



# *Red Mountain Project*

*A High-Grade Gold Project and Unparalleled  
Exploration Potential in BC's Golden Triangle*

November, 2016

Precious Metals Conference



## FORWARD LOOKING STATEMENTS

- **DISCLAIMER**

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- The information provided in this presentation is not intended to be a comprehensive review of all matters and developments concerning the Company and should be read in conjunction with all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented.

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- **FORWARD-LOOKING STATEMENTS**

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- This presentation contains statements and information that constitute forward-looking information within the meaning of Canadian securities legislation, referred to herein as "**forward-looking statements**", include statements regarding proposed exploration and development activities and their timing, resource estimates, exploration potential and the PEA, including estimates of capital and sustaining costs, anticipated internal rates of return, mine production, estimated recoveries, mine life, estimated payback period and net present values, opportunities to enhance the value of the Red Mountain Project and other plans and objectives of the Company. In making the forward-looking statements herein, the Company has applied several material assumptions, including that (1) required approvals, permits and financing will be obtained; (2) the proposed exploration and development of the Company's properties will proceed as planned and that actual results will be consistent management's expectations; (3) with respect to mineral resource estimates, the key assumptions and parameters on which such estimates are based; (4) market fundamentals will result in sustained metals and minerals prices; and (5) with respect to the PEA, the assumptions underlying the PEA, 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. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including: delays 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 exploration and 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, bad weather, exploration and development risks, actual results of exploration and/or development activities being materially different from those expected by management; uncertainties related to interpretation of drill results and geological tests, failure to meet expenditure and financing requirements, title matters, third party consents, operating hazards, metal prices, political and economic factors, competitive factors and general economic conditions. Actual results may vary from those implied or projected by forward-looking statements and therefore investors should not place undue reliance on such statements. The forward-looking statements herein are made as at the date of this presentation and the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements except as required by applicable securities legislation.

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- **TECHNICAL DISCLOSURE**

- The technical information in this presentation has been approved by Robert McLeod, P.Geo., the President and CEO and a Director of the Company and a Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects ("**NI 43-101**").

# Red Mountain Duality: High Grade Gold Mine and Significant Exploration Potential



- High grade UG gold-silver development project
- Low cost bulk mining (\$440 US/oz)
- \$45 million invested with 2,000 meters of UG development in place
- Near term (2018) production
- Low capex
- Resource expansion potential
- Permitting well advanced
- Supportive First Nations and community
- Significant exploration upside
- Located in prolific BC Golden Triangle
- 17,000 ha property with numerous showings and potential
- Ice retreat has exposed many new areas
- Mineralized horizon extends >800m north of current resource
- New significant discovery at Lost Valley
- Near surface resource and expansion potential at 141 zone and Rio Blanco

# 2016 Red Mountain Program: High-Grade Results and New Discoveries



## **Marc Zone Step-out and Infill Results (capped)**

- U16-1177: 20.66 meters true width at 6.48 g/t Au and 33.58 g/t Ag
- U16-1178: 20.35 meters true width at 9.24 g/t Au and 49.73 g/t Ag
- U16-1179: 12.00 meters true width at 10.58 g/t Au and 74.63 g/t Ag
- U16-1182: 6.30 meters true width at 9.91 g/t Au and 53.52 g/t Ag
- U16-1181: 13.77 meters true width at 5.72 g/t Au and 34.89 g/t Ag
- U16-1185: 14.19 meters true width at 5.78 g/t Au and 24.15 g/t Ag
- U16-1193: 15.00 meters true width at 15.52 g/t Au and 44.82 g/t Ag

## **Discovery of NK Zone below Marc Zone**

- UG16-1187: 6.00 meters true width at 7.43 g/t Au and 12.51 g/t Ag

## **Surface Trenching at Lost Valley, 4,000 meters south of Marc Zone**

- Money Rock Vein: 33 meter long trench averaged 18.7 g/t Au, 61.4 g/t Ag over 0.84 meters; base of structure not exposed

## **Closed \$9,000,000 Private Placement on October, 2016**

# IDM Today



## Recent Milestones

- ✓ **Project Economics:** Strong economics at spot gold price (CA \$1,747), After Tax
  - NPV5%: C\$119M
  - IRR: 41.8%
- ✓ **Permitting:** Well advanced in EA and permitting process. Strong local and First Nation support.
- ✓ **Exploration Success:** Drilled south extension to Marc Zone, Au-Ag Discovery at Lost Valley

## Next Steps:

- **Resource Upgrade:** Improved resource confidence, grade and extended mine life
- **Feasibility Study:** Project engineering studies advanced, including tailings and water management design, FS underway: Q1 2017
- **Phase II Exploration:** North and South extensions to Resource, 141 Zone, and Lost Valley
- **Permitting:** Complete studies/engineering and file Project Application report (early 2017)

## IDM Capitalization

Shares Outstanding	<b>279.2M</b>
Options	18.8M
Warrants	111.9M
Fully Diluted	409.9M
Recent Share Price	\$0.20
Market Cap (C\$M)	<b>\$56M</b>

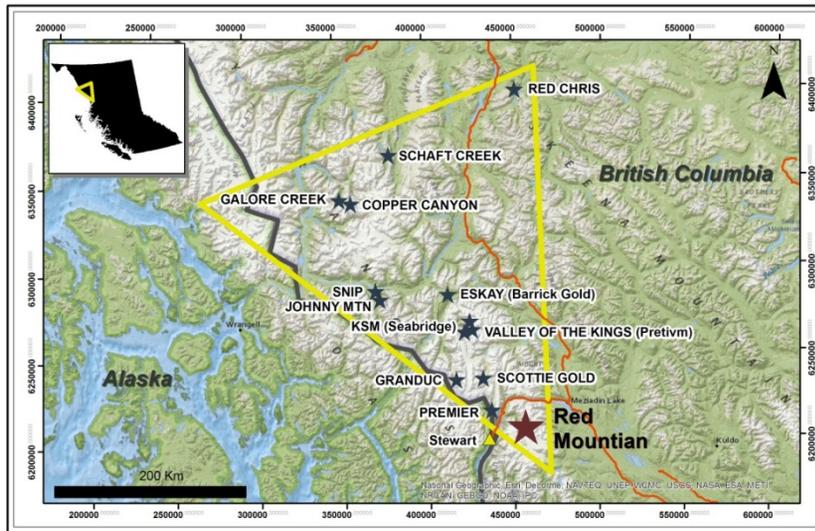
## Institutional Shareholders (57%):

- Delbrook Capital, RBC, Sentry Select, Gold2000, Libra, Earth Resource, Mackenzie, US Global

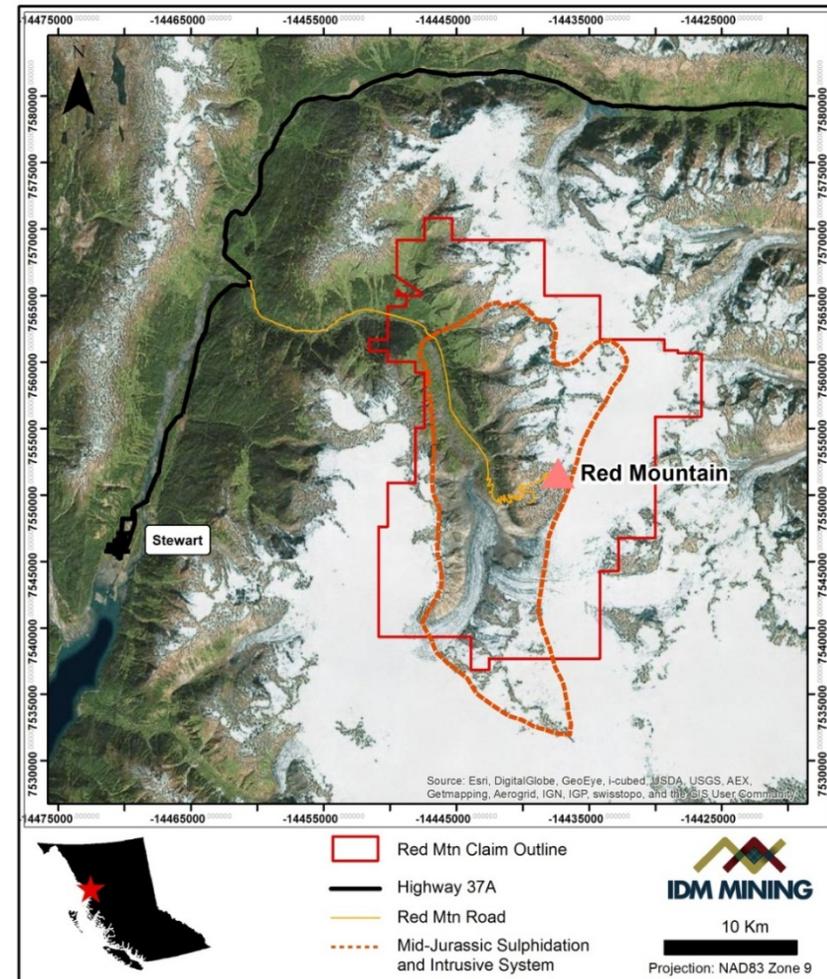
## Corporate Shareholders (19%):

- Osisko Mining, Premier Gold, Kinross

# BC's Golden Triangle



- 15 km east of Stewart, BC
- 17,125 hectares
- Inexpensive grid power nearby
- District of Stewart is a pro-mining area
- Positive relationship with Nisga'a Nation



# Red Mountain



# Project Overview



## Updated PEA July 12, 2016

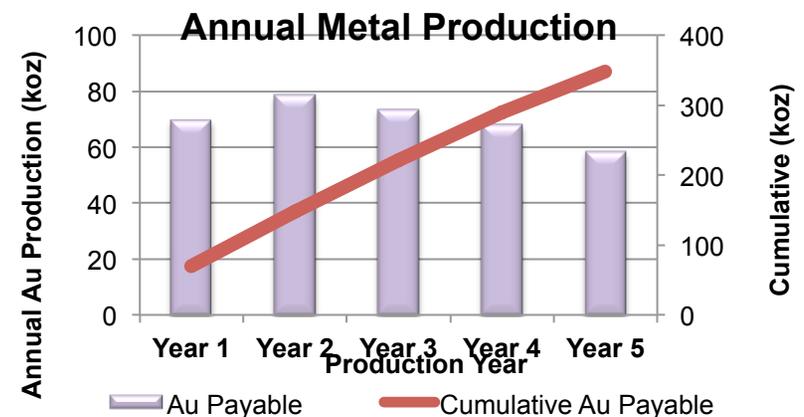
- 1,000 tpd underground gold/silver mine
- Deposit amenable to primarily (70% longhole) low-cost bulk underground mining
- Flotation, partial grind and conventional cyanide leach with SO<sup>2</sup> destruction producing dore on site
- Waste rock backfilled and stored underground
- Road access to property which is located approximately 15 km's from Stewart
- Low cost power supplied from BC Hydro grid
- Employees will live in Stewart and commute daily to the mine (45 min)
- Initial 5 year mine life with significant exploration potential

# PEA Summary



<b>Total LOM Pre-Tax Free Cash Flow (C\$M)</b>	\$178.1
<b>Average Annual Pre-Tax Free Cash Flow (C\$M)</b>	\$35.9
<b>LOM Income Taxes (C\$M)</b>	\$57.7
<b>Total LOM After-Tax Free Cash Flow (C\$M)</b>	\$120.4
<b>Average Annual After-Tax Free Cash Flow (C\$M)</b>	\$24.3
<b>Discount Rate</b>	5%
<b>Pre-Tax NPV (C\$M)</b>	\$133.1
<b>Pre-Tax IRR</b>	42.4%
<b>Pre-Tax Payback (Yrs)</b>	1.9
<b>After-Tax NPV (C\$M)</b>	<b>\$86.6</b>
<b>After-Tax IRR</b>	<b>32.3%</b>
<b>After-Tax Payback (Yrs)</b>	2.0
<b>Cash Cost (\$/oz)</b>	<b>US\$441</b>
<b>Cash Cost (\$/oz) Net of By Product</b>	<b>US\$418</b>

Assumptions & Inputs	Unit	Value
Au Price	US \$/oz	1,250
Ag Price	US \$/oz	15.00
F/X Rate	USD:CAD	0.80
Discount Rate	%	5%
Mine Operating Days	days/yr	240
Plant Operating Days	days/yr	365
Barrick Royalty	% NSR	1.00%
Wotan Royalty	% NSR	2.50%
Working Capital	# of mos	1



Source: July 2016 PEA, USD:CAD 0.80  
Based on USD \$1,250/oz Au; \$15/oz Ag

# Potential Improvements



Summary of Results*		
Mine Life	Years	5.0
Pre-production capital (incl. 10% contingency)	M (CAD\$)	111.2
Resource Mined	M tonnes	1.8
Throughput Rate	tpd	1,000
Avg Au Head Grade	g/t	7.00
Avg Ag Head Grade	g/t	21.45
Au Payable	k oz	348.0
	ounces/yr	<b>70,000</b>
Ag Payable	k oz	965.0
	ounces/yr	<b>194,000</b>

## Feasibility Study Improvements:

- **Mine Life:** Resource expansion drilling underway
- **Capital:** Used plant, run-of-river hydro development lowers capital
- **Throughput:** Bromley Humps location allowed for year round processing
- **Grade:** Infill Drilling to boost top-cut; external dilution potentially 0.5 – 3 g/t Au
- **Production:** Highest Grades mined in first two years
- **Exchange:** \$CAD much weaker since 2014

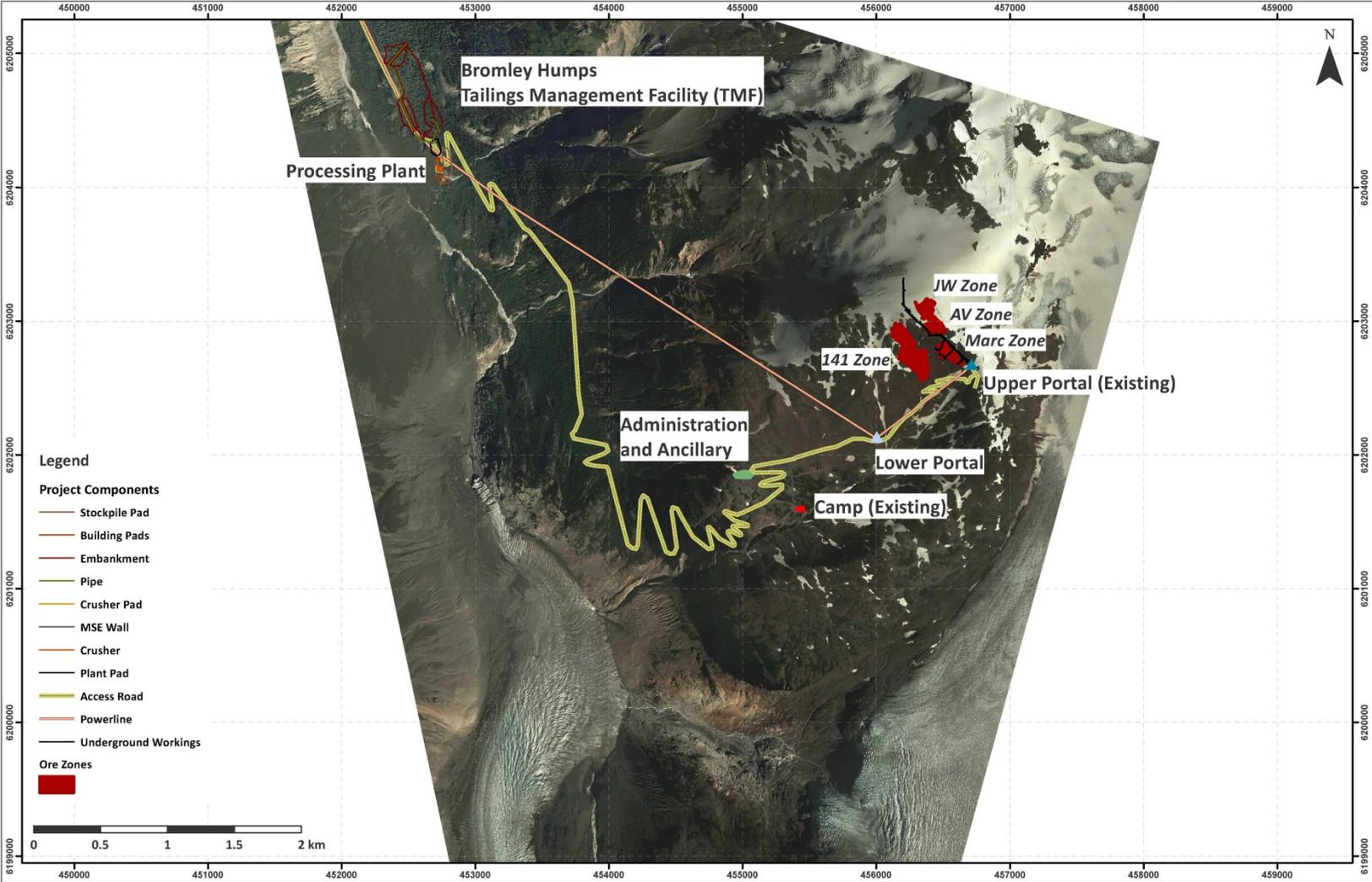
Source: July 2016 PEA, USD:CAD 0.80  
Based on USD \$1,250/oz Au; \$15/oz Ag

# Project Permitting

- UG mine and small project footprint limit environmental impact and simplify permitting
- Extensive environmental baseline studies completed in project area over past 20 years
- Discussions with BC, Canada and First Nations initiated in mid-2014
- Project Description report submitted to BC and Canada in August 2015
- Project Application report to be submitted Q1 2017
- Supportive community and positive First Nations engagement
- Anticipate Environmental Assessment Certificate in Q4 2017



# Proposed Site Layout



# Development Timeline

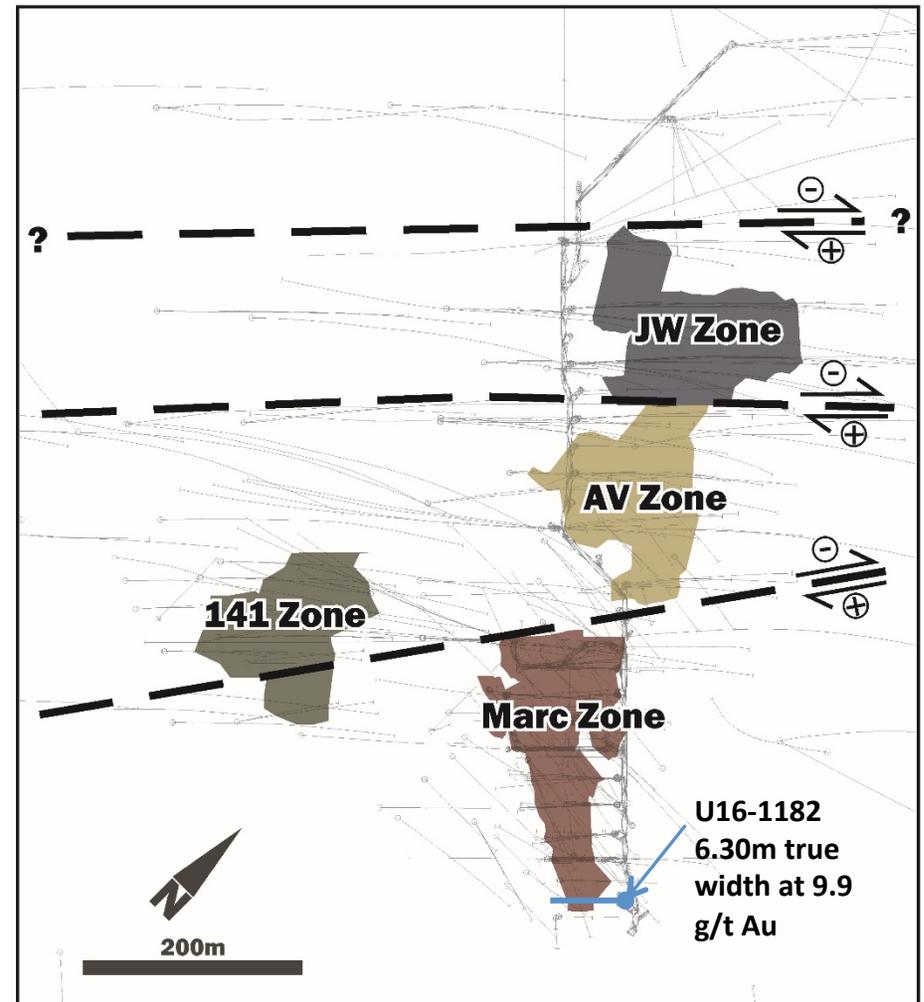


\*Commencement of regulatory review period – 210 days. 45-day Ministers decision.

# Geology & Resources



- NW trending porphyry gold deposit, split by two strike-slip faults
- Marc, AV and JW zones with several peripheral zones
- 1-40m true thickness, tabular mineralization; longhole stope width averages 16m
- Drilled on approx. 25m spaced sections
- 0.5-3 g/t Au in pyrrhotite halo
- 800m strike extent of additional mineralization to north; 2016 drilling suggests now open to the south



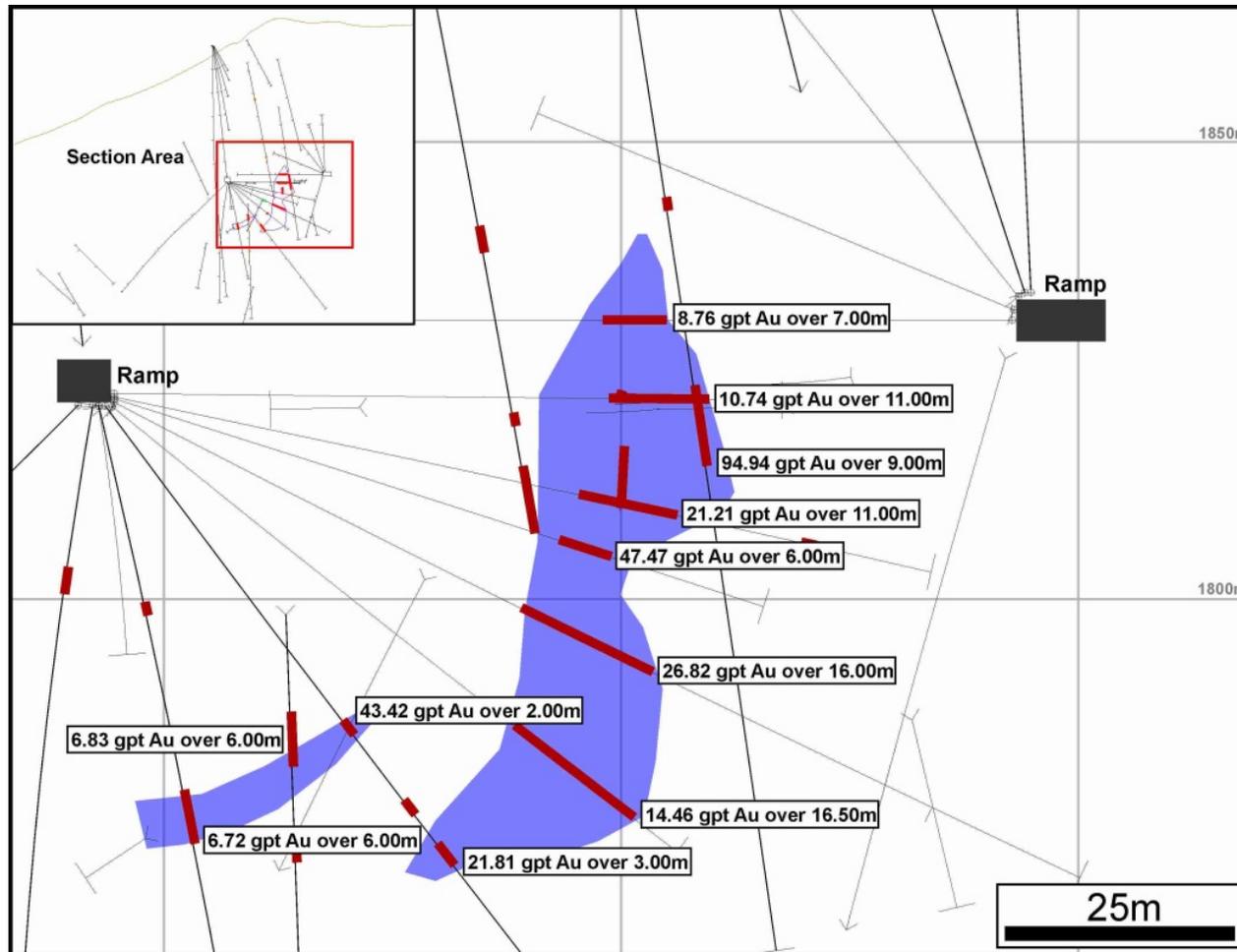
# 2016 Resource Estimate



Deposit	Class	Tonnage	Au g/t	Ag g/t	Au oz	Ag oz
	<u>Measured</u>					
MARC		642,800	9.84	38	203,400	784,500
AV		204,500	7.91	21	52,000	136,100
	<b>Measured Total</b>	<b>847,200</b>	<b>9.38</b>	<b>34</b>	<b>255,400</b>	<b>920,700</b>
	<u>Indicated</u>					
MARC		17,100	10.14	25	5,600	13,500
AV		505,000	7.45	21	120,900	333,500
JW		114,100	9.57	13	35,100	48,300
141		158,400	4.82	13	24,500	63,900
	<b>Indicated Total</b>	<b>794,600</b>	<b>7.29</b>	<b>18</b>	<b>186,100</b>	<b>459,100</b>
	<b>Measured &amp; Indicated Total</b>	<b>1,641,800</b>	<b>8.36</b>	<b>26</b>	<b>441,500</b>	<b>1,379,800</b>
	<u>Inferred</u>					
MARC		2,600	12.44	28	1,100	2,300
AV		35,100	10.18	19	11,500	21,600
JW		176,100	7.38	10	41,800	59,300
MARC FW		44,200	6.29	6	8,900	8,700
AV Lower		44,900	5.11	6	7,400	9,100
JW Lower		120,600	4.4	4	17,100	14,200
141		55,000	5.12	6	9,100	9,800
132		69,600	4.81	13	10,700	28,600
	<b>Inferred Total</b>	<b>548,100</b>	<b>6.1</b>	<b>9</b>	<b>107,500</b>	<b>153,700</b>

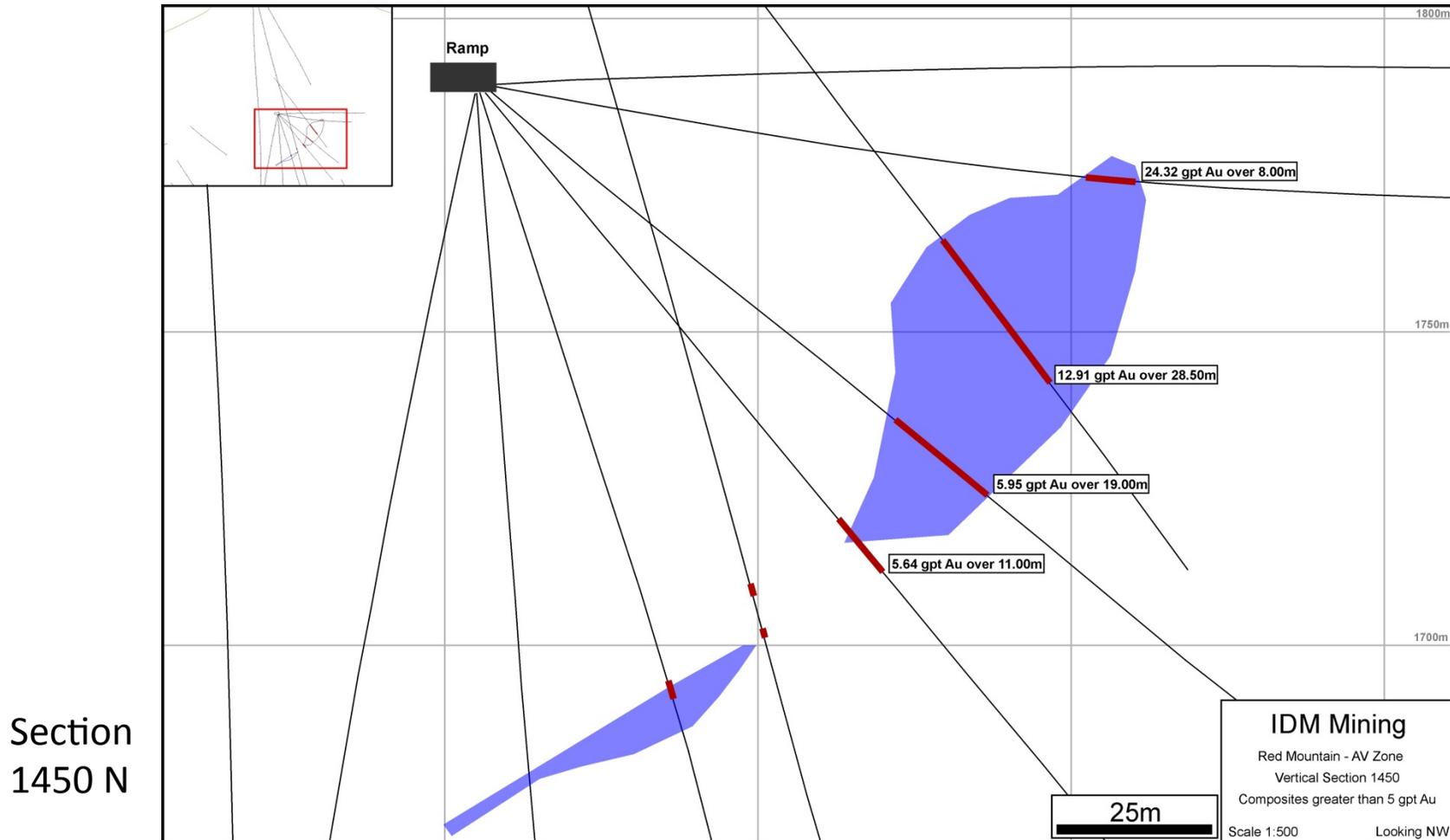
\*Note: 3.0 g/t Au is used as the cut-off grade for underground long hole stoping. Totals may not add due to rounding.

# Marc Zone Cross Section

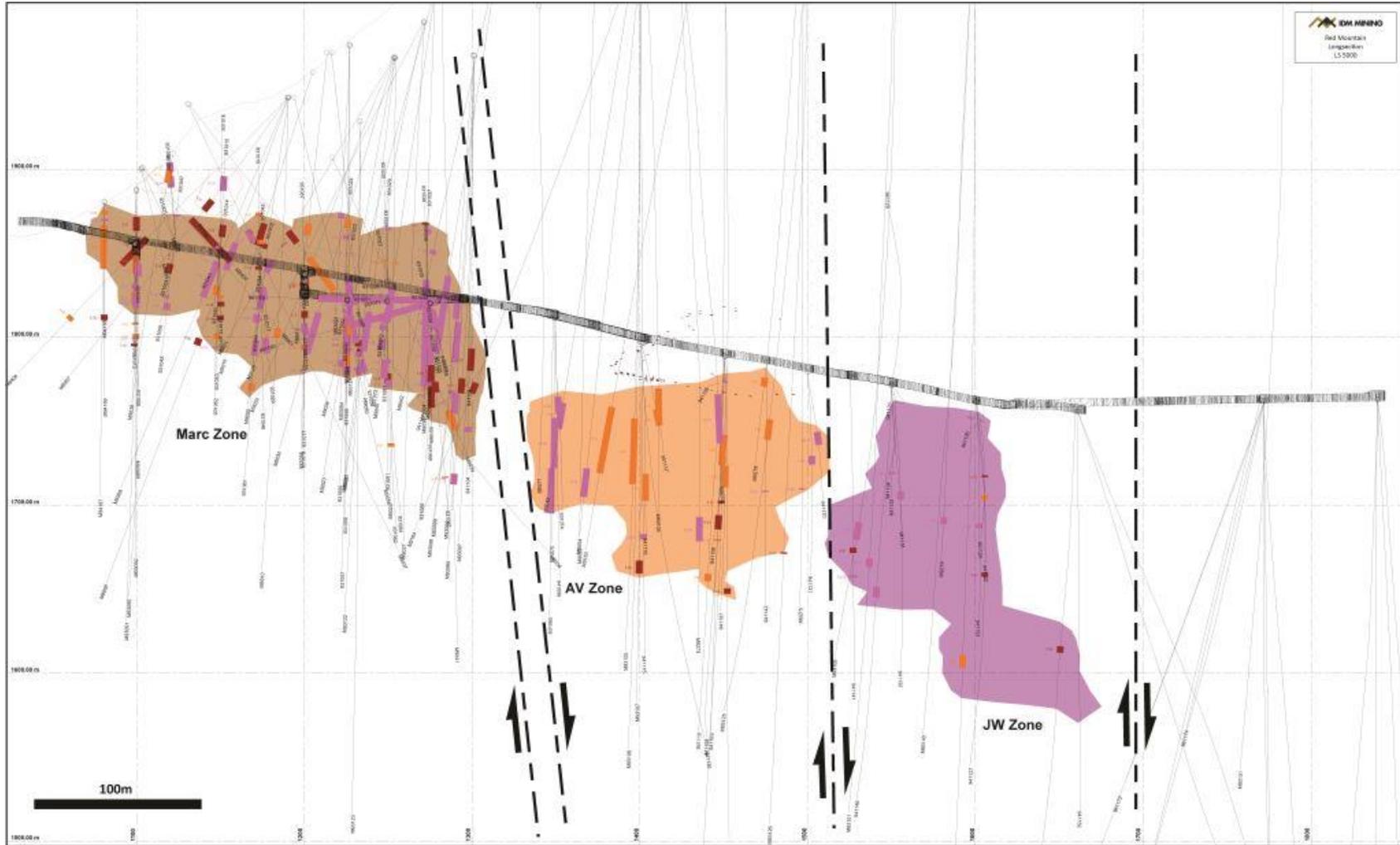


Section  
1250 N

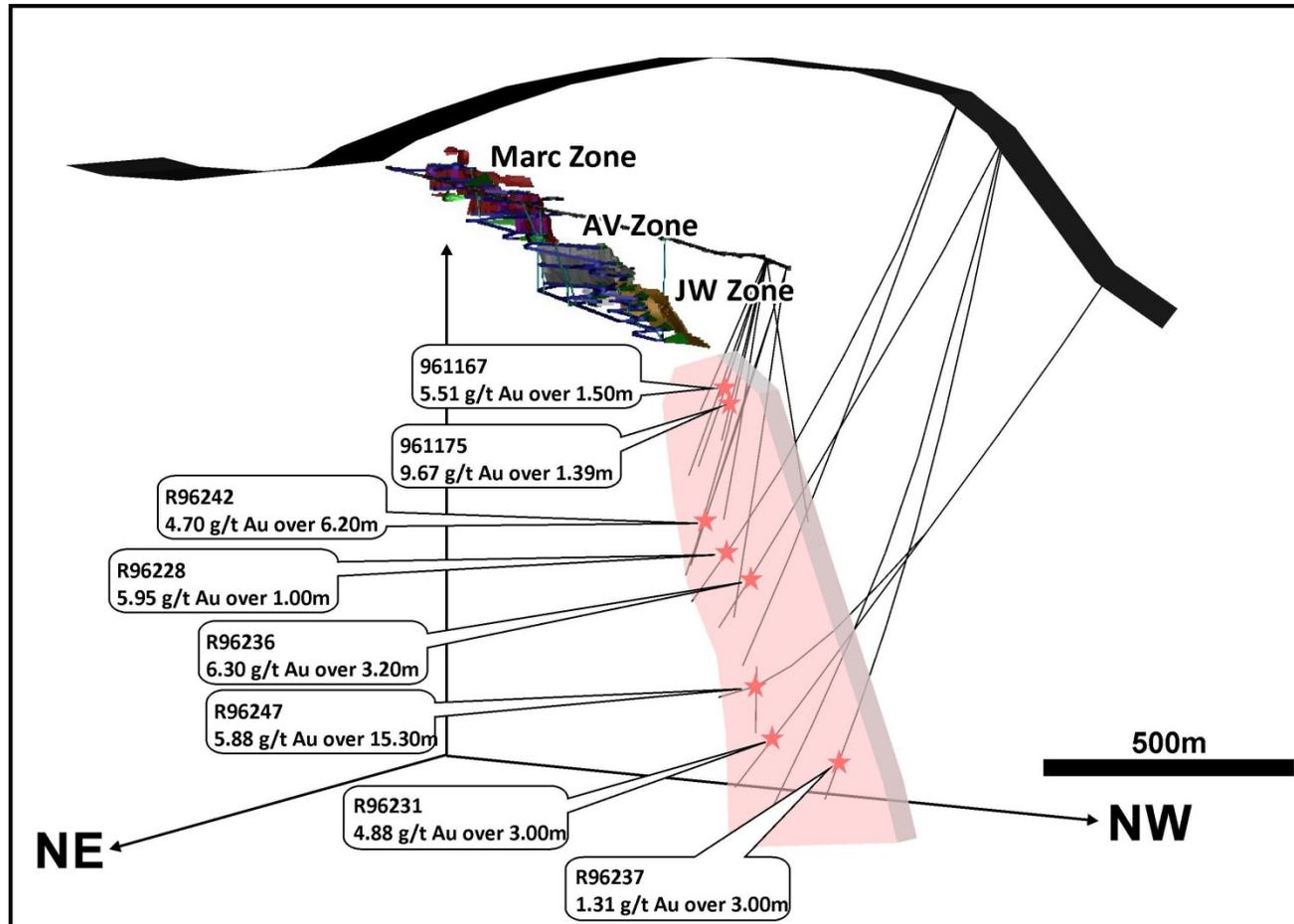
# AV Zone Cross Section



# Longitudinal Section



# Northern Strike Extension to Resources Area

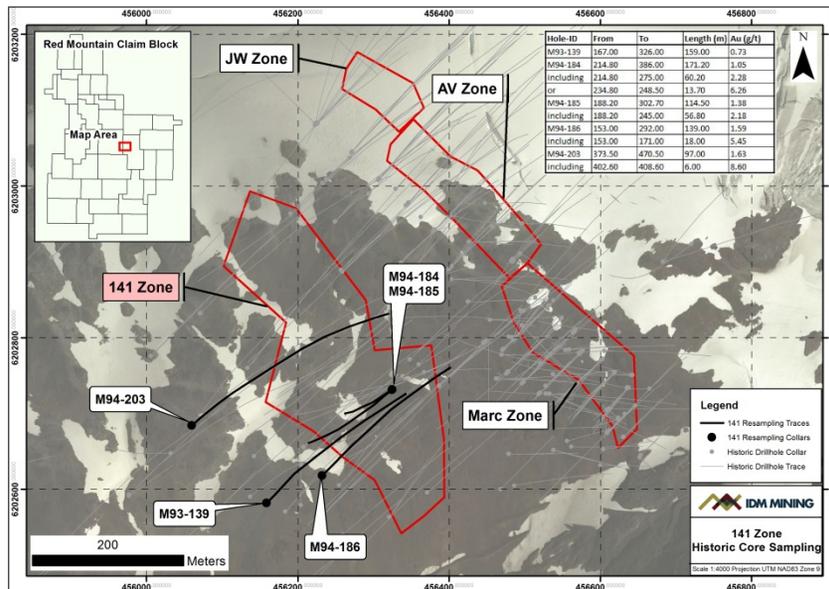


Wide Spaced Drilling suggests 800 meter long target area to expand resources

# 141 Zone

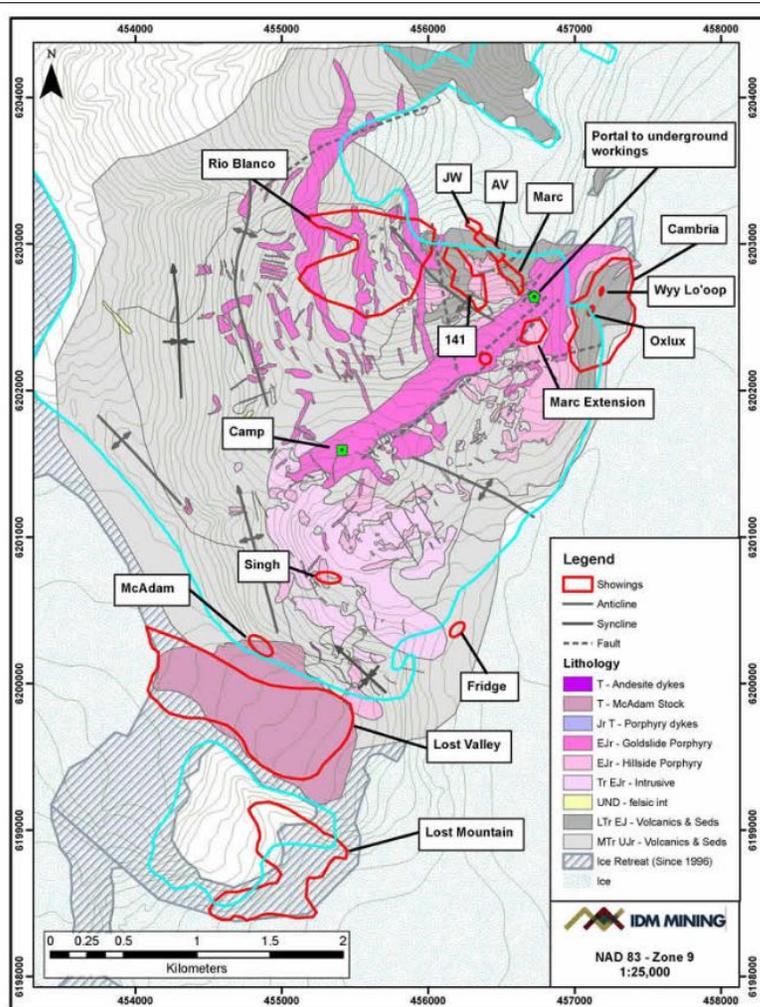


- Parallel Zone to Marc/AV/JW trend
- Potentially accessed by development ramp
- Thick intervals of > 1g/t Au mineralization with high grade



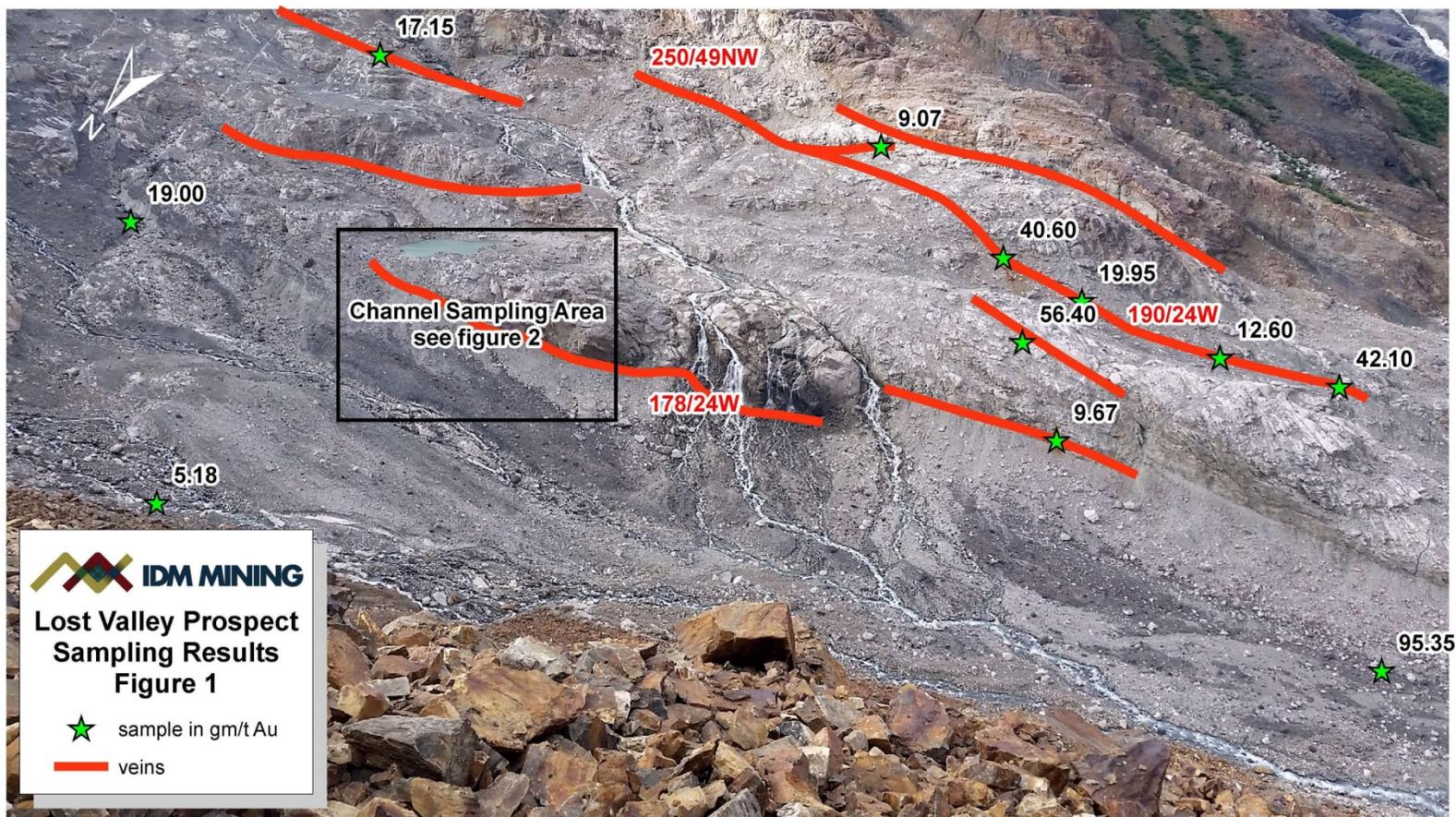
Hole-ID	From (m)	to (m)	Length(m)	Au g/t
M93-141	168.61	200.00	31.39	4.12
including	179.00	183.00	4.00	11.71
M93-153	65.00	206.00	141.00	1.14
including	65.00	113.00	48.00	2.00
<b>M93-154</b>	<b>89.00</b>	<b>268.50</b>	<b>179.50</b>	<b>1.34</b>
M94-185	188.20	245.00	56.80	2.18
M94-186	153.00	221.30	68.30	2.32
including	153.00	171.00	18.00	5.45
<b>M94-191</b>	<b>157.50</b>	<b>249.70</b>	<b>92.20</b>	<b>2.09</b>
including	216.00	221.50	5.50	8.95
M94-194	61.00	81.50	17.50	4.76
U93-1094	191.00	235.00	44.00	2.79
including	199.00	202.00	3.00	11.82
U94-1130	239.50	333.50	94.00	1.29
<b>U94-1148</b>	<b>195.50</b>	<b>318.00</b>	<b>122.50</b>	<b>3.35</b>
including	<b>210.00</b>	<b>216.00</b>	<b>6.00</b>	<b>32.87</b>
and	<b>299.00</b>	<b>301.00</b>	<b>2.00</b>	<b>37.17</b>
and	<b>223.00</b>	<b>228.00</b>	<b>5.00</b>	<b>11.12</b>
<b>MC14-03</b>	<b>64</b>	<b>202</b>	<b>138</b>	<b>1.41</b>
including	<b>76</b>	<b>83.5</b>	<b>7.5</b>	<b>10.45</b>

# Exploration Upside



- No significant exploration work since 1996; ongoing surface work identified multiple prospects, new Discovery at Lost Valley
- Potential to add high-grade underground resources north of JW zone and at 141 Zone
- 16km long trend of prospective geology, mineralized showings
- Geological analogue to KSM: intrusions along early Jurassic growth faults
- Widespread >1 g/t Au gold mineralization similar to Snowfield, Mitchell

# Lost Valley Au-Ag Veins



# Lost Valley Au-Ag Veins



# Red Mountain Comparables



Limited Canadian near-term or stand-alone junior producers, with Claude Resources, Kaminak Gold, and Lake Shore Gold recently acquired

Company	Stage	Mkt Cap (C \$M)	Annual Production	Au Reserves (Moz)	P/NAV*
Lake Shore Gold*	Production	\$945M	175,000	0.77	1.25x
Claude Resources*	Production	\$337M	68,500	0.30	1.06x
Richmont Mines	Production	\$805M	92,000	0.63	1.38x
Wesdome Gold	Production	\$265M	57,000	0.43	0.90x
TMAC Resources	Construction	\$1,180M	160,000	3.51	1.38x
Kaminak*	Development	\$520M	193,000	2.16	1.04x
Integra Gold	Development	\$365M	109,000	-	0.98x
IDM Mining**	Development	\$53M	70,000	-	0.50x

Source: Capital IQ.

\*Valuations at takeout.

\*\*IDM P/NAV based on 2016 PEA using C\$1,688 Au

# Why IDM



- **Grade:** High-grade underground gold deposit, 7.0 g/t Au life of mine, fully diluted
- **Permitting:** EA and permitting well advanced, EA Certificate expected in 2017
- **FS:** Feasibility study underway
- **Bulk mineable:** low cost mining: average stope thickness 16 meters
- **Pro-mining jurisdiction:** Stewart is home turf for the McLeod family
- **Rapid Payback and Expansion Potential:** low cost mining, low capex and significant expansion potential
- **Fast Tracked:** Near-term production; investment decision in late 2017
- **Ease of Development:** Close to work force, port, grid power and highway
- **Golden Triangle:** Valley of Kings, Eskay Creek, Premier, KSM in same belt
- **Potential:** Impressive Exploration upside along 16km mineralized trend
- **Expandable:** Existing Resource wide open to expansion
- **Affordable:** Sub \$100 million Capex
- **Strategic Shareholders:** >65% with 8 major shareholders including Osisko and Premier

# Near Term Deliverables

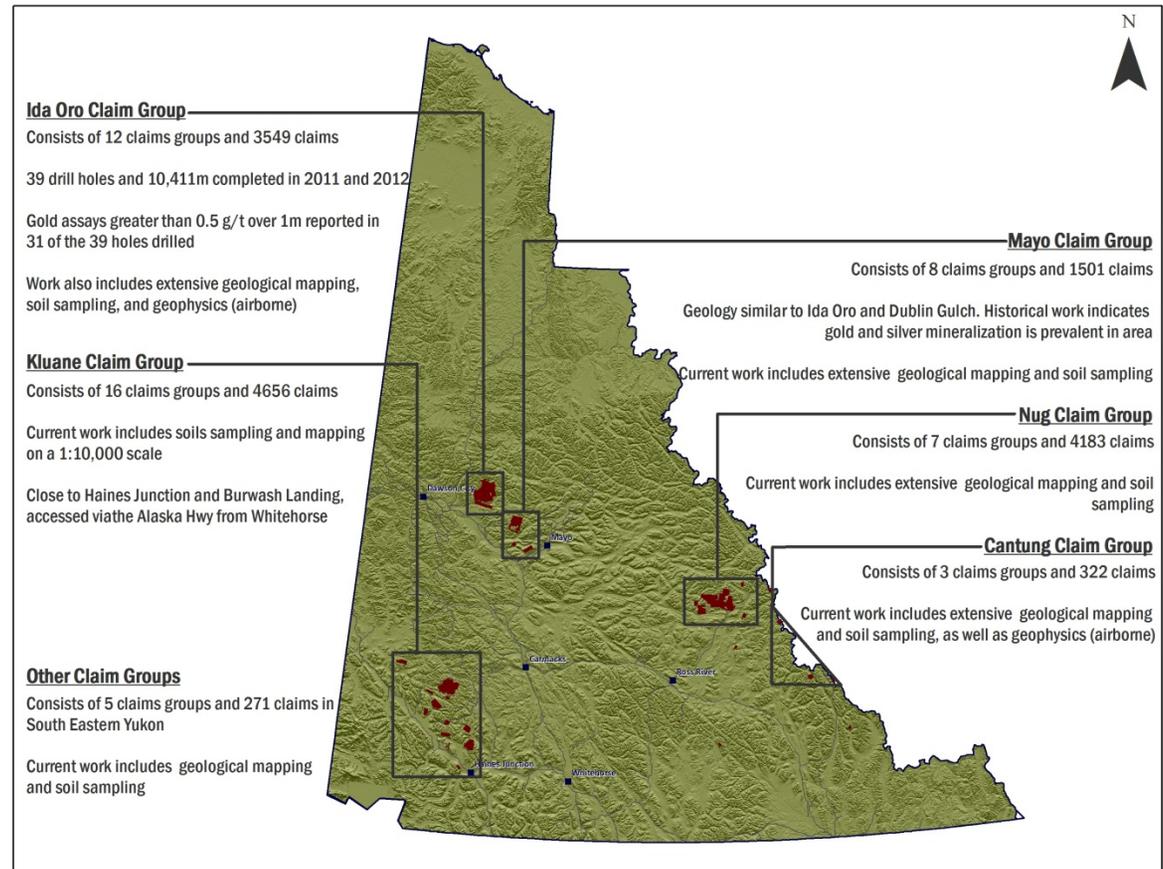


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|---|----------------|
| Red Mountain Resource Update                  | – Q2 2016 Done |
| Publish updated 43-101 PEA                    | – Q3 2016 Done |
| Complete Infill and Step-out Drilling         | – Q4 2016      |
| File Project Application EA Report            | – Q2 2017      |
| Publish Feasibility Study                     | – Q1 2017      |
| Environmental Assessment Certificate received | – Q4 2017      |

# Yukon Portfolio



- 54 Properties in 11 claim groups
- 308,000 hectares, 14,700 claims
- \$25 million spend by Ryangold
- Multiple large gold-in-soil geochemical anomalies
- Multiple unexplored metallogenic districts
- Compilation of data underway



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