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IDM Mining Announces Private Placement Upsized to \$7,500,000

September 12, 2016, Vancouver, BC – IDM Mining Ltd. (TSXV:IDM) (“IDM” or the “Company”) is pleased to announce that it has increased the size of its previously announced private placement to CAD\$7,500,000.

Pursuant to an amended agreement, the syndicate of agents co-led by Paradigm Capital Inc. and Medalist Capital Ltd. (the **“Co-Lead Agents”**), and including Haywood Securities Inc. and Red Cloud Klondike Strike Inc. (together with the Co-Lead Agents the **“Agents”**), will sell by way of a private placement units (the **“Units”**) of the Company and flow-through shares (the **“Flow-Through Shares”** and, together with the Units, the **“Securities”**) for gross proceeds of up to CAD\$7,500,000 (the **“Offering”**). Each Unit is offered at a price of \$0.17 and will be comprised of one common share (a **“Common Share”**) of the Company and one half of one common share purchase warrant, each whole warrant entitling the holder thereof to acquire one Common Share of the Company at a price of \$0.25 for a period of 24 months from the date of closing of the Offering. In the event that the share price on the TSX-Venture Exchange closes at or above \$0.37 for a period of 20 consecutive trading days, the Company may provide holders of the Warrants with a notice of expiry, 30 days after which the Warrants will expire. Each Flow-Through Share is offered at a price of \$0.21, with no warrant attached. Additionally, the Company has granted the Agents an option, exercisable, in whole or in part, at any time up to 48 hours before the closing of the Offering, to sell up to an additional 20% of the Offering. The Offering is subject to approval by the TSX-Venture Exchange.

The proceeds from the Offering shall be primarily used for additional resource expansion drilling, exploration and permitting at the Red Mountain project (**“Red Mountain”**) as well as work towards the completion of a feasibility study for Red Mountain and for general corporate and working capital purposes. Gross proceeds from Flow-Through Shares will be used to incur "Canadian exploration expenses" that will also qualify as "flow-through mining expenditures".

The Company has agreed to pay the Agents a cash fee equal to 5.0% of the gross proceeds from the Offering. As additional compensation, the Agents will be issued compensation options entitling the Agents to purchase that number of Common Shares equal to 5.0% of the number of Securities sold under the Offering exercisable at \$0.25 for a period of 12 months from the closing date of the Offering.

The closing of the Offering is expected to occur on September 29, 2016 and is subject to receipt of all necessary regulatory approvals. The Securities, including all underlying securities thereof, and the compensation options issued with respect to the Offering will be subject to a four month hold period in accordance with applicable Canadian securities laws. A maximum of 52,941,176 Units are issuable under the Offering, which assumes that the maximum gross proceeds are raised through the issuance of Units only.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.



About Red Mountain

IDM Mining is currently earning an option to acquire a 100% interest in the 17,125 hectare Red Mountain property, located 15 kilometers northeast of Stewart, BC. Numerous precious and base metal targets 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 Red Mountain property including a production sized underground ramp.

About IDM Mining Ltd.

IDM Mining Ltd. is mineral exploration and development company (TSX-V:IDM) 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 Offering and the use of proceeds from the Offering, proposed exploration and development activities and their timing, and other plans and objectives of IDM. 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, receipt of regulatory approvals of the Offering, inability to complete the Offering on the proposed terms or at all, 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: the Offering will proceed and be completed as planned; required regulatory approvals 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.