



IDM Announces Preferred Mill and Tailings Site Option for Red Mountain Underground Gold Project

March 17, 2016, Vancouver, BC – IDM Mining Ltd. (TSX.V:IDM) (“IDM” or the “Company”) is pleased to announce that the Company has completed an evaluation of potential alternative locations for the mill and tailings facilities at the high-grade Red Mountain gold project (“Red Mountain”), located east of Stewart, B.C.. The Company has selected a preferred location at Bromley Humps. The most significant impact of this alternative location is the potential to mill year-round at Red Mountain with a potentially reduced environmental footprint, in addition to other direct and indirect benefits. Outcomes of this evaluation and optimization work will be included in forthcoming economic studies and the Company’s permitting Application for an Environmental Assessment Certificate to support potential future mining operations at Red Mountain.

The Company engaged JDS Mining and Energy (“JDS”) to complete trade-off studies ahead of its forthcoming updated Preliminary Economic Assessment (“PEA”) and Feasibility Study (“FS”), both of which are expected to be complete prior to the end of 2016. Project components included in JDS’s analysis were: processing methods, tailings management facility (TMF) location, mill location, ore transport modality and mine portal location. The Company considered feedback received from Nisga’a Nation, as well as provincial and federal regulators, the Company factored in environmental, safety and economic considerations into its analysis of the various project components, options and alternatives.

Bromley Humps Location

The Bromley Humps mill site and TMF option is situated on the north side of the Bitter Creek Valley between gently sloping knolls, at approximately 470 meter elevation, over 100 meters above the creek. This area is preferable from a water management perspective, provides a better location away from potential geohazards, and would not require divergence of any waterways. Additionally, this proposed location has sufficient area for the mill, stockpile and expansion potential for the TMF beyond the current requirements for the Red Mountain existing resource base. Due to the lower elevation, the option to mill year-round would be available at Red Mountain. Under this scenario, mineralized material would be mined, trucked and stockpiled at a rate of 1,500 tonnes per day for eight months annually, feeding a mill processing year-round at a rate of 1,000 tonnes per day. Due to the wide, tabular nature of the mineralized zones at Red Mountain and the preferred mining method of longhole stoping, this increased output is achievable. There are currently 2,000 meters of existing underground development at Red Mountain that could be utilized during initial mining operations to help expedite IDM’s path to production.

The Bromley Humps location was considered by previous operators, with twelve condemnation and geotechnical holes drilled at this site. Further geotechnical and hydrological studies are planned for the summer of 2016. IDM has filed an amendment to the Project Description with federal and provincial regulators.

The Company’s NI 43-101 PEA, published in July 2014, and Project Description, filed in September 2015, contemplated the mill and TMF location within the Red Mountain cirque, located in the high alpine. In this previous scenario, the mine would potentially operate seasonally for nine months, shutting down during the high snowfall months of winter. The



Company expects to update its PEA in the second quarter of 2016 and is targeting completion of a FS by the end of the year. The updated PEA will include the alternate TMF and mill location, as well as include an updated NI 43-101 resource estimate for Red Mountain and will factor in current metal prices and foreign exchange rates. The strong US dollar has resulted in a favorable increase in gold, priced in Canadian dollars.

“The Bromley Humps location would allow for potential year-round processing with potentially reduced environmental effects,” said Robert McLeod, CEO of IDM Mining. *“The Company continues to actively engage Nisga’a Nation, provincial and federal regulators, and stakeholders on all aspects of Red Mountain as part of the ongoing regulatory and permitting processes.”*

A map outlining the location of the alternate tailings and mill locations relative to the Red Mountain Deposit and infrastructure can be viewed at www.idmmining.com.

QUALIFIED PERSON

Technical Aspects of this News Release have been reviewed and approved by Robert McLeod, P.Geol, President and CEO of IDM Mining Ltd., and Qualified Person as defined by NI 43-101.

ABOUT RED MOUNTAIN

IDM Mining is currently earning an option to acquire a 100% interest in the 17,125 hectare Red Mountain property, located 18 kilometers northeast of Stewart, BC. Numerous gold and silver deposits and exploration prospects have been identified by IDM and previous operators over a 15 km by 4 km trend of strong alteration and mineralized prospects. Since discovery in 1989, in excess of \$45 million has been spent on the Project including a production-sized underground ramp.

ABOUT IDM MINING LTD.

IDM Mining Ltd. is a mineral exploration and development company based in Vancouver, BC, Canada. The Company's current exploration and development activities are focused on precious metals in British Columbia and Yukon with a primary focus on the high grade underground Red Mountain Project which has entered the BC and Canadian environmental assessment process. Further information can be found on the Company's website at www.IDMmining.com

ON BEHALF OF THE BOARD
of IDM Mining Ltd.

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Forward-Looking Statements: *Some statements in this news release contain forward-looking information or forward-looking statements for the purposes of applicable securities laws. These statements include, among others, statements with respect to the proposed exploration and development activities and their timing, resource estimates and potential mineralization, the Company’s plan to complete an updated PEA and a feasibility study. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, among others and in addition to those described elsewhere in this release, timing and success of future exploration and development activities, exploration and development risks, delays in obtaining or inability to obtain required government or other regulatory approvals, permits or financing, the risk of unexpected variations in mineral resources, grade or recovery rates, of failure of plant, equipment or processes to operate as anticipated, of accidents, labor disputes, and unanticipated delays in completing other development activities, the risk that estimated costs will be higher than anticipated and the risk that the proposed mine plan and recoveries will not be achieved, equipment breakdowns and bad weather, the timing and success of future exploration and development activities, exploration and development risks, mineral resources are not as estimated, title matters, third party consents, operating hazards, metal prices, political and economic factors, competitive factors and general economic conditions. In making the forward-looking statements, the Company has applied several material assumptions including, but not limited to, the assumptions that: required regulatory approval, permits and financing will be obtained; the proposed exploration and development will proceed as planned; with respect to mineral resource estimates, the key assumptions and parameters on which such estimates are based; that the proposed mine plan and recoveries will be achieved, that capital costs and sustaining costs will be as estimated, and that no unforeseen accident, fire, ground instability, flooding, labor disruption, equipment failure, metallurgical, environmental or other events that could delay or increase the cost of development will occur, and market fundamentals will result in sustained metals and minerals prices. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as otherwise required by applicable securities legislation.*