



# Red Mountain Project

*Growing BC's Next High Grade Underground Gold Mine*

*Precious Metals Summit*

September, 2017



# FORWARD LOOKING STATEMENTS



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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.

## 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 results of the 2017 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; environmental approval plans and anticipated timing of 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 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 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").

## On track to a production decision; Resource Expansion Underway



- ✓ Feasibility Study shows robust economics
- ✓ Located in Mining-Friendly Gold Triangle, Northwest BC
- ✓ High-Grade, bulk-mineable underground gold-silver deposit
- ✓ Mine Development Permits Targeted Early 2018
- ✓ >23,000m On-going drilling
- ✓ Well-Financed, Strong Shareholders



# Our Leadership



## Management

**Robert McLeod**, P.Geo President, CEO and Director

**Michael McPhie**, Executive Chairman

**Susan Neale**, CFO

**Ryan Weymark**, P.Eng Project Director

**Shobana Thaya**, Investor Relations



## Board of Directors

**Duncan Middlemiss**

**Gernot Wober**

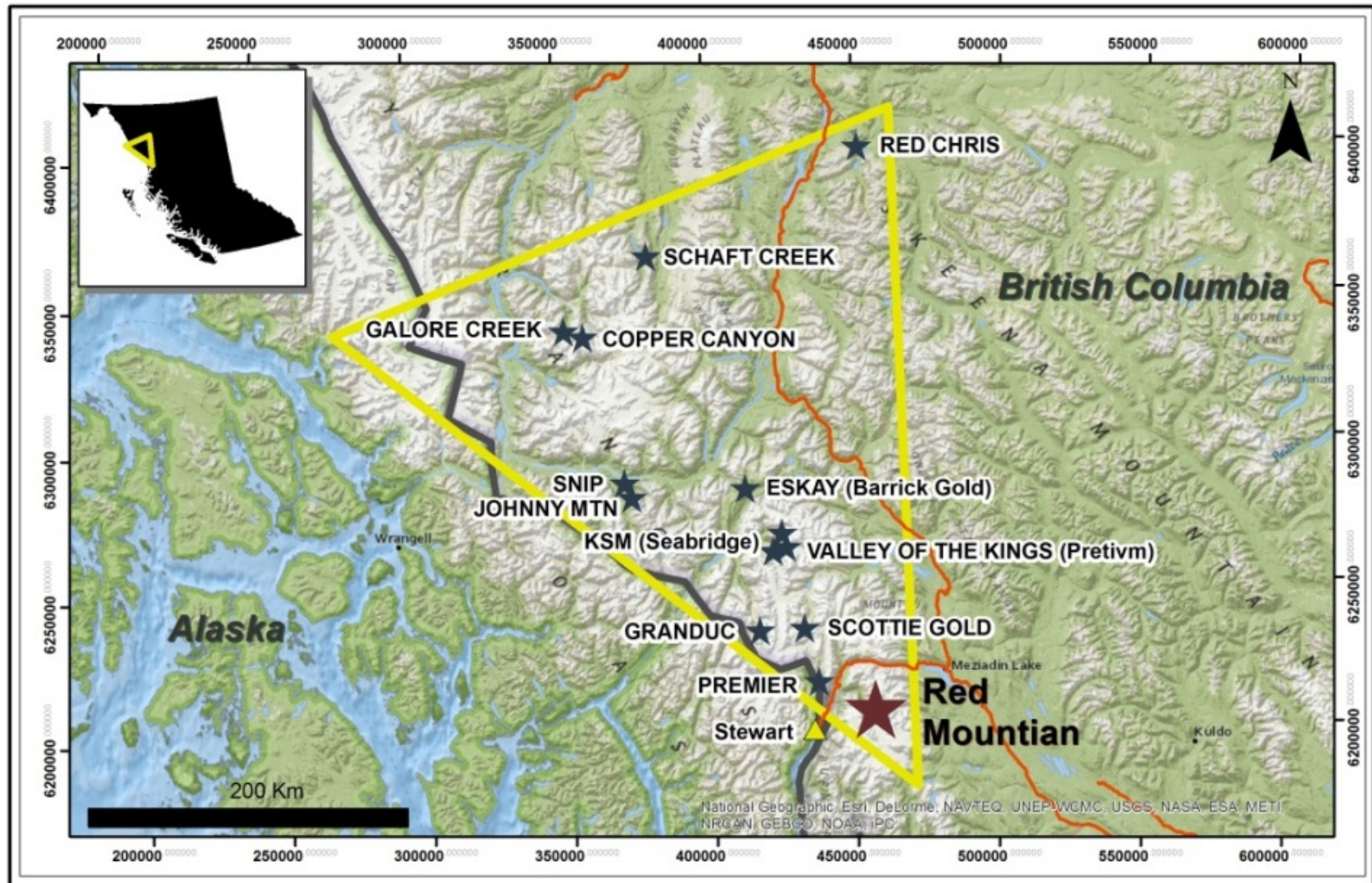
**David Parker**

**Andrew Farncomb**





# BC's Golden Triangle





# IDM Today (TSX-V:IDM)



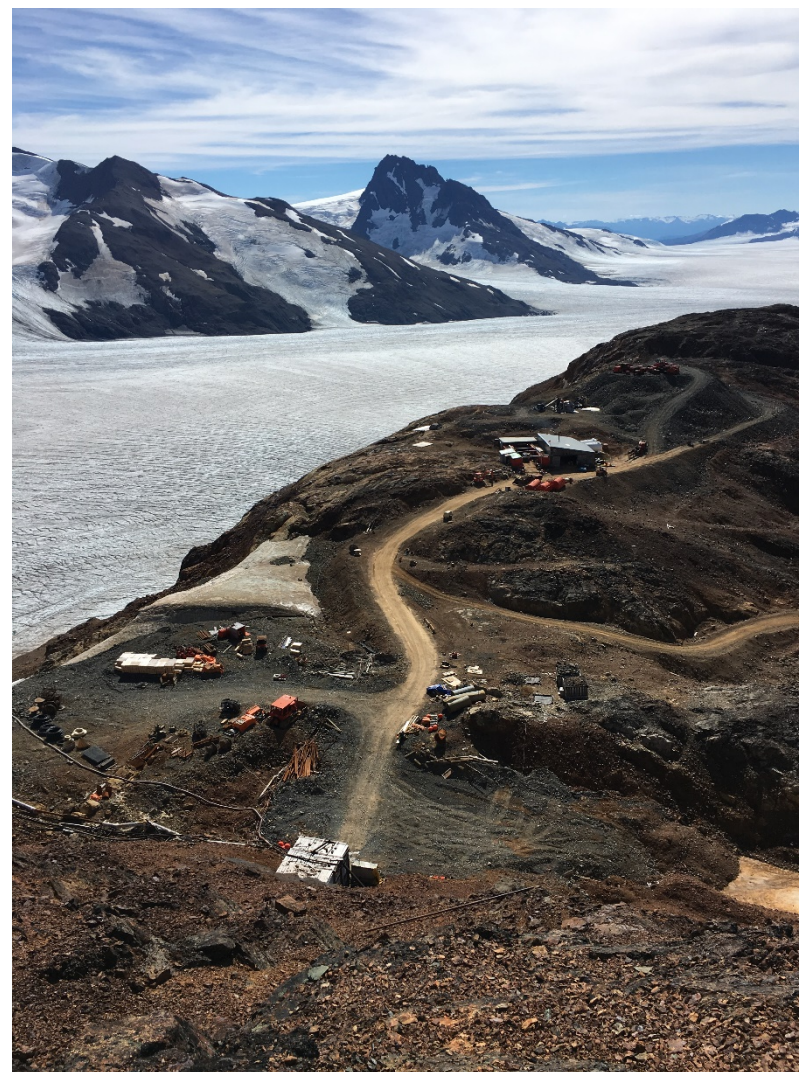
IDM Capitalization	
Shares Outstanding	<b>397.8M</b>
Options	27.6M
Warrants	99.4M
Fully Diluted	524.9M
Recent Share Price	\$0.14
Market Cap (C\$M)	<b>\$55.7 M</b>

## **Institutional Shareholders (46%):**

- Delbrook, RBC, Sentry Select, Gold2000, Libra, Earth Resource, Mackenzie, US Global, Commodity Discovery, Sprott, Brompton, Middlefield, Goodman and Co.

## **Corporate Shareholders (30%):**

- Osisko Royalties, Osisko Mining, Premier Gold, Kinross





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

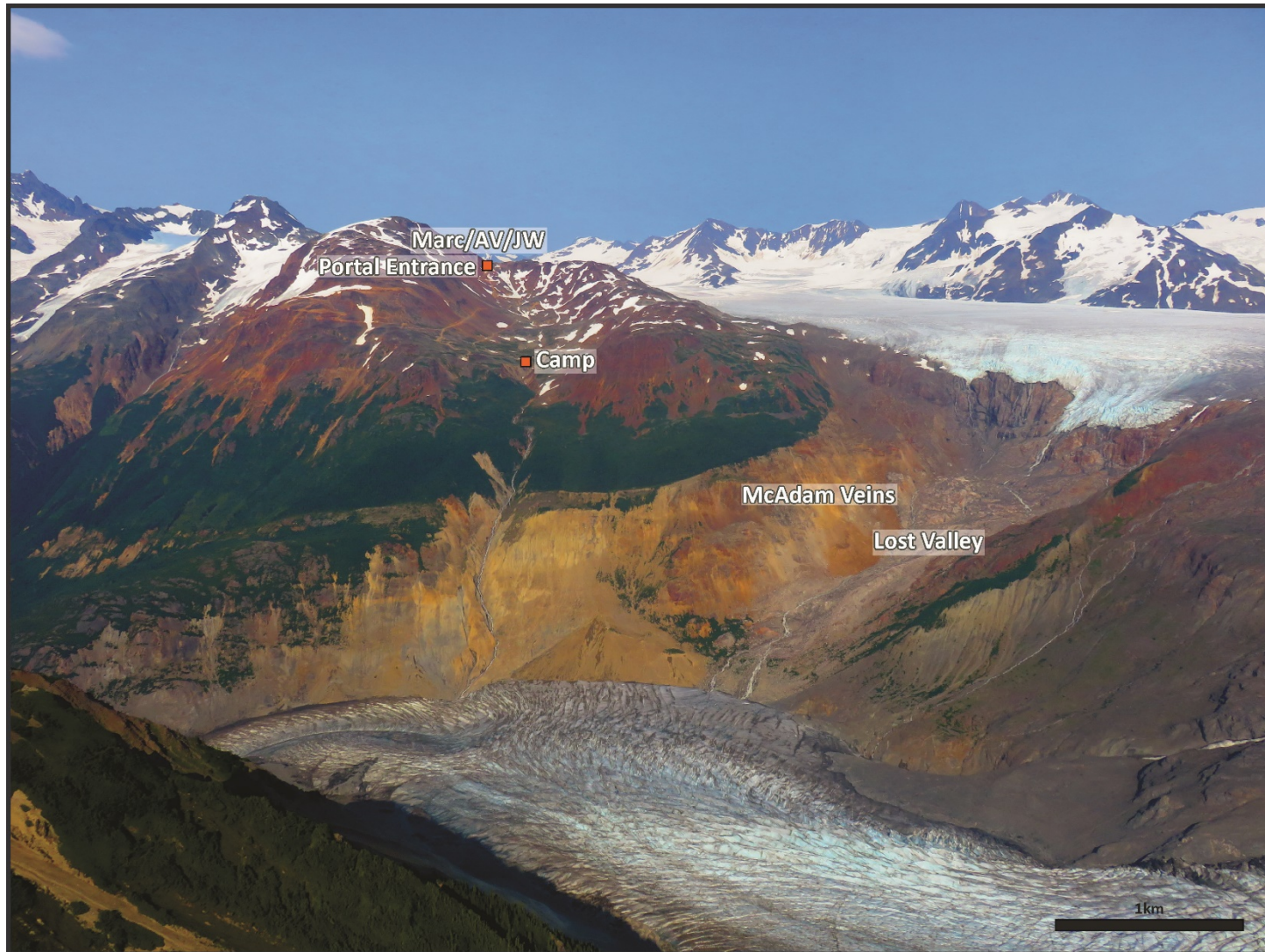


- 8.75 g/t Au M&I Grade
- Average thickness 16 meters
- Low cost bulk mining (\$492 US/oz)
- Near term (2019) production
- Low capex (CA\$136 million)
- Can Trace Mineralized Horizon 800m north of resource Area





# Red Mountain

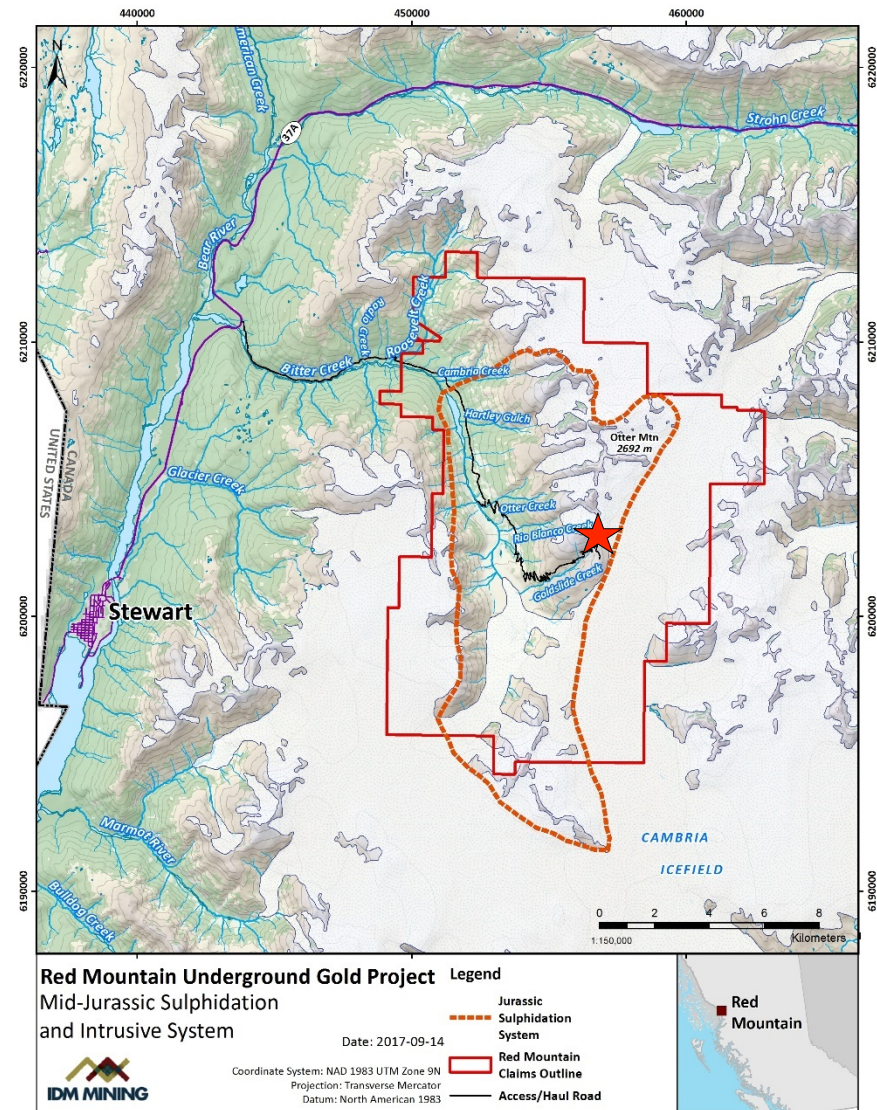




# Red Mountain Location



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





# 2017 Feasibility Study



- 1,000 tpd underground gold/silver mine
- Deposit primarily longhole low-cost bulk underground mining (US \$492 per oz); 90,000 oz. avg first 2 years
- Whole ore grind and leach producing dore bars on site. Estimated gold recoveries of between 88.1 and 92.8 percent.
- Waste rock backfilled and stored underground
- Road access to property which is located approximately 15 km from Stewart; crews live in community, no camp
- Low cost power supplied from BC Hydro grid
- Initial 6 year mine life with significant exploration potential



*Knight Piésold*  
CONSULTING

 **srk** consulting

**ONSITE**  
Engineering Ltd.





# 2017 Feasibility Study



Assumptions & Inputs	Unit	Value
Au Price	US \$/oz	1,250
Ag Price	US \$/oz	17.00
F/X Rate	US\$:C\$	0.76
Discount Rate	%	5%
Operating Days	days/yr	365
Franco Nevada Royalty	% NSR	1.0%
Wotan Royalty	% NSR	2.5%
<b>NSR Parameters</b>		
Au Payable	%	99%
Au Refining Charge	US\$/pay oz	5.00
Ag Payable	%	99%
Ag Refining Charge	US\$/pay oz	0.50

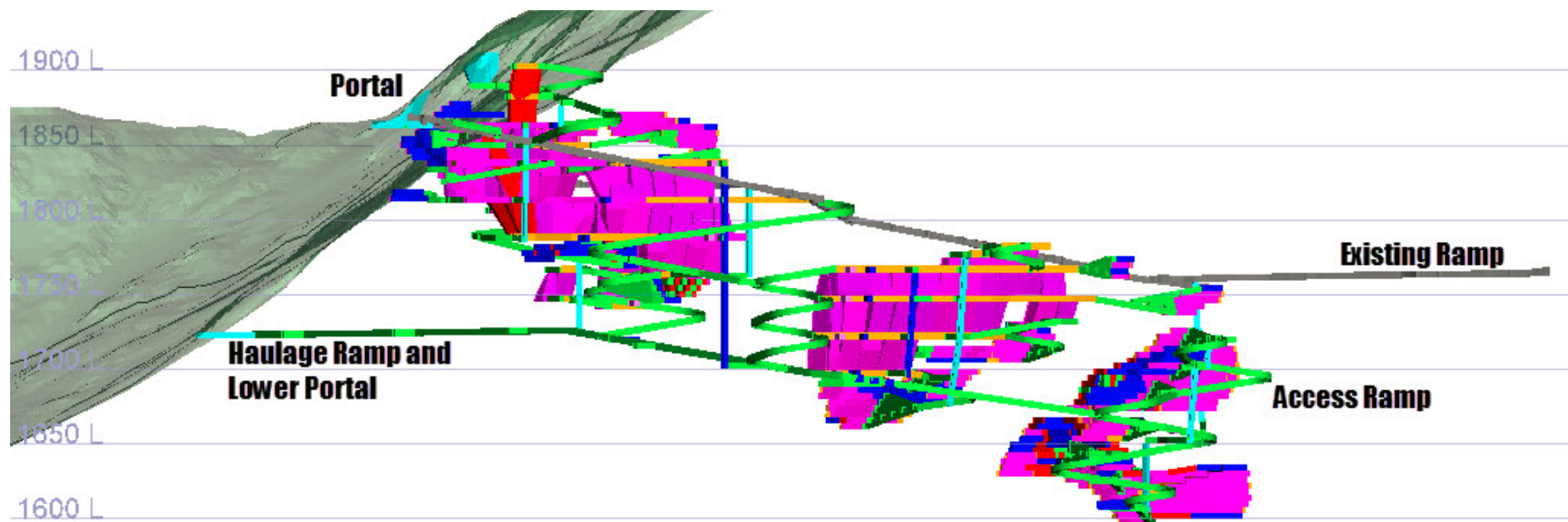
Parameter	Unit	Value
Preproduction CAPEX	C\$M	136
OPEX	\$/t milled	140
AISC (excluding by-products)	US\$/ oz	658
Au production (average)	Pay. k oz/year	78
LOM After-Tax Free Cash Flow	C\$M	145
<b>Pre-Tax NPV 5%</b>	<b>C\$M</b>	<b>155</b>
Pre-Tax IRR	%	40%
Pre-Tax Payback	Years	1.7
<b>After-Tax NPV 5%</b>	<b>C\$M</b>	<b>104</b>
After-Tax IRR	%	32%
After-Tax Payback	Years	1.9



# Reserves and Mine Plan



Category	Diluted Tonnes	Au Grade	Gold Ounces	Ag Grade	Silver Ounces
	(t)	(g/t)	(Oz)	(g/t)	(Oz)
Proven	1,308,000	7.82	329,000	25.09	1,055,000
Probable	645,000	6.93	144,000	15.32	318,000
<b>TOTAL</b>	<b>1,953,000</b>	<b>7.53</b>	<b>473,000</b>	<b>21.86</b>	<b>1,373,000</b>





# Capital and Operating Costs

**Pre-Production Capital**      **C\$135.7 million**

**Sustaining, Closure**      **C\$66.8 million**

**Operating costs**      **C\$140.02/tonne**

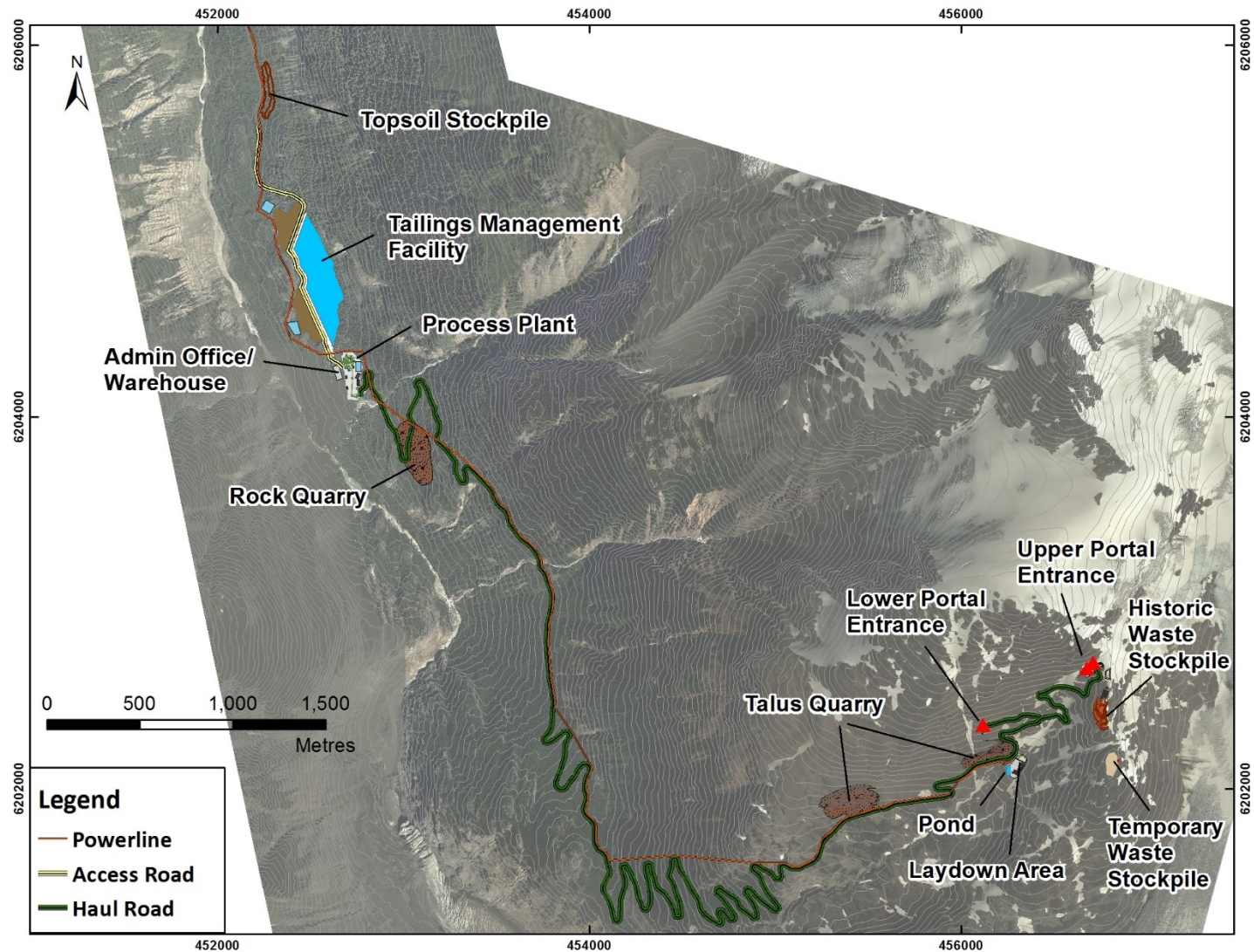
**Cash costs (net Ag)**      **US\$492/oz Au**

Operating Cost	C\$/t processed	LOM (C\$M)
Mining	72.30	141.2
Processing	45.96	89.8
Site Services	10.40	20.3
G&A	11.36	22.2
<b>Total</b>	<b>140.02</b>	<b>273.5</b>

Capital Cost	Initial (C \$M)	Sust. (C \$M)	LOM (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
Owners Costs	9.1	-	9.1
Closure (Net of Salvage)	-	8.6	8.6
<b>Subtotal</b>	<b>123.0</b>	<b>60.4</b>	<b>183.3</b>
Contingency	12.6	6.4	19.0
<b>Total Capital Estimate</b>	<b>135.6</b>	<b>66.8</b>	<b>202.4</b>



# Proposed Site Layout



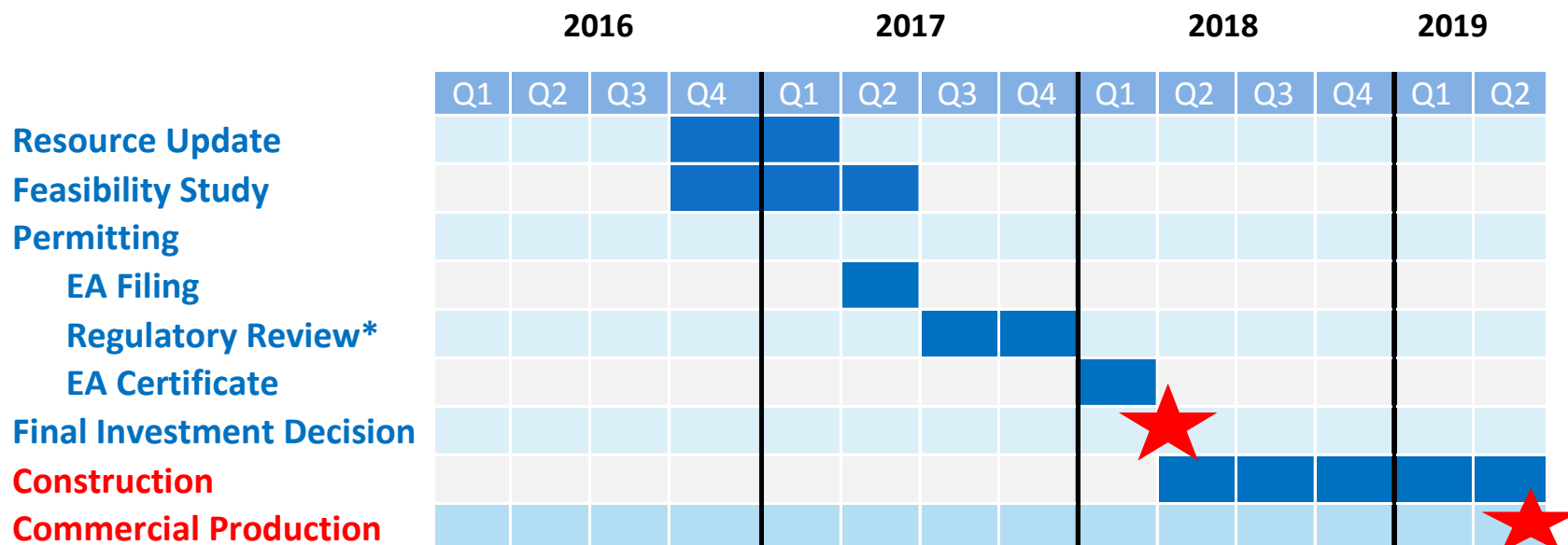
# Project Permitting

- UG mine and small project footprint limit environmental impact and simplify permitting
- Extensive environmental baseline studies completed in project area over past 20 years
- Project Application and EIS submitted July 2017
- Supportive community and positive First Nations engagement
- **Anticipate Environmental Assessment Certificate H1 2018**





# Development Timeline



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

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



## 2017 Drilling Ongoing

### 2016 Underground Step-out and Infill Results (capped at 55 g/t)

- 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
- U16-1204: 15.43 meters true width at 10.97 g/t Au and 9.18 g/t Ag

### Discovery of Multiple New Zones

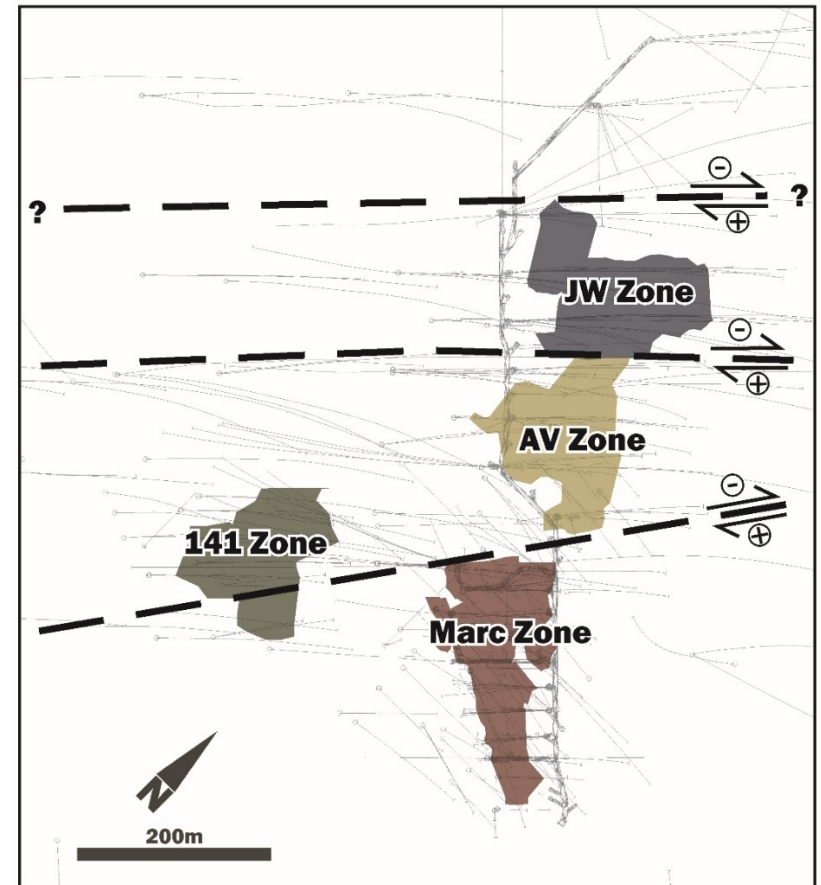
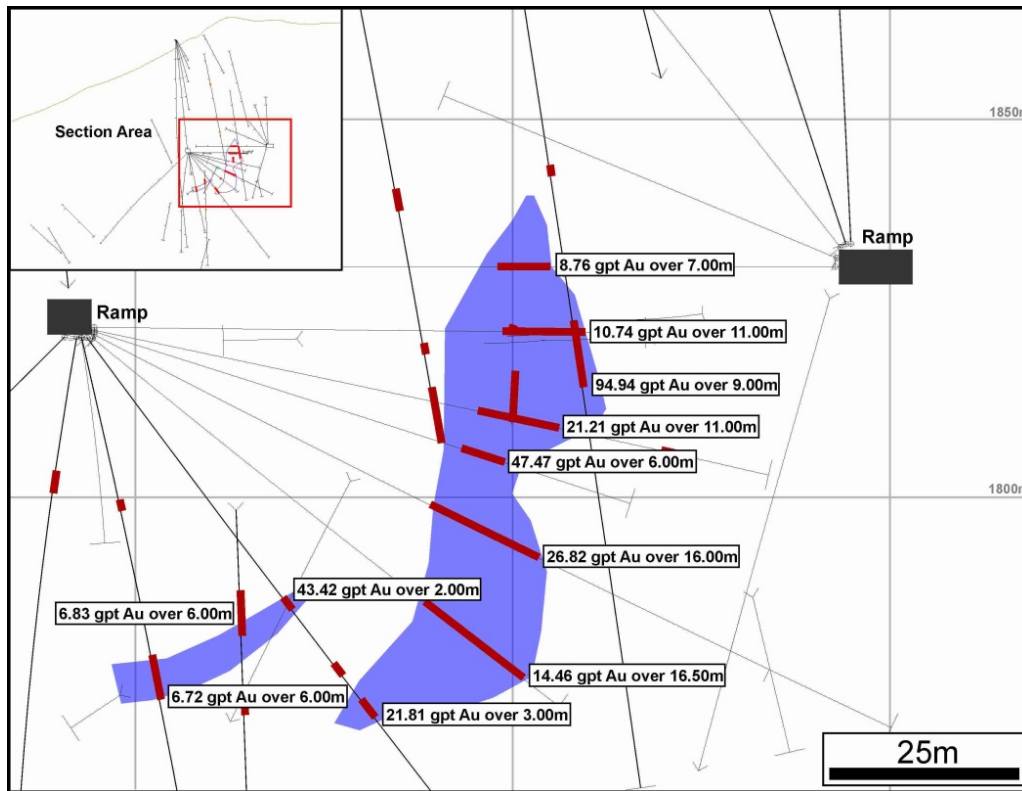
- UG16-1187: 6.00 meters true width at 7.43 g/t Au and 12.51 g/t Ag (NK)
- UG16-1210: 8.02 meters true width at 6.40 g/t Au and 7.42 g/t Ag (JWHW)
- **UG16-1267: 40.0 meters 3.14 g/t Au, incl. 10 meters at 5.48 g/t Au (Smit)**

### 2017 Drill Results To-date (69 holes reported, uncapped)

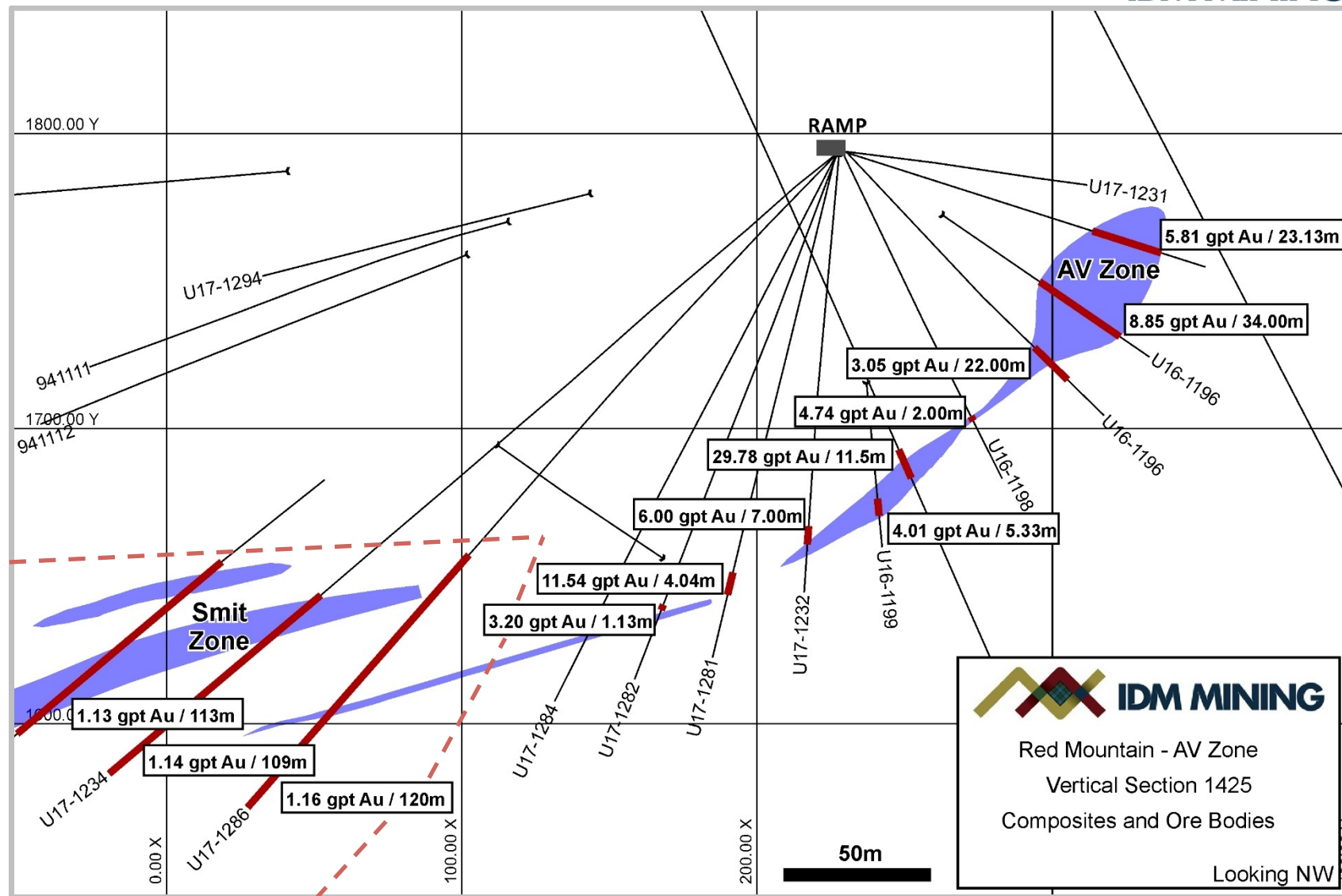
- U17-1229: 6.23 meters true width at 12.95 g/t Au and 48.33 g/t Ag
- U17-1233: 25.00 meters true width at 6.15 g/t Au and 37.69 g/t Ag
- U17-1234: 97.0 meters at 1.24 Au incl: 6.00 m of 6.27 g/t Au
- U17-1245: 8.60 meters true width at 12.33 g/t Au and 70.90 g/t Ag
- U17-1262: 14.00 meters true width at 10.65 g/t and 17.37 g/t Ag
- **U17-1289: 4.88 meters true width at 149.24 g/t Au and 59.88 g/t Ag**
- U17-1296: 6.89 meters true width 26.6 g/t Au and 88.19 g/t Ag



# Geology & Resources

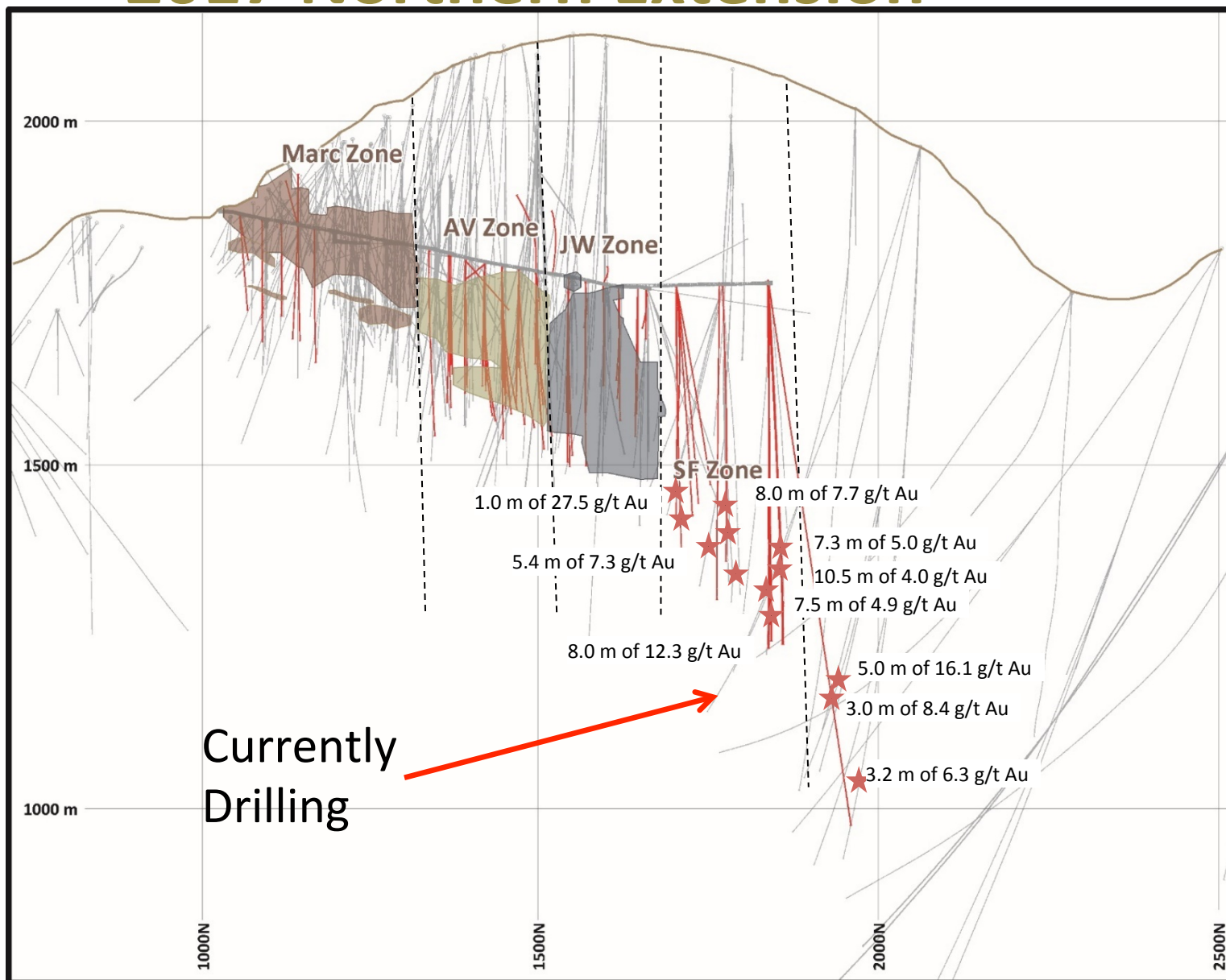


# AV and Smit Zones





# 2017 Northern Extension





## 2017 Resource Estimate

Zone	Class	Tonnage	Au (g/t)	Ag (g/t)	Ounces Au	Ounces Ag
<b>Measured</b>						
Marc		682,000	10.62	38.33	232,800	840,500
AV		519,400	7.73	20.03	129,100	334,500
JW		44,600	10.11	13.21	14,500	19,000
	<b>Total</b>	<b>1,246,000</b>	<b>9.40</b>	<b>29.80</b>	<b>376,400</b>	<b>1,194,000</b>
<b>Indicated</b>						
Marc		32,200	9.69	32.61	10,100	33,800
AV		236,300	9.07	19.25	68,900	146,300
JW		314,200	8.54	17.98	86,300	181,600
141		188,600	4.91	11.10	29,700	67,300
Marc FW		18,100	6.15	12.05	3,600	7,000
Marc Outliers		4,200	3.43	16.77	500	2,300
NK		10,700	5.58	7.57	1,900	2,600
JW Lower		24,300	8.15	26.58	6,400	20,800
	<b>Total</b>	<b>828,700</b>	<b>7.78</b>	<b>17.33</b>	<b>207,300</b>	<b>461,700</b>
<b>M &amp; I Total</b>		<b>2,074,700</b>	<b>8.75</b>	<b>24.82</b>	<b>583,700</b>	<b>1,655,700</b>
<b>Inferred</b>						
Marc		4,500	10.43	43.35	1,500	6,200
AV		43,300	8.13	15.39	11,300	21,400
JW		111,700	6.78	7.39	24,400	26,500
141		15,100	4.67	4.69	2,300	2,300
Marc FW		12,600	5.12	6.38	2,100	2,600
Marc Outliers		7,300	6.54	27.36	1,500	6,400
NK		7,300	5.98	9.05	1,400	2,100
JW Lower		2,000	13.94	9.26	900	600
AV Lower		42,500	5.55	6.05	7,600	8,300
132		78,700	4.73	11.51	12,000	29,100
<b>Inferred</b>	<b>Total</b>	<b>324,700</b>	<b>6.21</b>	<b>10.11</b>	<b>64,800</b>	<b>105,500</b>



# Lost Valley Au-Ag Veins



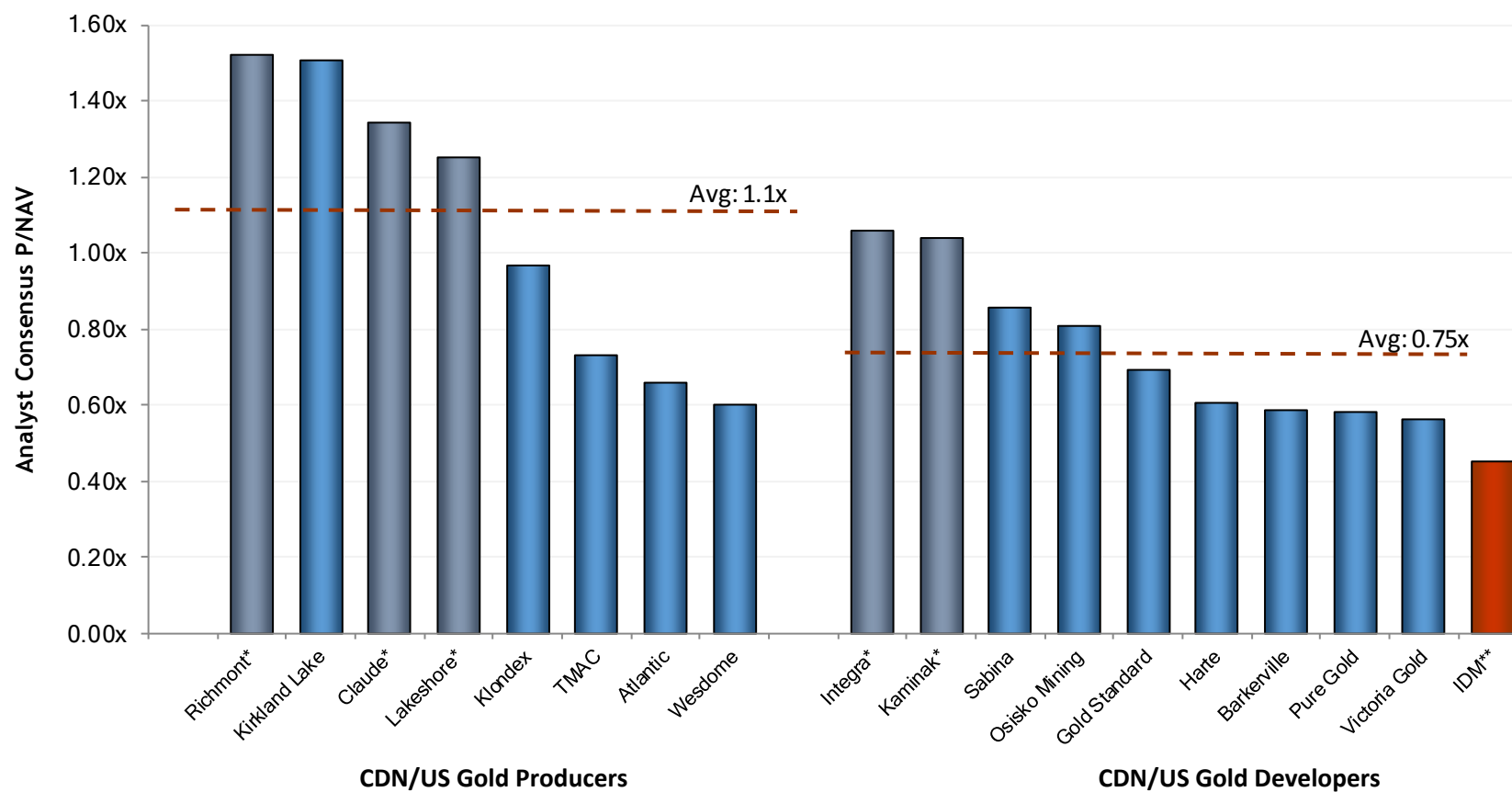
# Near Term Deliverables



Exploration and Resource Expansion Drilling	– Q1 2017 (ongoing)
Publish 43-101 Feasibility Study	– Q2 2017 (done)
File Project Application EA Report	– Q3 2017 (submitted)
Resource Update	– Q1 2018
Environmental Assessment Certificate received	– H1 2018



# IDM Valuation



Source: Haywood Securities Inc.

\* Denotes 2016-2017 Acquisition Multiples

\*\*IDM P/NAV based on 2017 FS using US\$1,250 Au, 0.76 USD to CAD

# Why IDM?

- *High Grade Underground Bulk Mineable Deposit*
- *Positive Feasibility Study*
- *Advanced Permitting*
- *Pro-mining jurisdiction*
- *Affordable with Rapid Payback and Expansion Potential*
- *Excellent Exploration Upside*
- *Strategic shareholder base*

## Challenges

- *6 year mine life*
- *Weather*
- *Steep terrain*





# Trading Symbols

IDM Mining [ TSX.V: IDM – OTC.QB: IDMMF ]



## Contact Us

Rob McLeod – President & CEO

Phone: (604) 617-0616

E-mail: [rm@IDMmining.com](mailto:rm@IDMmining.com)

Mike McPhie – Executive Chairman

Phone: (778) 772-0528

E-mail: [mm@IDMmining.com](mailto:mm@IDMmining.com)

### Investor Relations:

Shobana Thaya

Phone: (416) 807-1009

E-mail: [st@IDMmining.com](mailto:st@IDMmining.com)

Alex Horsley

Phone: (604) 618-3058

E-mail: [ah@IDMmining.com](mailto:ah@IDMmining.com)

### Corporate Office:

Suite 1500 - 409 Granville St.

Vancouver, BC V6C 1T2

Phone: 604-681-5672

Toll-Free: 1-888-681-5672