Half of Fiscal Year 2015:

In November 2014, the Company advanced the permitting of Red Mountain Gold Project by submitting a Project Description to BC EAO. Baseline studies were completed, such as wildlife, climate, surface and ground water hydrological surveys. Comments have been received on the report from BC EAO, other provincial and federal agencies and First Nations.

Due to the winter season, no field work was carried out during the first half of fiscal year 2015. Drilling was completed in the fourth quarter of fiscal year 2014. Results from the 2014 surface exploration and drilling program were released in November 2014 and January 2015.

Fiscal Year 2014 Surface Exploration Work

Surface mapping, along with rock and soil sampling, commenced in mid-June 2014 at Red Mountain. This work targeted known showings, as well as reconnaissance work in new areas.

The McAdam zone is located 3,000 m southwest, and 800 m lower in elevation from the Marc and AV zone resource area. This undrilled prospect hosts multiple en echelon shears and quartz-pyrite-molybdenite veins, ranging from 0.2 to 1.5 m in thickness. Located in steep terrain requiring rope-assisted sampling, 102 chip samples were previously collected by Lac Minerals in 1991. A total of 31 of these historic samples assayed over 1.0 g/t Au, averaging 18.7 g/t Au and 56.1 g/t Ag. Individual channel samples included: 0.2 m averaging 103.8 g/t Au, 1.0 meter averaging 24.7 g/t Au and 0.6 m averaging 57.1 g/t Au. Confirmation sampling by IDM crews of quartz-pyrite-molybdenite veins at McAdam returned assay values ranging from 1.5 g/t Au to 36.7g/t Au. The average of all 42 rock samples collected in the McAdam area is 2.8 g/t Au. The McAdam zone was identified as top priority drill target for IDM's fall 2014 drill campaign.

A further 700 m southwest of the McAdam zone, in an area of glacial retreat that has uncovered newly exposed areas of outcrop; reconnaissance prospecting has discovered additional new areas of gold mineralization which has been collectively named the Lost Valley prospect. Two grab samples of pyrite +/- quartz stockwork returned 10.5 g/t Au and 2.2 g/t Au, respectively, 50 meters apart. Twelve other reconnaissance grab samples returned low to anomalous precious metal values.

Recent glacial retreat has exposed a large area of previously unexplored outcrop and rubble, south of the McAdam prospect. New exposure of a quartz monzonite stock (Erin stock) has revealed extensive molybdenite mineralization within quartz vein stockwork. This intrusive measures about one square kilometer in area. Of the 106 grab, subcrop and channel samples collected in the Erin stock area, all samples averaged 0.110% Mo. Individual grab samples of molybdenum rich stockwork, with veins typically 0.5 to 10 centimeters wide, included grades of 1.39%, 1.65 and 1.81% Mo. Stockwork and mineralization is typically strongest within a 25 to 50 meter wide area proximal to the quartz monzonite contact with surrounding hornfels, but molybdenite is common throughout the intrusive.

During the 2014 surface exploration program, a total of twelve diamond drill holes were completed at Red Mountain, primarily focused on exploration targets outside of the current resource area. Highest priority targets included: the 141 Zone, Cambria & Uxlux Zones and McAdam Zone. The objective of the drilling at the 141 Zone was to target high-grade underground mineralization similar to the resource area and confirm the presence of wide intervals of lower-grade porphyry-style gold mineralization, similar to other large gold deposits in north western BC. Drill hole MC14-03 accomplished both tasks, intersecting 138 m of 1.41g/t Au including; 7.5 meters of 10.45g/t Au. This hole was completed at 202 meters depth and ended in mineralization. Drill hole MC14-02 was completed at a shallower angle from the same pad, and intersected 84 meters averaging 0.80 g/t Au. Drill hole MC14-01, collared 65 meters west of holes MC14-02 and MC14-03, intersected 60.00 meters averaging 1.16 g/t Au.

Step-out drill hole MC14-005 intersected 9.35 meters true width averaging 6.59 g/t Au, including a 1.70 meter interval of 20.0 g/t Au. This is located approximately 15 meters updip from the JW Zone, the third of a series of en-echelon zones comprise the Resource Area at Red Mountain.

Two new zones were discovered through drilling during the 2014 season. Located near the underground decline, the Marc Zone Extension is a historic prospect with high-grade gold from surface trenching. Previous operators placed development rock from underground development over top of this prospect; drilling by IDM at the edge of the waste rock pad collared into gold mineralization, with MCEX14-01 intersecting 5.50 meters averaging 6.16 g/t Au including 2.0 meters averaging 12.92 g/t Au. A second, steeper hole from the same drill pad MCEX14-02 intersected 4.90 meters averaging 1.69 g/t Au. These two intercepts suggest a potential northerly dip to the mineralized zone. Due to the Marc Zone Extensions' close proximity to existing works, this is a priority follow-up area for future drilling.

Five drill holes were completed in the Cambria zone. Significant new areas of massive and semi-massive sulphide were identified during the 2014 field season. These are newly exposed areas of surface mineralization that were uncovered due to glacial retreat over the past 20 years. The Cambria zone is located 500 meters southeast and on trend with the Marc-AV-JW resource area. Similar to the Marc zone, the Cambria zone hosts a large area of centimeter to several meters wide gold-bearing massive pyrite stockworks and veins. Cut-saw channel samples averaged 10.94 g/t Au over 8.13 meters and 20.31 g/t over 3.40 meters, with mineralization continuing under overburden. Located 150 meters north of Uxlox within a contiguous north-striking structure, the Wyy Lo'oop Zone is another recently exposed outcropping of massive sulphides. A 3.94 meter long channel sample of massive and semi-massive mineralization assayed 10.6 g/t Au.

Drilling tested 200 meters of strike length, encountering stockwork of massive pyrite and pyrrhotite veins. Discovery drill hole CB14-01 intersected 4.39 meters true width averaging 5.67 g/t Au including 0.93 meters true width averaging 13.50 g/t Au starting at 41.3 meters downhole. Other holes intersected strong sulphide mineralization and anomalous gold values, with the Cambria structure wide open for expansion.

Since acquiring the Red Mountain project, IDM has conducted a sampling program of select drill holes of un-assayed core from drilling completed by Lac Minerals in 1993 and 1994. The objective of the historic drill programs at the time was to target high-grade gold, resulting in many areas of strong alteration and sulphide mineralization remaining unsampled. A total of 68 core samples were submitted, covering un-assayed intervals ranging from 1.0 to 18.2 meters from five holes. Individual samples were typically 1.0 to 1.5 meters in length.

Assay results from the new sampling and revised intervals from the 141 Zone are as follows:

Hole-ID	From (m)	To (m)	Length (m)	Au (g/t)
M93-139	167.00	326.00	159.00	0.73
M94-184	214.80	386.00	171.20	1.05
Including	214.80	275.00	60.20	2.28
Or	234.80	248.50	13.70	6.26
M94-185*	188.20	302.70	114.50	1.38
Including	188.20	245.00	56.80	2.18
M94-186	153.00	292.00	139.00	1.59
Including	153.00	171.00	18.00	5.45
M94-203	373.50	470.50	97.00	1.63
Including	402.60	408.60	6.00	8.60

**Additional un-assayed intervals in this intersection*

The mineralized trend of the 141 Zone is subparallel with the Resource Area including the MARC/AV/JW Zones, spanning a broad area at least 325 ms long by 350 m wide and is open for expansion in all directions. Further infill and step-out drilling is required to complete an initial NI43-101 resource estimate for the 141 Zone.

About Red Mountain

Red Mountain is a 14 km^2 hydrothermal system, within the Stikine terrain. Gold mineralization is associated with and partially hosted within an early to mid-Jurassic multi-phase intrusive complex, with associated volcanic and volcaniclastic rocks and sediments. Many gold mineralized zones occur on the Property, including three mineralized zones with established resource estimates. These mineralized zones have been folded, and are separated by dip-slip fault zones: the Marc, AV and JW zones. They are moderate to steeply dipping, roughly tabular and vary in widths from one to 40 m, averaging about 15 m in thickness. Gold and silver tellurides, and free milling mineralization is associated with stockworks, dissemination and patches of coarse grained pyrite. Alteration facies includes strong quartz-sericite alteration.

Throughout the Property, multiple high-grade areas have been identified through surface sampling and local drilling by previous explorers. Of particular significance, since the vast majority of exploration work was completed on the property during 1996 and prior, glacial retreat has been surrounding known mineralized areas has been very extensive, with up to a kilometer at the south end of the Property. Glacial retreat over the past couple of decades has resulted in discoveries of additional mineralized zones at Seabridge's KSM Project and Pretivm's Valley of the Kings Deposit.

QA/QC

The 2014 exploration program at Red Mountain included a rigorous Quality Control/Quality Assurance program, overseen by Rob McLeod, P.Geo, President and CEO of IDM, a Qualified Person as defined by NI 43-101. Drill cores were logged and cut in-half using a diamond saw, with one half placed in sealed bags and shipped to Acme Analytical Labs' sample preparation facility in Smithers, BC, with pulps subsequently shipped to Acme's Lab in Vancouver, BC. 10% of all samples submitted include randomly inserted blank material or multiple quality control standards. An additional 10% of samples will be shipped to a third party analytical lab.

Additional technical information on Red Mountain including NI43-101 can be reviewed at www.IDMmining.com and www.sedar.com.

QUALIFIED PERSON

Technical disclosure for the Company's projects included in this MD&A has been reviewed and approved by Robert McLeod, P. Geo. Mr. McLeod is IDM's CEO and President and a Qualified Person under the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects.

SELECTED QUARTERLY INFORMATION

	Three Month Period Ended			
	Apr 30, 2015	Jan 31, 2015	Oct 31, 2014	Jul 31, 2014
	$'000	$'000	$'000	$'000
Total Assets	6,649	7,272	7,533	11,227
Exploration and Evaluation Assets	6,178	6,168	5,997	9,734
Working Capital	(2,408)	(2,925)	(2,552)	(1,251)
Derivative liability	2,750	3,250	4,750	5,000
Shareholders' Equity/(Deficit)	1,071	50	(1,246)	3,493
Net Income/(Loss)	232	1,296	(6,913)	(14,154)
Net Income/(Loss) per Share	0.01	0.03	(0.17)	(0.68)

	Three Month Period Ended			
	Apr 30, 2014	Jan 31, 2013	Oct 31, 2013	Jul 31, 2013
	$'000	$'000	$'000	$'000
Total Assets	15,691	15,618	15,636	17,757
Exploration and Evaluation Assets	15,590	15,420	15,140	17,088
Working Capital	(1,768)	(1,435)	(970)	167
Derivative liability	1.000	875	625	2,342
Shareholders' Equity/(Deficit)	12,829	13,098	13,552	15,012
Net Loss	(270)	(453)	(1,383)	(2,143)
Loss per Share	(0.01)	(0.02)	(0.07)	(0.11)

The variability in IDM's net loss over the last the eight quarters resulted primarily from the abandonment and write-off of certain mineral properties, changing levels in capital expenditures, share-based payments, finance charges, and office and administrative expenses. Changing levels in capital expenditures expenses and general and administrative costs fluctuate independently according to exploration activities and corporate activities including shareholder communication.

Significant financial items during previous quarters include:

During the quarter ended October 31, 2014, the Company wrote-down the carrying value of the Champion Hills properties and consequently wrote off associated capitalized costs of $$6,634,445. In addition, the Company wrote off expenditures incurred on the Mexican properties of $172,134.

During the quarter ended July 31, 2014, the Company elected to abandon the Montana de Oro Properties and consequently wrote off associated capitalized costs of $9,193,484. The Company also recognized an unrealized loss on the derivative liability of $4,000,000.

During the quarter ended April 30, 2014, the Company entered into the Red Mountain acquisition option agreement. There were no other significant items during the quarter.

During the quarter ended October 31, 2013 the Company recognized an unrealized loss on the derivative liability of $1,625,000. The Company also wrote-off an additional $3,140,588 relating to exploration and evaluation projects the Company has abandoned, of which the majority related to Mexico.

During the quarter ended July 31, 2013 the Company sold its 15% interest in certain mineral licences in Greenland, known as the Storo gold project, for $250,000; executed the purchase and sale agreement on the Mexican properties; and elected to abandon certain additional Champion Hills option agreements and wrote-off the associated capitalized costs of $1,909,067.

RESULTS OF OPERATIONS

For the three months ended April 31, 2015

The net income for the three months ended April 30, 2015 was $231,619 compared to a loss of 269,643 for the prior year's comparative period. The net income included an unrealized gain on derivative liability of $500,000 (2014 – Loss of $125,000). During the second quarter the Company issued 1,230,000 stock options resulting in $112,257 of share based compensation being recognized. No options were issued in the first half of fiscal year 2014.

For the six months ended April 31, 2015

The net income for the six months ended April 30, 2015 was $1,528,553 compared to a loss of $723,184 for the prior year's comparative period. The net income included an unrealized gain on derivative liability of $2,000,000 (2014 – Loss of $375,000).

Significant expenditures or movements include management fees $103,423 (2014 - $72,000), investor relations $72,157 (2014 - $5,696) which includes $50,000 of amortized of prepaid services in fiscal year 2015, office and miscellaneous $55,856 (2014 - $87,910), and professional fees $79,374 (2014 - $81,342). During the second quarter the Company issued 1,230,000 stock options resulting in $112,257 of share based compensation being recognized. No options were issued in the first half of fiscal year 2014.During the current

The operating losses are a reflection of the Company's status as non-revenue producing mineral exploration company. As the Company has no main source of income, losses are expected to continue for the foreseeable future.

Investing Activities

Net cash used by the Company in investing activities on exploration and evaluation assets for six months ended April 30, 2015 was $720,939 (2014 - $98,438). During the six month period ended April 30, 2014, the Company transferred $129,375 from short-term investments to cash.

Financing Activities

The Company did not complete any cash equity financings in either the first half of 2015 or 2014. The Company did issue 4,512,301 common shares with a fair value of $676,845 in settlement of debt.

Off-Balance Sheet Arrangements

The Company does not have any off balance sheet arrangements.

Related Party Transactions

These condensed consolidated financial statements include the financial statements of the Company and its 100% owned subsidiaries Storgold Resources Ltd (Canada – Inactive), Revolution Resources (NC) Inc. (USA), Minera Revolution, S.A. de C.V. (Mexico) and Minera Golondrina, S. de R.L. de C.V (Mexico).

During the six months period ended April 30, 2015, the Company paid or accrued the following amounts as compensation to key management personnel:

a) Management fees of $80,000 (2014 - $72,000) to Robert McLeod, CEO and a director of the Company of which $Nil (2013 - $Nil) was capitalized to exploration and evaluation assets.

b) Professional fees of $25,000 (2014 - $Nil) to Falkirk Global Management, a company controlled by Mike McPhie, an executive director of the Company.

c) Professional fees of $22,500 (2014 - $Nil) to Susan Neale, an officer of the Company

d) Professional fees of $Nil (2014 - $45,000) to Red Fern Consulting Ltd, a company controlled by Jonathan Richards, a former officer of the Company.

e) Director fees of $3,000 (2014 - $Nil) to non-executive directors.

f) Share-based compensation for the period ended April 30, 2015 included compensation to directors and officer of $109,560 (2014- $Nil) for stock options vesting during the period.

Included in accounts payable is $67,917 (October 31, 2014 - $105,126) due to directors, officers and companies controlled by directors and officers of the Company.

The Company operates from the premises of a group of public and private companies with a common director. Certain companies provide geological consulting and office and administrative services to the Company and various other public companies. Included in accounts payable and accrued liabilities is $141,203 (October 31, 2014 - $174,326) due to McLeod Williams Capital Corp, a related private company. During the sixe month period ended April 30, 2015, the Company paid or accrued $59,194 (2014 - $55,767) for office and administrative expenditures and $Nil (2014 - $65,262) for geological consulting.

A private company controlled by Aaron Keay, a former director of the Company provides management and professional services to public companies. During the three month period ended April 30, 2015, the Company paid or accrued $Nil (2014 - $12,000) for accounting services.

LIQUIDITY AND CAPITAL RESOURCES

The Company has no operations that generate cash flow. The Company's future financial success will depend on the discovery of one or more economic mineral deposits. This process can take many years, can consume significant resources and is largely based on factors that are beyond the control of the Company and its management. To date, the Company has financed its activities by the private placement of equity securities, consisting of a combination of flow-through and non-flow-through securities, In order to continue funding their exploration activities and corporate costs, exploration companies are usually reliant on their ongoing ability to raise financing through the sale of equity. This is dependent on positive investor sentiment, which in turn is influenced by a positive climate for the commodities that are being explored for, a company's track record, and the experience and caliber of a company's management. There is no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities.

Cash and Financial Condition

As at April 30, 2015, the Company had a working capital deficiency of approximately $2.4 million. Included in accounts payable and accrued liabilities is $1.8 million relating to operations in Mexico. Of this, $1.4 million relates to Mexican mining property taxes (holding costs) required to keep the properties in good standing. The Company has abandoned all properties in Mexico, is in the process of winding up operations in Mexico and is working with certain vendors to settle outstanding payables with respect to the Mexican operations. Going forward, additional funds are needed to finance the development of the Company's principal asset and to provide working capital to cover administrative expenses. In June 2015, the Company announced that it intends to raise up to $2.5 million in gross proceeds by way of a non-brokered private placement (Refer to Outstanding Securities as of the Report Date for further details on the private placement).

Pursuant to a purchase and sale agreement with Lake Shore, the Company is obligated to pay $5 million in cash or common shares (**"Additional Consideration'**) at the option of the Company on or before December 31, 2017. In June 2015, the Company announced that it has entered into Letter Agreement to amend the terms of the Additional Consideration by the issuance of 7.5 million common shares and 20 million warrants. (Refer to Outstanding Securities of the Report Date for further details on the issuance of securities.)

The Company has no other debt does not have any unused lines of credit or other arrangements in place to borrow funds, and has no off-balance sheet arrangements.

The Company manages its liquidity risk (i.e., the risk that it will not be able to meet its obligations as they become due) by forecasting cash flows from operations together with its investing and financing activities. Expenditures are adjusted to ensure liabilities can be funded as they become due. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

Financial Instruments

Cash and cash equivalents are carried at fair value using a level 1 fair value measurement. The carrying value of short-term investments, receivables, and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

The derivative liability is measured at fair value using a level 2 fair value measurement. The Company calculates the fair value of the derivative liability based on the company's share price.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values

OUTLOOK

Over the past year the Company has been working diligently to resolve historical liabilities and will continue do so with respect to its former operations in Mexico. The Company's other main focus is to secure project financing with the proceeds being used to complete the acquisition, advance the permitting and engineering of the Red Mountain Project, to support a potential positive investment decision. The Company has announced a Private Placement to raise gross proceeds of up to $2.5 million, to continue this process.

OUTSTANDING SHARE DATA

As at the date of this report, the Company had an unlimited number of common shares authorized for issuance with 48,763,002 common shares issued and outstanding.

The Company has he following incentive stock options and warrants outstanding at the date of this report:

	Number	Exercise price	Expiry date
Stock Options	37,501	4.20	February 15, 2016
	45,834	2.58	February 1, 2017
	2,850,000	0.24	July 3, 2019
	150,000	0.30	October 10, 2019
	1,230,000	0.11	April 27,2020
Warrants	750,000	4.50	October 18, 2015
	7,186,071	0.36	September 13, 2015*
	142,828	0.55	September 19, 2015
	42,000	0.55	October 10, 2015
	1,565,978	0.55	September 19, 2016
	738,250	0.50	September 19, 2016
	311,111	0.55	October 10, 2016
	256,250	0.50	October 10, 2016

***** These warrants are subject to an accelerated expiry in the event that the Company's common shares trade at a closing price greater than $0.55 per share for a period of 20 consecutive trading days. The Company accelerate the expiry date of the warrants by giving notice via press release; in such case, the warrants will expire in 30 days from the date of notice.

In May 2015, the Company announced a Private Placement to sell Flow-Through Units at a price of $0.14 per Flow-Though Unit and Common Share Units at a price of $0.10 per Common Share Unit, for aggregate gross proceeds of up to $2.0 million. In June 2015, the Company announced that it is increasing the size of the Private Placement to raise aggregate gross proceeds of up to $2.5 million.

Each Common Share Unit shall consist of one common share of the Company and one-half of one non-transferable share purchase warrant, with each such whole warrant entitling the holder to acquire one common share at a price of $0.15 per common share for a period of twenty-four (24) months following the closing of the Private Placement.

Each Flow-Through Unit shall consist of one-through common share and one-half of one non-transferable share purchase warrant, with each whole warrant, entitling the holder thereof to acquire one non flow-through common share in the capital of the Company at a price $0.18 per common share for a period of twenty-four (24 months following the closing of the Private Placement.

Closing of the Private Placement is subject to approval of from the TSE, including shareholder approval.

In June 2015, the Company announced that it had entered into a Letter Agreement with Lake Shore to amend the terms of the Additional Consideration due on or before December 31, 2017 pursuant to the purchase and sale agreement. Under the terms of the Letter Agreement, the Company and Lake Shore have agreed to the following:

- Lake Shore to subscribe for $250,000 of Common Share Units under the terms of the Private Placement;
- the Company to issue Lake Shore 7,500,000 common shares;

- the Company to issue Lake Shore 20,000,000 common share purchase warrants. Each warrant will entitle Lake Shore to acquire one common share at a price of $0.20 for a period 60 months following the issuance of the warrants. The warrants will be subject to an acceleration provision if the Company's shares trade at or above $0.40 per share for 20 consecutive trading days; and
- Lake Shore shall have the right, for so long as it holds common shares of the Company representing not less than 9.9% of the issued and outstanding common shares of the Company, but not the obligation, to nominate one director to the board of directors of the Company.

The closing of the transaction is subject to completion of final documentation and receipt of approval from the TSE, including shareholder approval.

CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in accordance with IFRS requires the Company's management to make certain critical accounting estimates, judgements and assumptions about future events that effect the amounts report in the consolidated financial statements and related notes to the financial statements. It also requires management to exercise judgment in applying the Company's accounting policies. These judgements, estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience, but actual results may differ from amounts included in the financial statements.

For a complete discussion of critical accounting estimates, refer to the Company's annual 2014 Management Discussion and Analysis.

RISKS AND UNCERTAININITIES

Companies in the exploration stage face a variety of risks and investments are highly speculative. While unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practically, risks related to determining the validity of mineral property title claims, commodities prices and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions.

There have been no material changes in the risks and uncertainties affecting the Company that were discussed in the Company's 2014 Annual Information Form, located on SEDAR at *www.sedar.com*.

Evaluation of Disclosure Controls and Procedures

Disclosure Controls and Procedures

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related condensed consolidated interim financial statements was properly recorded, processed, summarized and reported to the Company's Board and Audit Committee. Management has used the Committee of Sponsoring Organizations of the Treadway Commission 1992 framework to evaluate the effectiveness of our internal control over financial reporting. Based on the evaluation, the Company's certifying officers concluded that the disclosure controls and procedures were effective to provide a reasonable level of assurance that information required to be disclosed by the Company in its annual filings and other reports that it files or submits under Canadian securities legislation is recorded, processed, summarized and reported within the time period specified and that such information is accumulated and communicated to the Company's management, including the certifying officers, as appropriate to allow for timely decisions regarding requiring disclosure.

Internal controls over Financial Reporting

The Company's certifying officers acknowledge that they are responsible for designing internal controls over financial reporting, ("IFCR") or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company`s management is satisfied that the Company has adequate financial expertise, has conducted appropriate planning and research, has performed appropriate review and has involved the board of directors and audit committee to provide reasonable assurance over the reliability of financial reporting in the transition period.

During the period ended April 30, 2015, management had established a process to coordinate communication internally, as well as to regularly consult with legal counsel to remediate a material weakness identified in the prior period. Management has conclude that the material weakness has been remediated. There were no other changes in the operations or controls, which materially affected, or are reasonably likely to materially affect the Company`s internal control over financial reporting during the period.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION AND STAEMENTS

Some of the statements contained in this document constitute forward-looking information within the meaning of the Securities Act (British Columbia), Securities Act (Ontario), Securities Act (Nova Scotia) and the Securities Act (Alberta). Forward-looking information includes disclosure regarding possible or anticipated events, conditions or results of operations which are based on assumptions about future economic conditions and courses of action, and includes future oriented financial information with respect to prospective results of operations or financial position or cash flow that is presented either as a forecast or a projection. Forward-looking information is often, but not always, identified by the use of words such as seek, anticipate, believe, plan, estimate, expect and intend; statements that an event or result is due on or may, will, should, could, or might occur or be achieved; and other similar expressions.

More specifically, forward-looking information contained here may include, without limitation, statements concerning IDM's plans for mineral properties in British Columbia, Canada, and North Carolina, USA, the timing and amount of estimated future production and mine life, expected future prices of minerals, mineral reserve and mineral resource estimates, estimated capital and operating costs of the project, estimated capital pay-back period, estimated asset retirement obligations, timing of development and permitting time lines; all of which involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Forward-looking information contained here is based on material factors and assumptions and is subject to a variety of risks and uncertainties, which could cause actual events or results to differ materially from a conclusion, forecast or projection in the forward-looking information. These include, without limitation, material factors and assumptions relating to, and risks and uncertainties associated with, the availability of financing for activities when required and on acceptable terms, the accuracy of the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the consistency of future exploration, development or mining results with our expectations, metal price fluctuations, the achievement and maintenance of planned production rates, the accuracy of component costs of capital and operating cost estimates, current and future environmental and regulatory requirements, favourable governmental relations, the availability of permits and the timeliness of the permitting process, the availability of shipping services, the availability of specialized vehicles and similar equipment, costs of remediation and mitigation, maintenance of title to mineral properties, industrial accidents, equipment breakdowns, contractor's costs, remote site transportation costs, materials costs for remediation, labour disputes, the potential for delays in exploration or development activities, timely completion of future mineral reserve or resource estimates, timely completion of scoping or feasibility studies, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, continuing global demand for base metals, expectations and beliefs of management and other risks and uncertainties as discussed in our MD&A. Although IDM 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. There can be no assurance that forward-looking statements will prove to be accurate. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from any conclusions, forecasts or projections described in the forward-looking information. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, we undertake no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.