IDM Mining Announces Positive Feasibility Study Results for its Red Mountain Gold Project

June 26th, 2017, Vancouver, BC – IDM Mining Ltd. (TSX-V:IDM) (OTCQB:IDMMF) ("IDM" or the "Company") is pleased to announce the results of a Feasibility Study (the "2017 FS") for the Red Mountain Gold Project (the "Project"), located in northwestern British Columbia near the town of Stewart, BC. The 2017 FS, confirms the positive economics for a near term, high-grade, bulk mineable underground gold operation at Red Mountain.

"*This study demonstrates a high-margin, low-capex underground gold mine with a short development timeline, producing over 90,000 ounces of gold per year over the first two years of operation, with a life of mine average annual production of 78,000 ounces*," said Robert McLeod, President and CEO of IDM Mining. "*With these positive results now in place, our highest priority is the ongoing exploration and resource expansion drilling adjacent to current reserves, with the objective of extending the potential mine life for Red Mountain. These zones remain open for expansion both along strike and down-dip. Importantly, this Project would be a tremendous economic benefit to my hometown of Stewart BC, and to the citizens of the Nisg̲a'a Nation*."

"With the feasibility work now complete, *IDM will be filing its Project Application Report for the Project imminently with BC and Canadian regulatory agencies*," said Michael McPhie, Executive Chairman of IDM Mining. "*The Project enjoys significant support locally and regionally and our goal remains to have approvals in place for a shovel-ready project by mid 2018. We believe that Red Mountain is one of the few development-stage precious metal projects in Canada that could see near term commercial operations*."

At a gold price of US$1,250/oz and an exchange rate of C$1.00 to US$0.76, the Project base case estimate (the "Base Case") generates a pre-tax net present value ("NPV") at a 5% discount rate of C$155 million and an internal rate of return (IRR) 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 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 percent contingency and C$8.6 million in closure costs). The average operating cost is estimated to be C$140.02 per tonne processed.

Feasibility Study Highlights
(all currencies are reported in Canadian dollars unless otherwise specified)

- **Base case economics utilize a gold price of US$1,250 per ounce and silver price of US$17 per ounce and an exchange rate of C$1.00 equals US$0.76;**

- **The pre-tax base case economics indicate a Net Present Value (NPV) of C$155 million at a 5% discount rate with an Internal Rate of Return (IRR) of 40% and a 1.7 year payback of initial capital;**

- **The after-tax base case economics indicate a NPV of C$104 million at a 5% discount rate with an IRR of 32% and a 1.9 year payback of initial capital;**

- **Due to the wide nature of the mineralized zones, the majority of the deposit is amenable to bulk underground mining methods. The project utilizes a year-round design processing rate of 1,000 tonnes per day (tpd) with year-round underground mining;**

- **Average life of mine fully-diluted head grades are 7.53 g/t Au and 21.86 g/t Ag;**

- **Life of project direct cash cost is estimated at US$539 per ounce of gold recovered. Net of the silver by-product, costs drop to US$492 per ounce;**

- **Initial capital costs are estimated at C$135.7 million, which includes a 10% contingency;**

- **The economic model assumes base case gold recovery rates ranging from 92.8% to 88.1% for gold and 90.3% to 78.3% for silver, depending on the mineralized zone;**

- **Average annual payable production of 78,000 ounces of gold and 215,000 ounces of silver;**

- **Mine operating life is estimated at 5.4 years with an overall construction and commissioning period of approximately 15 months;**

- **Opportunity to reduce project capital costs include sourcing used mining and processing equipment and possible sharing of infrastructure costs for the road and powerline with an established independent power producer looking to develop a run-of-river hydro-electric project adjacent to the proposed mill site location; and**

- **Opportunity to increase potentially mineable ounces north of the current resource area, where mineralization has been traced for a further 800 meters. Additionally, further resources may be identified through further drilling both up and down-dip from the AV and JW Zones, and along strike from the 141 Zone and Marc Zone.**

Comparison to the July 2016 Preliminary Economic Assessment (the "2016 PEA")

The key differences in the 2017 FS from the 2016 PEA include:

- Updated mineral resource estimate – conducted by Gilles Arseneau of ARSENEAU Consulting Services ("ASC") and based on additional infill and step out drilling during the 2016 season;
- Revised mine operating schedule – change from seasonal (8 month) mining operation to continuous year-round mining;
- Revised production schedule - increased life of mine ("LOM") tonnes, mine life and recovered metal, based on the improved mineral resource estimate;
- Revised process flow sheet – change from flotation and concentrate leach to whole ore leaching to improve gold recoveries across mineralization types;
- Addition of a water treatment plant;
- Addition of a temporary construction camp in Stewart BC;
- Additional design considerations for the powerline to the mill site and mine; and
- Updated capital and operating costs based on improved detail, information, designs and quotes.

RED MOUNTAIN FEASIBIILIY STUDY AND ECONOMIC RESULTS

The tables below summarize the various assumptions, operational parameters and economic results of the 2017 Feasibility Study. All money values are nominal 2017 Canadian dollars unless otherwise stated.

The economic analysis in the 2017 FS does not include mineral resources that are not mineral reserves.

Key Aspects and Assumptions of the 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$/t mined	140.02
Cash Costs[(1)]	US$/payable oz	492
All In Sustaining Costs[(2)]	US$/payable oz	611

Parameter	Unit	Value
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$M**	202.4
Pre-Tax Cash Flow	C$M	208.0
	C$M/a	38
Taxes	C$M	63.2
After-Tax Cash Flow	C$M	144.8
	C$M/a	27

1: (Operating Cost + Refining Costs + Royalties – Silver Credits)/Payable Au Oz

2: (Operating Costs + Refining Costs + Royalties + Sustaining and Closure Capital – Silver Credits)/Payable Au Oz

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**

Sensitivities

Metal Price Sensitivity[(1)]:

Au Price US$/oz	Ag Price US$/oz	Pre-Tax $NPV_{5\%}$ (C$M)	Pre-Tax IRR	Pre-Tax Payback	After-Tax $NPV_{5\%}$ (C$M)	After-Tax IRR	After-Tax Payback
$1,150	$15.60	113	32%	2.0	77	25%	2.2
$1,250	**$17.00**	**155**	**40%**	**1.7**	**104**	**32%**	**1.9**
$1,350	$18.40	196	48%	1.5	131	38%	1.6
$1,450	$17.40	235	55%	1.4	156	44%	1.5

(1) Based on exchange rate of C$1.00 equals US$0.76

Discount Rate Sensitivity:

Discount Rate	Pre-Tax NPV (C$M)	After-Tax NPV (C$M)
0%	$208	$145
5%	$155	$104
7%	$137	$90
8%	$129	$84
10%	$114	$73
12%	$100	$62

Summary of Operating Costs

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**

Opportunities to Enhance Value

In addition to the favorable economics outlined in the 2017 FS, there are numerous opportunities to further enhance project value through additional resource expansion and optimization work at Red Mountain.

- The sediment-porphyry contact that controls mineralization in the Marc/AV/JW Zones can be traced in the SF Zone for a further 800 meters along strike to the north through sparse drilling with isolated gold intercepts. Further drilling could potentially expand resources both up and down-dip from the AV and JW Zones, and along strike from the 141 Zone and Marc Zone (to the south);
- Exploration potential on the property has been greatly enhanced since 1994 by glacial recession surrounding the deposit. A considerable area that was previously under ice is now exposed for the first time and available for exploration proximal to the Red Mountain gold/silver-bearing sulphidation system;
- Optimization of mine plans and production schedules to increase project value;
- The increased use of used processing equipment, which is presently available from several sources, would reduce the project's equipment cost and overall project capital expenditures and potentially reduce the engineering, procurement and construction schedules;
- In the spring of 2016, IDM signed an MOU with Bridge Power Corp., an Independent Power Producer with run-of-river hydroelectric generation rights to Bitter Creek. The companies have shared environmental baseline data, and potentially could share the capital costs for construction of the access road and power line. This would potentially result in substantial cost reductions to the capital and operating costs at Red Mountain;
- With road access, in mineral-rich northwestern British Columbia, toll-treatment of nearby deposits could add value to the project; and
- Reviewing tax planning strategies that would allow the Company to maximize overall profitability.

Risks

It is the conclusion of the Qualified Persons (the "QPs") that the 2017 FS that will be summarized in the technical report will contain adequate detail and information to support the potentially positive economic result. Industry-standard equipment and operating practices were used in this study. To date, the QPs are not aware of any fatal flaws for the project.

The most significant potential risks associated with the project are: uncontrolled dilution, operating and capital cost escalation, permitting and environmental compliance, metallurgical recoveries, unforeseen schedule delays, changes in regulatory requirements, the ability to raise financing, exchange rate of the Canadian dollar to the United States dollar and metal prices. These risks are common to most mining projects, many of which may be mitigated, at least to some degree, with adequate engineering, planning and pro-active management.

Capital Costs

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 in the table below. The initial or pre-production CAPEX is C$135.7 million, with sustaining CAPEX totaling C$66.8 million.

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**

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, 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.

Geology and Mineralization

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 stockworks zones are developed primarily within the Hillside porphyry and to a lesser extent in rafts of sedimentary and volcaniclastic 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.

Metallurgy

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 PEA 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.

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**

Mineral Resource Estimates

Numerous resource estimates were completed from 1989 to present. During 2000, NAMC conducted a detailed review of all data, re-logged all core within a 20 meter ("m") envelope of the Marc, AV, and JW mineralized 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. The Company drilled 12 core holes on the property in 2014 and 62 holes in 2016. On January 23, 2017, the Company announced an updated Resource Estimate for the Red Mountain Project prepared by Dr. Gilles Arseneau, P. Geo and Andrew Hamilton, P. Geo., This updated Resource Estimate is included in the 2017 FS. The QP has not identified any risk including legal, political, or environmental that could materially affect potential Mineral Reserves development.

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

Classification	Tonnage	Au (g/t)	Ag (g/t)	Oz Au	Oz Ag
Measured	1,246,000	9.40	30	376,400	1,194,000
Indicated	828,700	7.78	17	207,300	461,700
Measured + Indicated	2,074,700	8.75	25	583,700	1,655,700
Inferred	324,700	6.21	10	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

Mining 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.
The QP has not identified any risk including legal, political, or environmental that could materially affect potential Mineral Reserves development.

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**

1. A gold price of US$1,250/oz and an exchange rate of CDN$1.00 to US$0.76.
2. A gold cut-off grade of 3.55 g/t for longhole mining and 4.10 g/t for development and cut & fill mining.
3. Silver was not used in the estimation of cut-off grades but is recovered and contributes to the revenue stream.
4. 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 incorporate allowances for mining recovery and dilution, and overall economic viability.

Mining

The mine plan is based on a ramp access underground mining operation, producing an average of 1,045 tonnes per 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 longhole 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%.

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 m^3/day. Average inflow volumes were estimated to be 3,450 m^3/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 is targeted at 1,045 t/day, over 350 assumed operating days per year.

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.

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. The CIL circuit was selected based on the results of the trade-off study and metallurgical test results.

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 is targeted at approximately P_{80} 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 Project envisions the upgrading or construction of the following key infrastructure items:

- 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;
- 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, Reclamation, First Nations and Stakeholder Engagement

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 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.

Pursuant to Section 3(1) of the Reviewable Projects Regulation, the proposed production capacity for the Project exceeds the criteria of 75,000 t/a of mineral material for a new mineral mine and is required to undergo a provincial and federal environmental assessment under the British Columbia Environmental Assessment Act (BC EAA) and the Canadian Environmental Assessment Act (CEAA). The Company initiated this assessment process in October 2015 with the filing of a Project Description Report.

Since that time, a number of steps in the process have been undertaken successfully and IDM is planning to file a Project Application Report in early July 2017 that will fulfill the requirements of the federal and provincial environmental assessment processes. Approval for the Project under BC EAA and CEAA is expected in early to mid 2018. Provincial permitting for the Project is being pursued in a synchronous manner with the environmental assessment process.

Tailings and waste rock have been characterized as having potential for metal leaching/acid rock drainage, and tailings process water is expected to contain residual metals and ammonia from destruction of cyanide solutions. The Project incorporates appropriate design features and mitigation measures consistent with best practices for waste and water management to address these issues. These include a fully lined TMF with seepage collection and pump back systems, a water treatment plant to treat effluent from the tailings pond during mine operations, water collection ponds to control suspended sediment concentrations in seepage and runoff associated with the waste rock stockpiles and groundwater discharged from the mine, and backfilling of all underground development rock into the underground mine as part of the mining process.

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 re-graded 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.

Project Execution and 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 (CRF) 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.

TECHNICAL REPORT

The 2017 FS was prepared and led by JDS Energy & Mining Inc., in collaboration with broad range of industry leading consultants, all Qualified Persons ("QPs") under National Instrument 43-101. The QPs have reviewed and approved the content of this news release. All of the QPs are "independent" of the Company pursuant to National Instrument 43-101.The executive summary of the 2017 FS, prepared by JDS, and subsequently a technical report will be posted on the Company's website www.IDMmining.com and filed on SEDAR www.sedar.com within 45 days.

A copy of the Executive Summary is available on the Company's website.

The following consultants and QPs participated in the 2017 Feasibility Study:

Qualified Person, Designation	Company	QP Responsibility/Role
Gord Doerksen, P. Eng.	JDS Energy & Mining Inc.	Executive Summary, Introduction, Property Description, Reliance on Other Experts, Infrastructure, Environment and Permitting, Operating and Capital Cost Estimate, Economic Analysis, Project Development, Conclusions
Michael Makarenko P. Eng.	JDS Energy & Mining Inc.	Mineral Reserve Estimate, Mining Methods
Kelly McLeod, P. Eng.	JDS Energy & Mining Inc.	Metallurgy, Recoveries, Process
Gilles Arseneau, P. Geo Andrew Hamilton, P. Geo	ARSENEAU Consulting Services Ltd Independent Consultant	Mineral Resource Estimates; Deposit Type, Geology, Drilling, Exploration, Sample Preparation, Analysis and Security; and Data Verification
Ken Embree, P Eng	Knight Piesold Ltd.	Tailings Management and Water Management Systems
Kelly Sexsmith, P. Geo	SRK Consulting (Canada) Inc.	Geochemistry and Hydrogeology
Bruce Murphy, P.Eng	SRK Consulting (Canada) Inc.	Mine Geotechnical

Rob McLeod, P.Geo, President and CEO of IDM Mining Ltd and a 'Qualified Person' under NI 43-101 has reviewed and approved the technical content of this release.

ABOUT IDM MINING LTD.

IDM Mining Ltd. is mineral exploration and development company based in Vancouver, BC, Canada. The Company's current exploration activities are focused on precious metals in British Columbia, 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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"Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release."

***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 results of the 2017 FS, including but not limited to, gold and silver price assumptions, exchange rate assumptions, cash flow forecasts, projected capital and operating costs, refining cots, royalties, credits, sustaining and closure costs, processing rates, metal or mineral recoveries, recovery methods, mine life and annual operating periods, construction and commissioning period and other anticipated timelines, closure and reclamation plans, production rates, estimated net present values, internal rates of return and payback periods; the Company's potential plans and operating performance; the estimation of the tonnage, grades and content of deposits and the extent of the resource and reserve estimates; potential production and viability of the Red Mountain Project; environmental approval plans and anticipated timing of receipt of required environmental approvals; opportunities to enhance the value of the*

Red Mountain Project, capital cost reduction opportunities 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, delays in obtaining or inability to obtain required government or other regulatory approvals, permits or financing, the risk of unexpected variations in mineral resources or reserves, grade or recovery rates, of failure of plant, equipment, processes or infrastructure 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 and reserves are not as estimated, title matters, third party consents, operating hazards, metal prices, political and economic factors, actions by governmental or regulatory authorities including changes in tax laws or incentive programs, 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 approvals, permits and financing will be obtained on a timely basis; the proposed exploration and development will proceed as planned; with respect to mineral resource and reserve estimates, the key assumptions and parameters on which such estimates are based are accurate; that the proposed mine plan and recoveries will be achieved; that capital costs, sustaining costs, other costs referred to herein, royalties and taxes 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 forward-looking statements herein are made at the date of this release and 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.