



## **IDM Mining Updates Pre-Development Engineering and Optimization at Red Mountain Gold Project**

**November 30<sup>th</sup>, 2017, Vancouver, BC – IDM Mining Ltd.** (TSX.V:IDM) (OTCQB:IDMMF) (“IDM” or the “Company”) is pleased to provide an update on its Red Mountain Gold Project (“Red Mountain” or the “Project”), located 15 km northeast of Stewart, BC. Since announcing a positive feasibility study for a near-term, high-grade underground bulk-mineable gold operation with low capital and operating costs in June 2017, IDM has continued to advance engineering studies to optimize potential production and development, as well as to support Mines Act permitting through detailed engineering and design. This work has been performed on all facets of the project, including: mining, metallurgy and processing, infrastructure, power, tailings and water management, geotechnical and hydrology.

*“The objective of our pre-development Value Engineering work completed by our engineering team and industry-leading consultants is to further enhance and optimize the economics and proposed operations for a potential mine at Red Mountain,”* said Robert McLeod, President and CEO of IDM Mining. *“Coupled with the successful results from our 2017 resource expansion and exploration drilling program, we have continued to add value to the Project while we progress through the formal review phase of our Project Application and EIS.”*

### **Key Project Highlights:**

- Potential modifications to underground mine design, including: run-of mine cemented backfill, decrease in the longhole stopes footwall angles, and modified low-cost bulk mining techniques such as the Holloway method.
- Currently performing additional metallurgical test work including an alternative, modified flowsheet (floatation-regrind-leach) and further fine-grinding studies.
- Completed a geotechnical Site Investigation (“SI”) drilling program comprised of sixteen core holes during August and September of 2017 to evaluate the geotechnical and hydrogeological conditions at the Bromley Humps Tailings Management Facility (“TMF”), process plant and topsoil stockpile locations. This SI program was to meet detailed engineering requirements necessary for the Mines Act permitting.
- Completed three geotechnical core holes at the proposed secondary portal (“the Lower Portal”) location to meet detailed engineering requirements necessary for Mines Act permitting.
- Completed a hydrotechnical assessment of Bitter Creek and advanced the access road in-fill works and free-span bridge crossings to a detailed design level.
- Completed a SI program, including geotechnical analysis for the access and haul road alignment in support of detailed engineering.
- Completed a soils, vegetation and construction materials characterization program to meet detailed engineering requirements necessary for Mines Act permitting.
- IDM entered into an agreement with BC Hydro to complete a System Impact Study (“SIS”) to evaluate the proposed interconnection point and energy demand.

*“Following the delivery of our positive Feasibility Study, IDM has completed all of the requisite field-based technical work for Mines Act permitting and detailed engineering,”* said Ryan Weymark, VP Project Development of IDM Mining. *“We are focused on continuing to advance Project Design and enhance the strong economics for the Red Mountain Project in support of a potential construction decision in 2018.”*



IDM retained Osisko Gold Royalties' Technical Services team to complete a review and provide recommendations of major Project components during the Value Engineering phase, with an emphasis on mining, metallurgy and processing, production rate alternatives.

## **Red Mountain Project Update**

### **i. Underground Mine Design**

IDM has been reviewing potential refinements and modifications to the Feasibility Study underground mine design during this Value Engineering phase. Several changes could potentially be made to optimize the mine design and reduce both operating and sustaining capital costs, while reducing operation risks. Potential refinements and modifications include:

- Reducing longhole footwall angle from 55° to 43° to convert cut & fill to longhole stopes, reducing operating costs and sustaining capital;
- Eliminating the need to crush Cemented Rock Fill (“CRF”) and utilize run-of-mine waste rock for CRF;
- Increasing the underground dewatering and pumping infrastructure;
- Expanding critical components of underground mobile mining fleet;
- Suggesting alternative mining methods for shallow-dipping, bulk mineable mineralization (i.e. SAMS™ or Holloway mining technique) as an alternative to cut and fill; and
- Optimizing longhole stope designs and mine scheduling.

The Company together with Mining Plus Engineering Canada Ltd. has recently commenced work on detailed engineering and design for the Lower Portal at Red Mountain.

### **ii. Power**

IDM entered an agreement with BC Hydro in June, 2017 to complete a System Impact Study (“SIS”) to evaluate the proposed interconnection point and peak load requirements for the Red Mountain Project. The proposed mill and TMF location is approximately 14 km to the east of the BC Hydro grid. IDM expects to receive the SIS Technical Assessment in December, 2017, and will then commence the Conceptual Design phase, which is expected to be completed in Q1 2018. Following the completion of the Conceptual Design, a Facility Impact Study will be initiated. IDM has retained Allnorth Consultants Ltd. to support with the BC Hydro studies.

### **iii. Access & Haul Road**

IDM retained Onsite Engineering Ltd. (“Onsite”) to advance the Access and Haul Road design to meet detailed engineering requirements necessary for Mines Acts permitting. Onsite completed a hydrotechnical assessment of Bitter Creek and a SI program, including a geotechnical analysis of the road alignment in July and October, 2017.

Onsite has advanced the Access Road detailed design, including the Bitter Creek in-fill works and free-span bridge crossings. The Access Road alignment follows an existing road bed that was constructed in 1994 by Lac Minerals from Highway 37A to the proposed mill and TMF



location. This road was washed out in areas during a 2011 storm event and is otherwise overgrown with vegetation.

IDM has applied for a Project Review for the Bitter Creek in-fill works through Fisheries and Oceans Canada (DFO) as is legislated to determine if an Authorization is required.

#### **iv. Metallurgy & Processing**

IDM's team, together with Ausenco Engineering Canada are managing further metallurgical testing and optimization work. This includes evaluation of a potential alternative flowsheet (floatation-regrind-leach) option, which will be compared with the whole-ore leach process as recommended in the Feasibility Study. In addition, further fine-grinding test work is being completed to verify energy requirements and operational costs. The objective of this work is to potentially improve gold and silver recoveries and reduce capital and operating costs.

#### **v. Infrastructure**

During the summer of 2017, IDM completed the Plant Site and topsoil stockpile geotechnical Site Investigation program that is required to advance foundation designs for Mines Act permitting and detailed design.

IDM is currently optimizing the Mine Site infrastructure location and layout to reduce footprint and the impact associated with high levels of rain and snowfall that are common in the Stewart area, as well as potentially reducing certain components of capitals costs from the Feasibility Study recommendations.

IDM retained Knight Piesold Ltd. ("KP") to complete additional terrain stability and rockfall hazard assessment of the Bromley Humps area, which hosts the proposed Plant Site and TMF, to meet Mines Act permitting and detailed engineering requirements.

#### **vi. Tailings and Water Management Design**

IDM completed a Geotechnical Site Investigation drilling program in August and September of 2017 to evaluate the geotechnical and hydrogeological conditions at the Bromley Humps TMF, Process Plant and Topsoil Stockpile locations. Drilling was completed by More Core Diamond Drilling Services Ltd., a local Stewart-based company, and was designed and managed by KP to meet Mines Act permitting and detailed engineering requirements.

KP has commenced work on the Site Water Management, Sediment and Erosion Control Plan and design to support early construction work ("ECW") scopes.

IDM will be evaluating opportunities to increase the existing TMF capacity in the coming months through completing conceptual design to incorporate a potential extension to the mine life.

#### **vii. Underground Geotechnical and Hydrogeology**

The Company completed a three-hole geotechnical drilling program at the proposed Lower Portal location to meet Mines Act permitting and detailed engineering requirements. In addition to the existing Marc Zone portal, this location would serve as an additional underground



entrance, provide access for potential infill and resource expansion drilling of the 141 Zone and serve as the main haulage ramp for potential mining.

IDM retained PHC Inc. (“PHC”) to advance the underground geotechnical design and terrain stability assessments for the Mine Site area to meet Mines Act permitting and detailed engineering requirements. PHC is also supporting with the development of geotechnical monitoring and management plans to support Mines Act permitting and ECW.

SRK Consulting Inc. continues to support IDM with the Mine Site hydrogeological and geochemical design in support of Mines Act permitting and detailed design.

#### **viii. 1,200 tpd Trade-Off Study**

IDM is completing an internal trade-off study of a potential 1,200 tonne-per-day (tpd) mining and processing alternative, compared to the Feasibility Study design throughput of 1,000 tpd.

The 2017 Red Mountain Feasibility Study is available for review on Sedar and at [www.IDMMining.com](http://www.IDMMining.com). It 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.

#### **About Red Mountain**

The 17,125 hectare Red Mountain Gold Project is located in northwestern BC, 15 km northeast of the Town of Stewart. IDM recently announced the results of a Feasibility Study for a high-grade, underground gold mine, which includes primarily bulk underground mining methods and the production of gold doré on site. The Project is advancing through the provincial and federal environmental assessment processes, with comprehensive, thorough, and ongoing consultation with Nisga’a Nation. The Project is currently in the formal review phase from the BC Environmental Assessment Office and the Canadian Environmental Assessment Agency.

Additional information, including the Company’s NI 43-101 Technical Reports for the Red Mountain gold project, is available on the Company’s website and at [www.sedar.com](http://www.sedar.com).

#### **QA/QC AND QUALIFIED PERSONS**

Ryan Weymark, P.Eng., Vice-President of IDM Mining Ltd. is the Qualified Person (QP) responsible for the Red Mountain Project Development. Rob McLeod, P. Geo, President and CEO of IDM Mining Ltd. 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, with a primary focus on the high-grade, underground Red Mountain Gold Project, which is advancing through the BC and Canadian environmental assessment processes.



ON BEHALF OF THE BOARD  
of IDM Mining Ltd.

“Robert McLeod”

President, CEO and Director

For more information, contact:

Robert McLeod  
604-681-5672  
604-617-0616 cell  
[rm@idmmining.com](mailto:rm@idmmining.com)

Investor Relations:  
Shobana Thaya  
[st@idmmining.com](mailto:st@idmmining.com)  
416-807-1009

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