



***NEAR-TERM PRODUCER,  
HIGH-MARGIN GOLD***

# **RED MOUNTAIN PROJECT**

***Northwestern British Columbia  
Precious Metals Conference***

September 2018



# Forward Looking Statements



## DISCLAIMER

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.

## FORWARD-LOOKING STATEMENTS

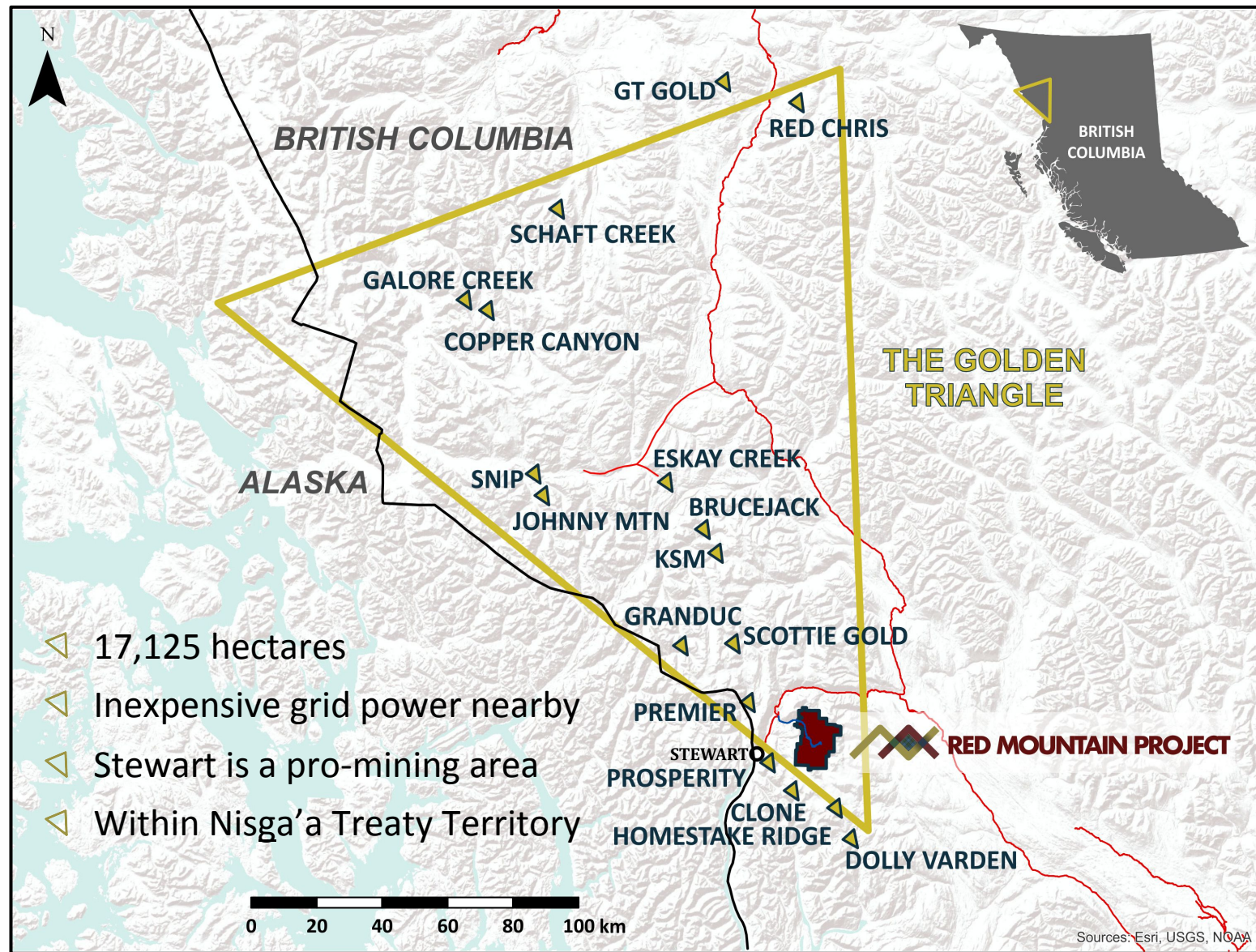
This presentation contains statements and information that constitute forward-looking information within the meaning of Canadian securities legislation, referred to herein as "**forward-looking statements**". These statements include, among others, statements with respect to the amount of mineral resources, delivery of an updated Feasibility Study, including but not limited to, gold and silver price assumptions, exchange rate assumptions, cash flow forecasts, project capital and operating costs, refining costs, 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 value, 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 as set out in the 2017 Feasibility Study; environmental approval plans and anticipated timing of environmental approvals, completion of a Benefits Agreement, 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 presentation, 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, labour 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 or reserves are not as estimated, title matters, third party consents, operating hazards, metals 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 the development will occur, and market fundamentals will result in sustained metals and mineral prices. 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 of the date of this presentation 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 required by applicable securities legislation.

## TECHNICAL DISCLOSURE

The technical information in this presentation has been approved by Rob McLeod, P. Geo, President and CEO of IDM Mining Ltd. and Ryan Weymark, P.Eng., Vice-President of Project Development. Both are 'Qualified Persons' under NI 43-101.



# Red Mountain Location

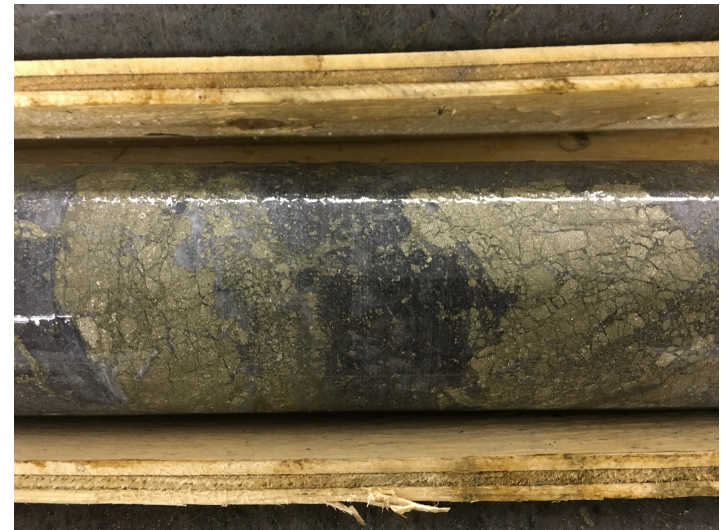




# Corporate Vision



- ▽ Strong Environmental, Social and Safety record in a challenging environment
- ▽ Near-term, 100 to 150,000 oz Au/yr. bulk underground gold/silver mine; M&I grade 7.9 g/t Au and 22.7 g/t Ag
- ▽ Target capex: CA\$150 million
- ▽ High-margin mine with strong FCF, dividend paying company
- ▽ Potential to blend ore from other Golden Triangle deposits
- ▽ Environmental Approval expected imminently
- ▽ Exploration upside: multiple deposit styles, extensive glacial retreat





# September 2018 Status Update



- ▽ Recent Resource Update: **20.7% increased M&I ounces** to 704,600 oz at 7.9 g/t Au and 22.7 g/t Ag
- ▽ Update Feasibility Study to incorporate new resources and value optimization from previous 2017 Study – Q1 2019
- ▽ EA/EIS Review Process and IBA negotiations with Nisga'a Nation nearing completion
- ▽ Successful sampling program ongoing at Lost Valley; to date, results of panel sampling averaged **11.15 g/t gold** and **82.56 g/t silver** at the Money Rock target
- ▽ Exploring M&A Opportunities





# IDM Today



## TSX.V: IDM

Shares Outstanding	<b>449.0M</b>
Options	30.8M
Warrants	53.8M
Fully Diluted	533.8
Recent Share Price	\$0.07
Market Cap (C\$M)	<b>\$31.4M</b>

## INSTITUTIONAL

Delbrook - RBIM - Gold2000 - Libra - Earth Resource - Mackenzie - US Global - Ruffer - Sprott - Brompton - Middlefield - Dundee - Extract

## CORPORATE

Osisko Royalties - Osisko Mining - Kinross Gold



# 2018 Mineral Resource Estimate



- Measured gold ounces increased by 39.2% or 140,600 oz Au
- Measured and Indicated gold ounces increased by 20.7% or 120,900 oz Au
- Initial Resources reported for Smit, SF, Bray, Chicka and Cambria Zones

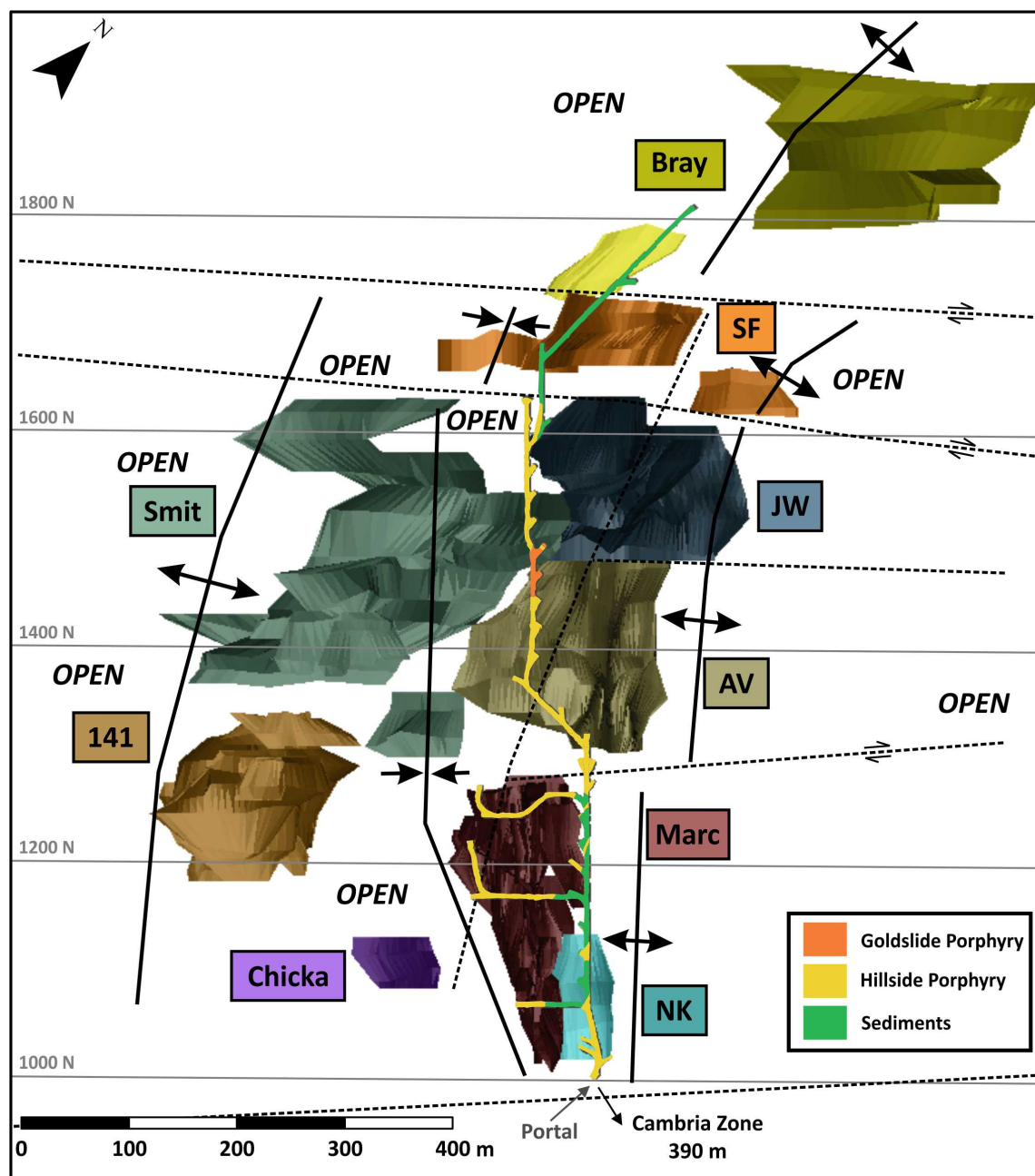
Classification	Tonnes	Au (g/t)	Ag (g/t)	Ounces Au	Ounces Ag
Measured	1,827,900	8.92	28.30	524,000	1,663,300
Indicated	943,400	5.95	11.98	180,600	363,500
Measured + Indicated	<b>2,771,300</b>	<b>7.91</b>	<b>22.75</b>	<b>704,600</b>	<b>2,026,800</b>
Inferred	316,000	6.04	7.60	61,400	77,200

- Resources are reported at a 3.0 g/t Au cut-off
- Please refer to IDM's press releases dated January 23, 2017 and June 19, 2018 for Mineral Resource Estimate details and disclosure

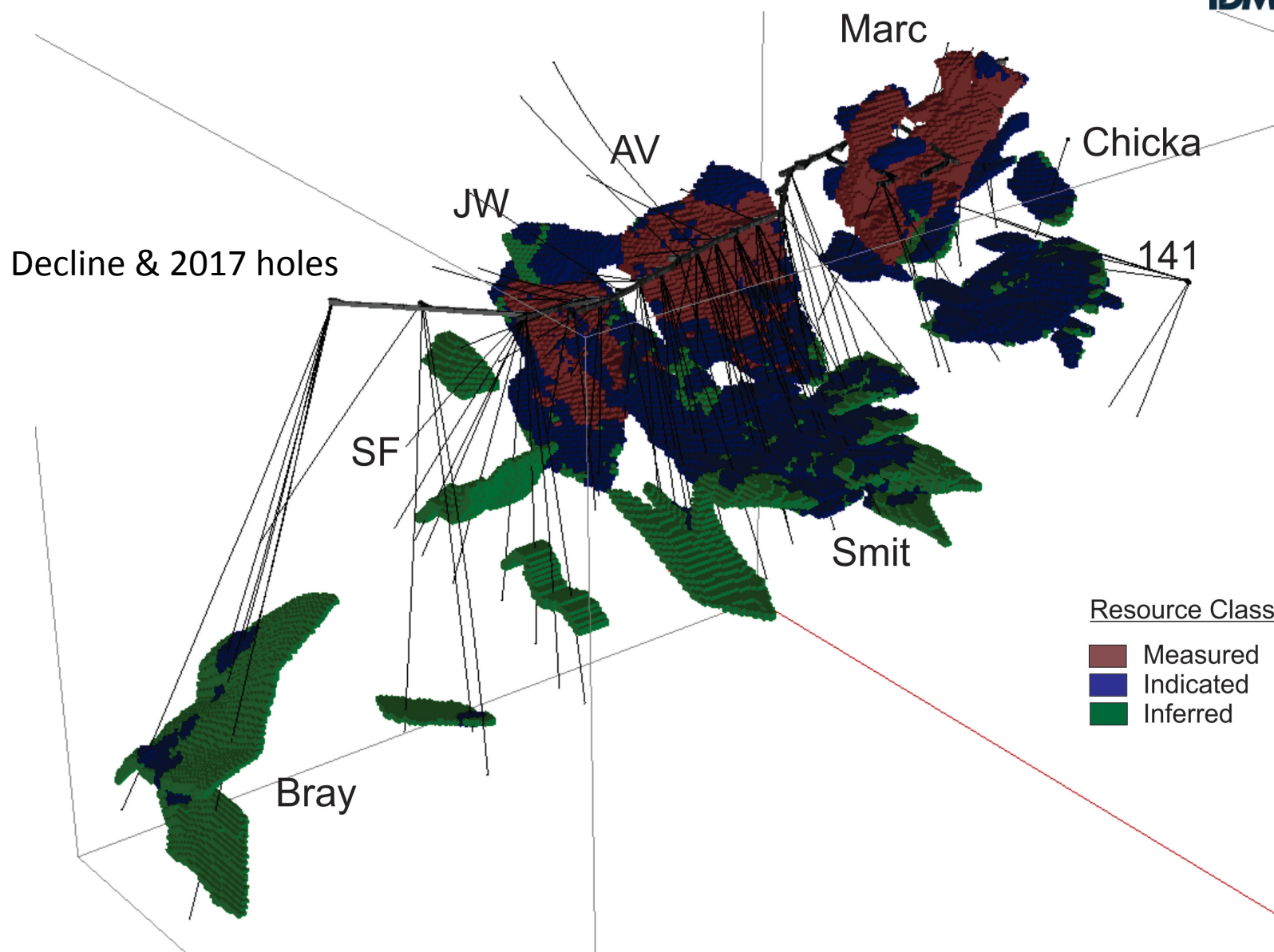


## Geology & Resource Update (2018)

- ◊ Revised geological interp. (identification of high-amplitude folds) opens up significant exploration potential
- ◊ 2017 drilling significantly expanded up and down-dip of AV and JW Zones, extending to Smit zone
- ◊ M&I tonnes increased by 33.6%
- ◊ Virtually all of Marc, AV and JW resources are M&I
- ◊ Initial Resources reported for Smit, SF, Bray, Chicka and Cambria Zones

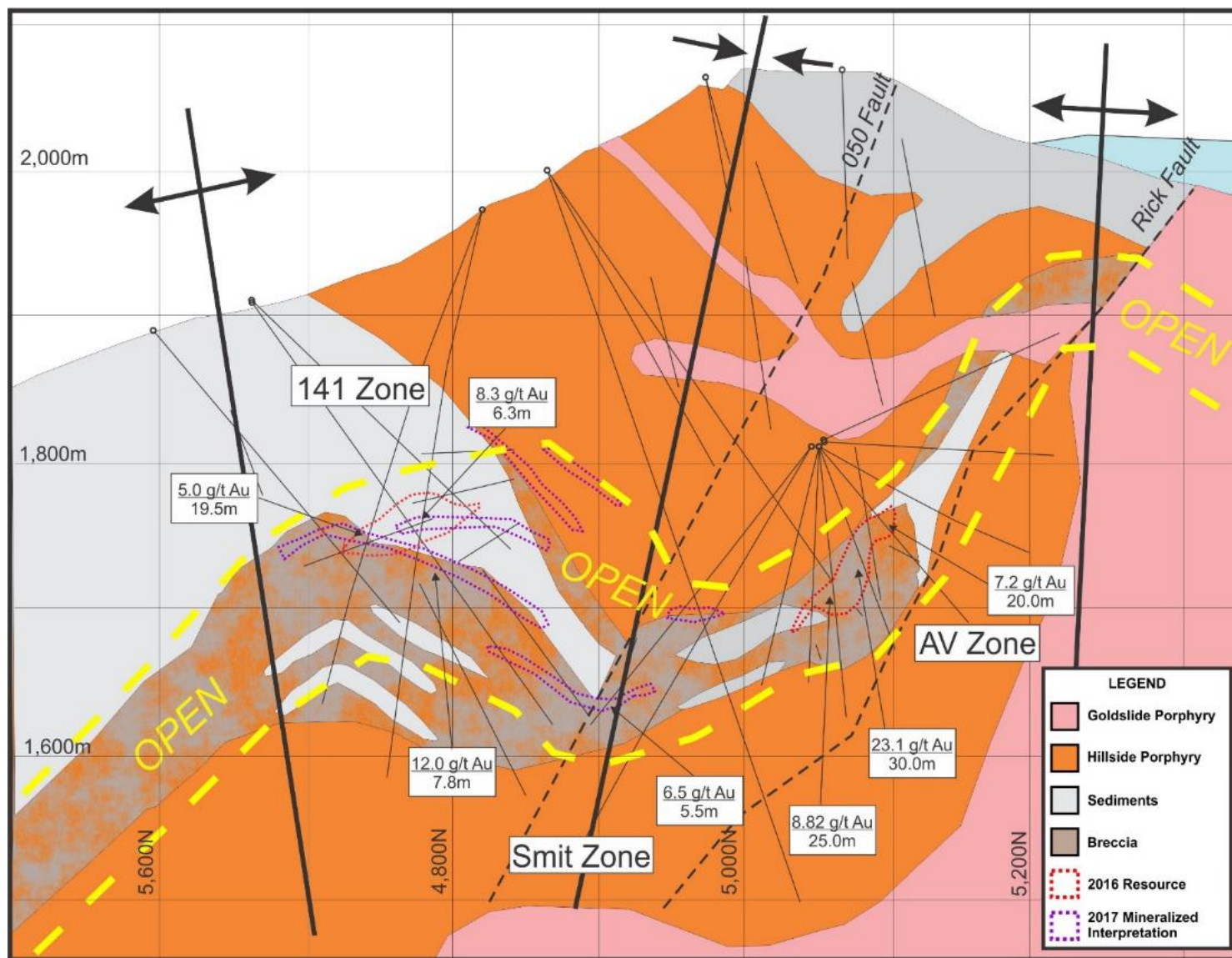


# 2018 Mineral Resource Classification

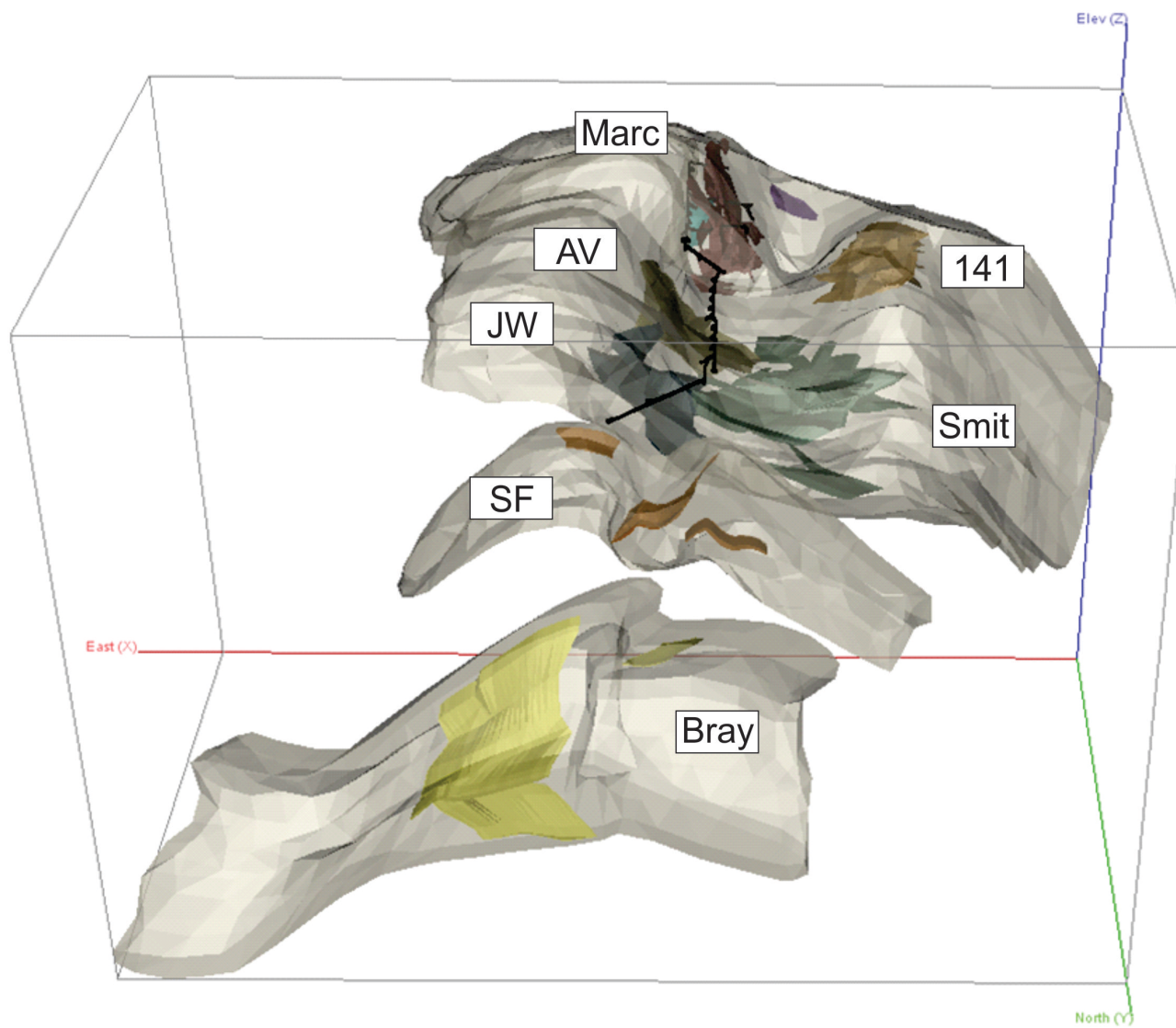




# 2018 Revised Geological Interpretation: AV & 141 Zones Section 1350N

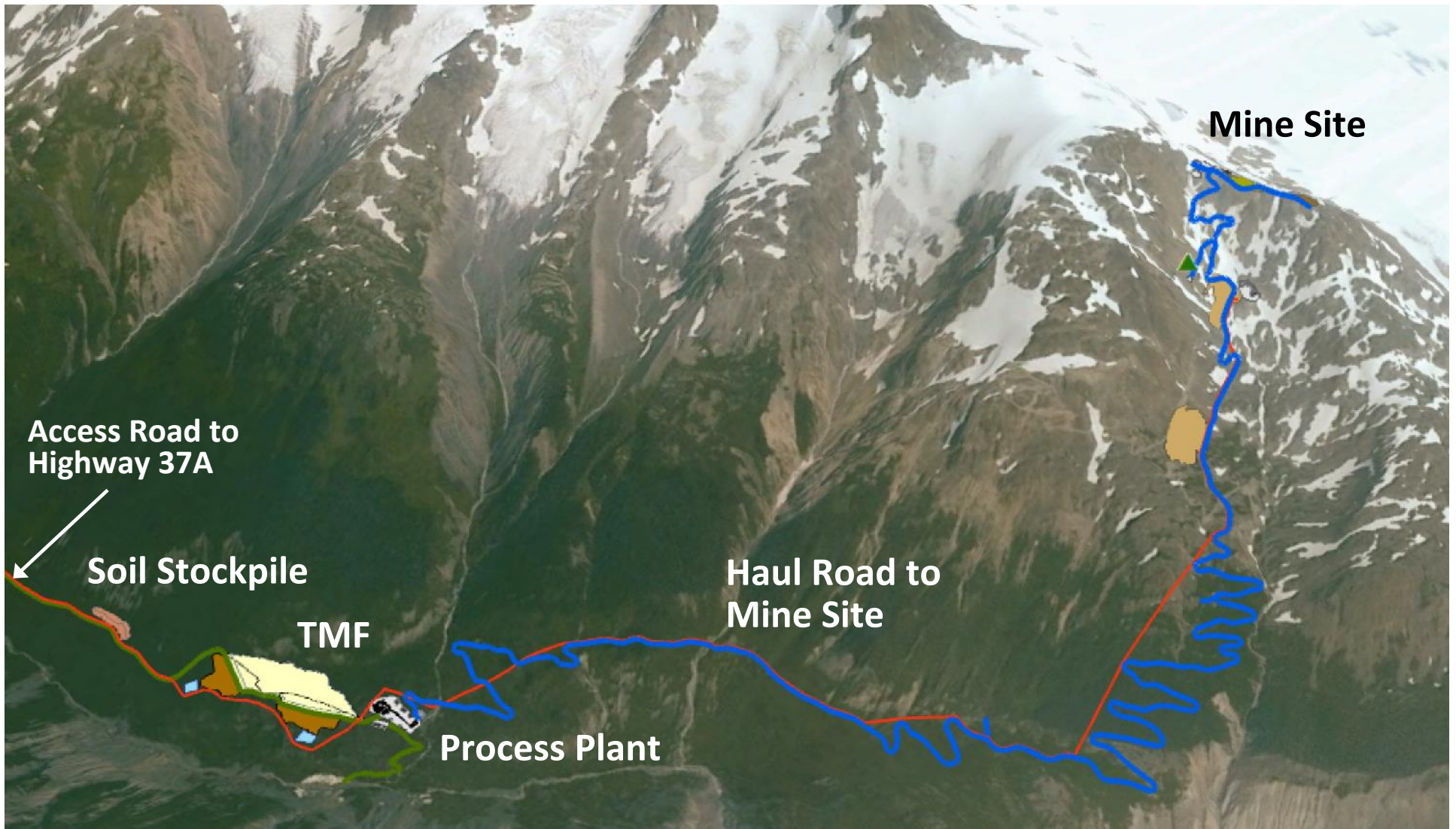


# 2018 Revised Geological Interpretation: Zones follow folded breccia horizon





# Project Infrastructure

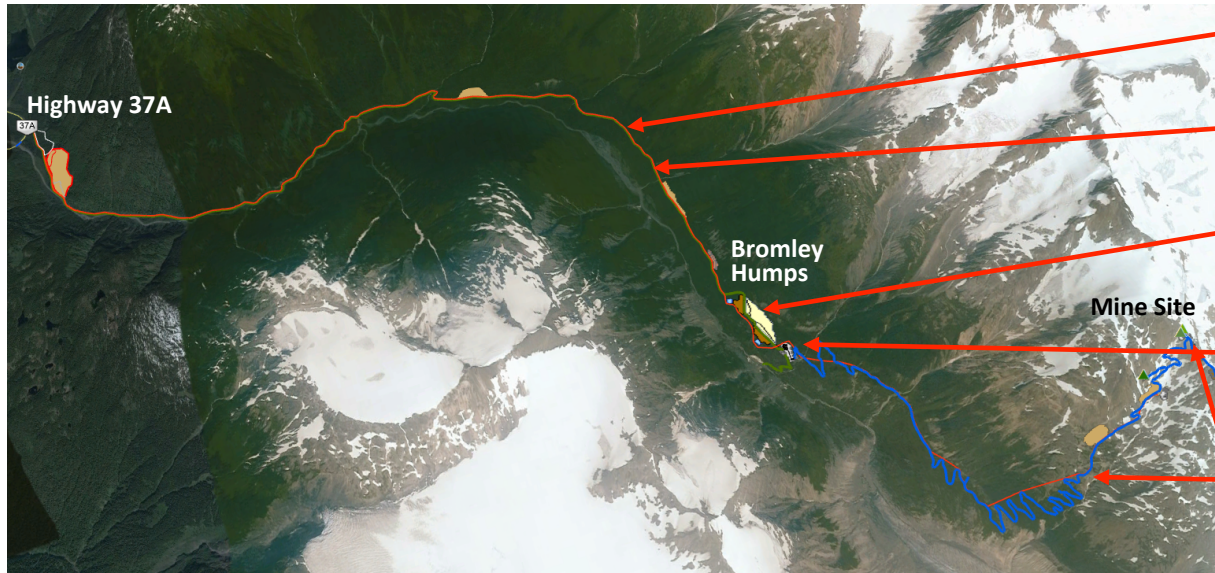


# Engineering



## Overview

## Key Features



15km Access Road to Bromley Humps

138kV/25kV powerline from BC Hydro

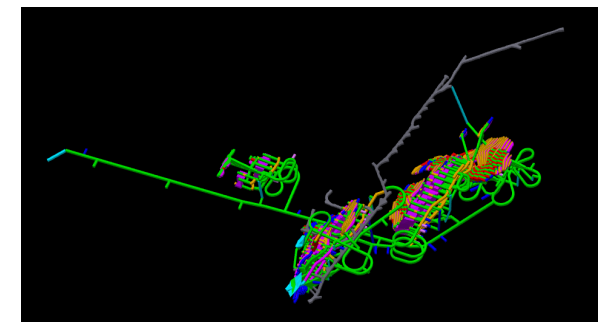
2Mt fully-lined Thickened TMF

3-stage crush, 2-stage grind circuits  
CIL Circuit with 48-hour leach  
Production of Gold Dore

11km Haul Road to Mine Site

65% L-H, 35% C&F Mining Methods

Item no.	Activity description	Start Date date	Duration months	End Date date	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1
1	Funding Received			Oct-2018	◆					
2	Feasibility Study	Oct-2018	5	Feb-2019	■	■				
3	Early Work Permit/Approva	Jan-2019	6	Jul-2019		■	■			
3	GMP	Feb-2019	1	Mar-2019		■				
4	Basic Engineering	Mar-2019	3	Jun-2019			■	■		
5	MAPA/EMA Preparation	Mar-2019	6	Sep-2019			■	■	■	
6	Detailed Engineering	Jun-2019	6	Dec-2019				■	■	■
7	MAPA/EMA Review/Appro	Sep-2019	6	Apr-2020					■	■

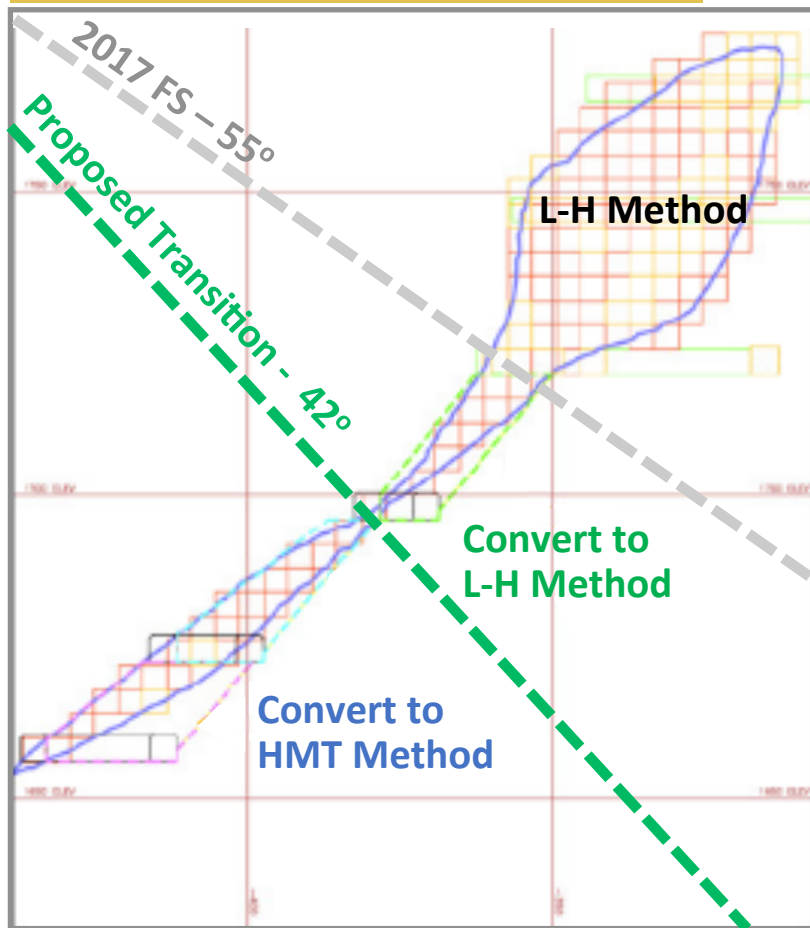




# Mining Optimization

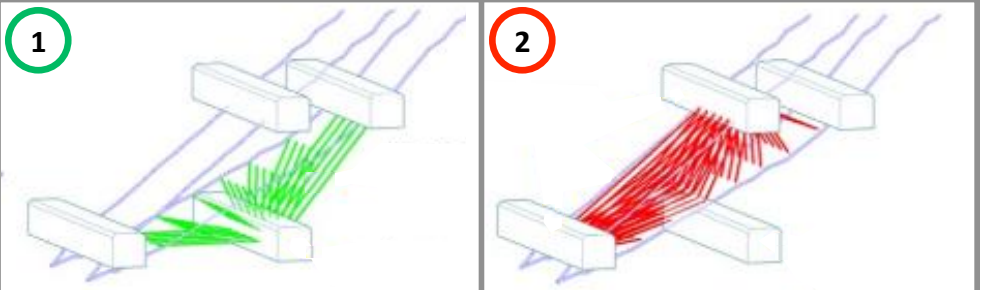
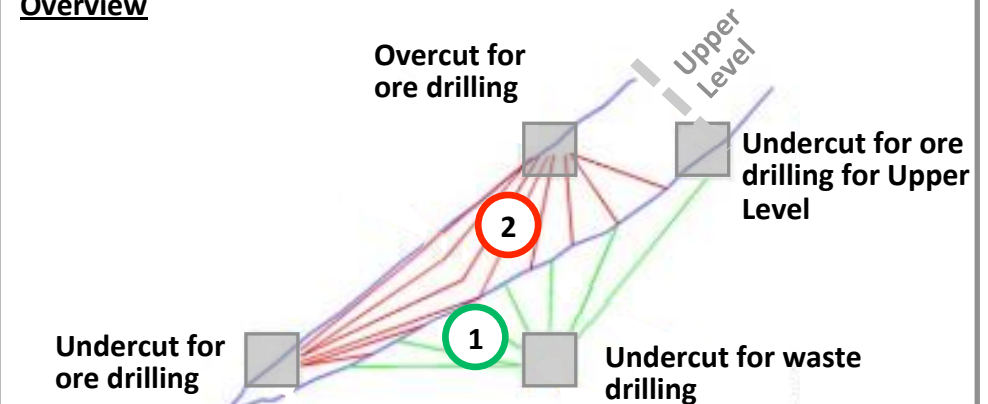
Continuing to OPTIMIZE the mining methods to decrease capital and operating costs

## Maximize Low Cost Methods



## Holloway Method (HMT)

### Overview



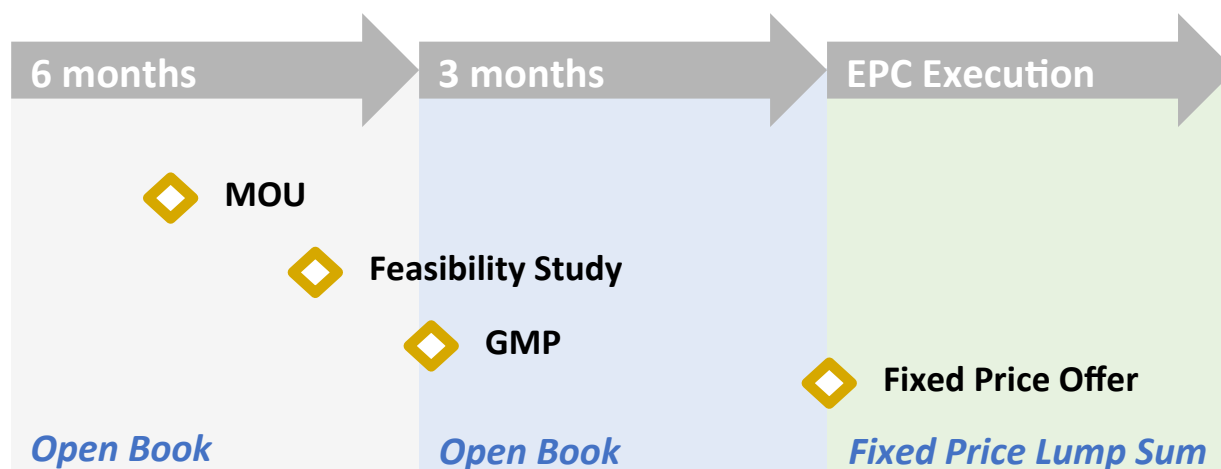
- 1 Waste is drilled, blasted and mucked from undercut
- 2 Ore is drilled, blasted and mucked out from undercut

# Updated Feasibility Study



## Study Objectives

- ◁ Finalize scope for MA/EMA Permitting
- ◁ High degree of cost certainty
- ◁ Optimize Project economics
- ◁ Revised execution plan (hybrid EPC)
- ◁ Early contractor engagement



## Opportunities

2017 FS

Updated FS

**584k oz**  
M&I Resource

**705k oz**  
20.7% Increase

**3.0 g/t**  
Cut-Off Grade

**2.5 g/t**  
17% Decrease

**1,000 tpd**  
Throughput

**Up to 1,500 tpd**  
50% Increase

**\$70.4M**  
Infrastructure Cost

**\$70.6M**  
Nom.



# Project Permitting

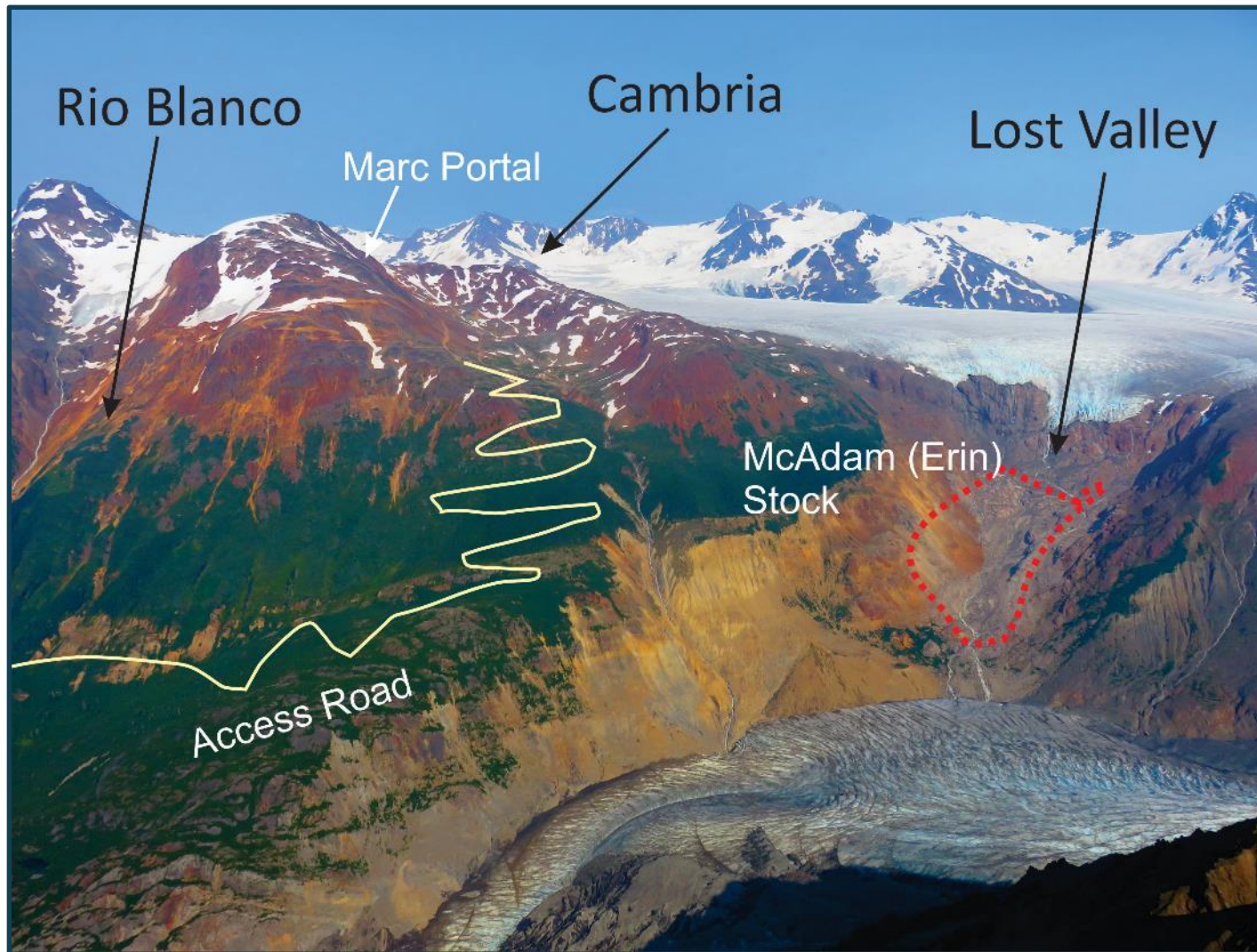


- ▽ Underground mine and small project footprint limit environmental impact and simplify permitting
- ▽ Extensive environmental baseline studies completed in project area over past 20 years
- ▽ Project Application and EIS accepted and under review
- ▽ Strong relationship with Nisga'a Nation (Treaty). IBA expected Q3/Q4.
- ▽ **EA referred to provincial Ministers for decision on Aug. 29, 2018**



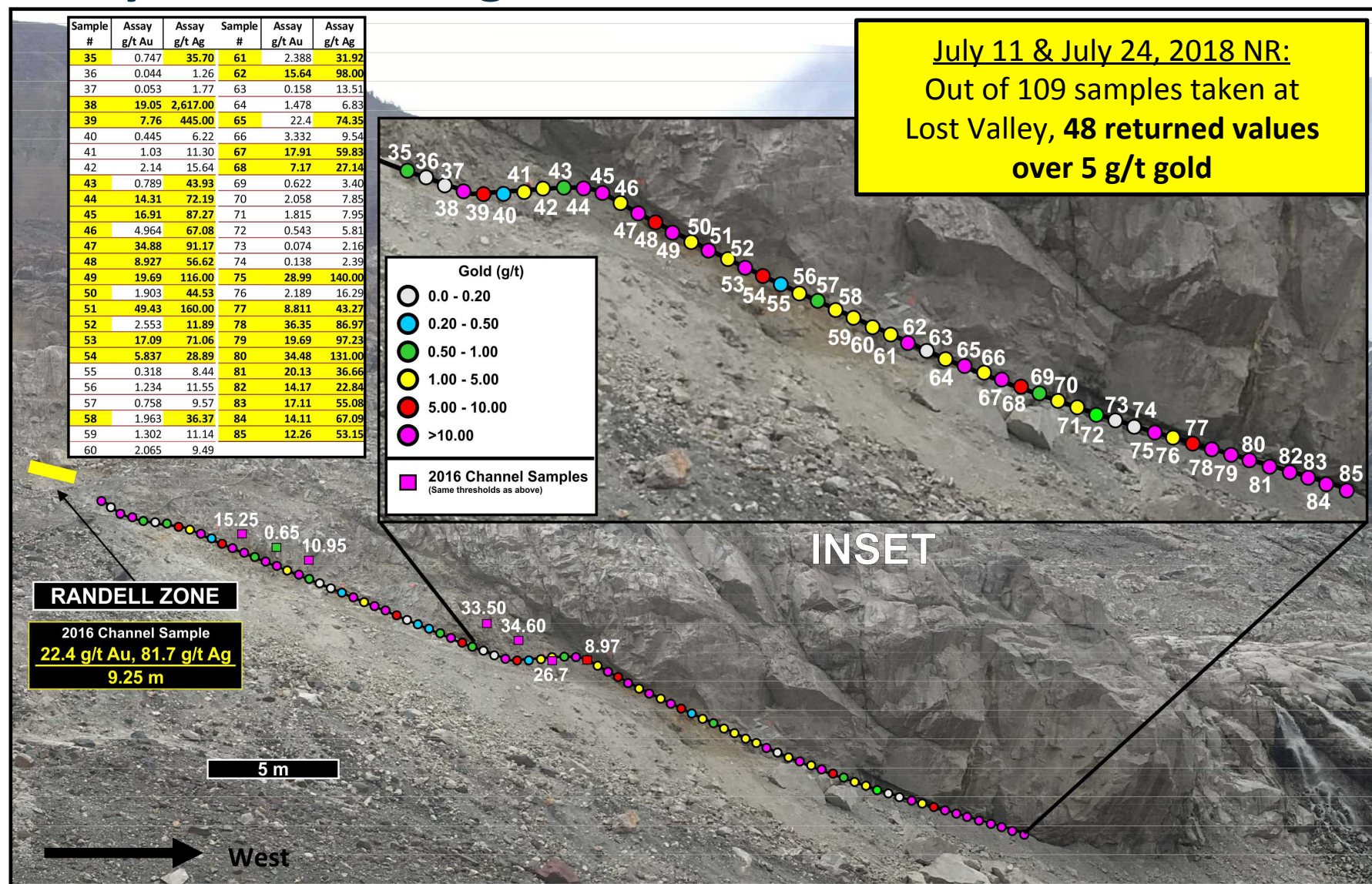
# Exploration Upside

- ◀ Receding glaciers are uncovering new areas for exploration

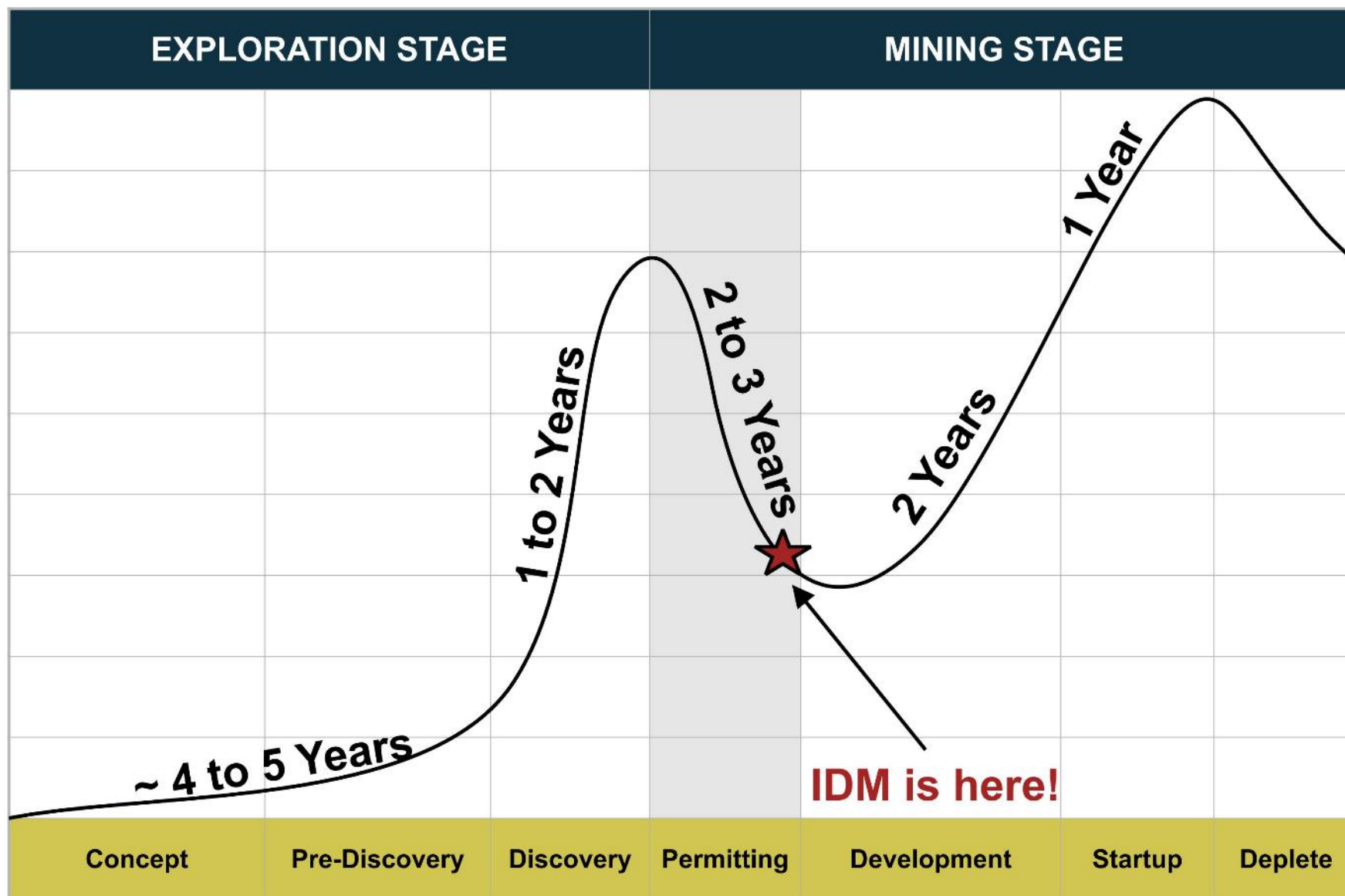




# 2018 Sampling at Lost Valley: Money Rock Showing



# Life Cycle Of A Gold Company





# IDM Mining Value Proposition



- ▽ Potential Construction Start within 1 Year
- ▽ Low Permitting Risk
- ▽ High-grade and low-cost underground mine
- ▽ Updated feasibility expected Q1 2019; drilling in Q4 2019
- ▽ Resources growing annually
- ▽ Significant exploration potential
- ▽ Corporate Flexibility



# Contact IDM



## ◀ TRADING SYMBOLS

- ◀ IDM Mining Ltd. (TSX.V: IDM – OTC.QB: IDMMF)

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