



IDM Mining Discovers High Grade Zone at Lost Valley; 33 meter long trench averages 18.7 g/t Au and 61.4 g/t Ag over 0.84 meters

August 24, 2016, Vancouver, BC – IDM Mining Ltd. (TSX.V:IDM) (“IDM” or the “Company”) is pleased to announce that surface trenching has discovered a strongly mineralized structure at its Red Mountain Gold Project (“Red Mountain” or the “Property”). Named the Anda’adala’a Lo’op zone (Nisga’a Nation language for “money rock”), this structure is part of a series of stacked, high-grade structures overprinting vertical sets of porphyry-style quartz-sulphide veins.

“This discovery, which appears to be part of a stacked set is an obvious new drill target at Red Mountain,” said Rob McLeod, President and CEO of IDM. *“Recently exposed from the rapidly melting Cambria icefield, it emphasizes the stellar exploration potential at Red Mountain.”*

LOST VALLEY PROSPECT

High-grade structures in the Lost Valley area (“Lost Valley”) were identified earlier in the 2016 field season. Assays have been received from surface trenching at the Anda’adala’a Lo’op zone, a shallow dipping structural zone which includes multiple high-grade sulphide quartz veins and faults within a monzogranite. Seven lines of channel samples were taken across the vein along a strike length of 33 meters. **This structure has been traced for a total of 78 meters on surface and remains open in all directions. Channel samples averaged 18.7 g/t Au and 61.4 g/t Ag over an average width of 0.84 meters, with individual assays of up to 34.6 g/t Au, 183.0 g/t Ag. The total thickness of the mineralized structure, a potential thrust fault remobilizing mineralization, is not yet known since it is at the base of cliff with scree covering the outcrop immediately below.** Other sparse outcroppings of quartz and sulphide mineralization have been identified at the base of the valley at Lost Valley that may be part of the same structure. Lost Valley is located approximately four kilometers southwest of the Marc/AV/JW zones which make up the primary reported resource at Red Mountain.

Much of the Lost Valley prospect was covered by ice during the initial discovery of the Red Mountain deposit in the 1990’s, thus its mineral potential has only recently been realized (see IDM news release, dated July 19, 2016). Lost Valley is underlain by an Eocene multi-phase monzogranite that is similar in age to other molybdenum-bearing porphyry systems in the region, including the Kitsault molybdenum deposit about 55 kilometers to the south. Molybdenum, pyrite and chalcopyrite mineralization is widespread throughout the intrusion and the surrounding biotite-hornfelsed argillite and tuff. Assays of up to 3.45% Mo and 1.65 g/t Re have been reported from select samples (IDM news release, dated July 19, 2016). In addition to the molybdenum mineralization, sheeted sets of banded quartz-sulphide veins are associated with later stage brittle faults and veins throughout the intrusion and the surrounding wall rocks. High grade gold, silver and copper mineralization is found within these veins which assay up to 165 g/t Au, 1,048 g/t Ag and 15.5% Cu. The veins vary from 5 to 100 centimeters in width and are traceable for up to a kilometer along strike.

Maps and photos from Lost Valley can be viewed at www.idmmining.com

About Red Mountain

The 17,125 hectare Red Mountain Gold Project is located in Northwestern BC, 15km 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 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.

On April 4, 2016, the Company announced an updated mineral resource estimate at Red Mountain, reported at a 3.0 g/t Au cut-off.

Classification	Tonnage	Au (g/t)	Ag (g/t)	Oz Au	Oz Ag
Measured	847,200	9.38	34	255,400	920,700
Indicated	794,600	7.29	18	186,100	459,100
Measured + Indicated	1,641,800	8.36	26	441,500	1,379,800
Inferred	548,100	6.10	9	107,500	153,700

Additional information, including the Company's NI 43-101 Technical Reports for the Red Mountain project, is available at www.idmmining.com and at www.sedar.com.

QA/QC AND QUALIFIED PERSON

Samples for the 2016 exploration program are collected by experienced geologists and technicians, placed in sealed bags and shipped to ALS Labs Ltd. in Terrace, BC for sample preparation, with pulps subsequently shipped to Vancouver, BC for gold and multi-element ICP analysis. A Quality Control/Quality Assurance program, including the insertion of Standards and Blanks, has been implemented. The 2016 exploration program is performed under the supervision of Rob McLeod, P.Geo, President and CEO of IDM Mining Ltd. and a 'Qualified Person' under NI 43-10. Mr. McLeod has reviewed and approved the technical content of this release.

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 Gold 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
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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. 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.*