

IDM MINING LTD. RED MOUNTAIN UNDERGROUND GOLD PROJECT Community Newsletter



ISSUE 3 - SPRING 2017

RESOURCE UPDATE

Our hard work in 2016 paid off!

Based on the exploration drilling conducted last year, IDM has been able to **increase the Measured and Indicated gold ounces by 32%** and to **increase the average grade** from 8.36 grams per tonne to 8.75 grams per tonne. IDM has also expanded mapping of the mineralization along strike to the north, south, and down-dip.

The technical report is available at Sedar.com

What does this mean for Red Mountain?

This is great news for Red Mountain because it means that IDM can speak about the mineral resource with more certainty and confidence. This makes it easier to attract investors and get funding to support the development of the Project.

It also makes Project planning easier because we now have a better idea of how much mineral resource there is to mine and where it is.

continued next page: 'Resource Update Continued: What's the ...'

DRILLER'S ASSISTANT COURSE

In early March, we worked together with More Core (our local diamond driller) and Nisga'a Employment Skills and Training (NEST) to put on a 10-day driller's assistant course for eight Nisga'a citizens. The course participants gained training on working safely with and around diamond drills, both on the surface and underground.

A big thank you to NEST for organizing travel and gear and to More Core for putting on the course and providing food and accommodation in the bunk house.

We look forward to seeing everyone on the drills this spring!





GETTING TO KNOW OUR CHIEF FINANCIAL OFFICER

Hello, my name is Susan Neale, and I am the Chief Financial Officer at IDM. I am a chartered accountant with over 20 years experience in corporate transactions, public markets, in-depth accounting, and auditing. I've worked with mineral exploration, development, and operating companies in Canada and throughout the world.

My job at IDM is to ensure that we have resources and funds to continue exploration and progress towards Red Mountain becoming an operating mine. The best part about my job is laying the financial groundwork of what I believe is a great project for the communities of Stewart, the Nass Valley, and northwest BC. The work that I do keeps our local contractors working.

RESOURCE UPDATE CONTINUED: WHAT'S THE DIFFERENCE BETWEEN MEASURED, INDICATED, AND INFERRED?

To provide certainty and transparency for the mineral exploration industry, the Canadian Securities Administrators (CSA) developed specific terms to describe mineral resources. These are based on the exploration company's level of confidence in the geological information, the quality and quantity of data available on the deposit, the technical and economic information that has been generated about the deposit, and the interpretation of the results. Measured provides a high degree of certainty and confidence for a resource, followed by indicated, and then inferred. **Measured** means that the resource is well defined. **Indicated** means that there is a high level of certainty that the resource is there, but there is less confidence about the details of the resources. **Inferred** resources are based on an understanding of the geology of the area and are not based on actual fieldwork.

The CSA also developed guidelines to designate a Qualified Person who can make professional findings about measured, indicated, and inferred resources.

For more information:

<http://www.amebc.ca/resources-publications/useful-links/exploring-bc>

OPEN HOUSES

Thank you to everyone who attended the open houses in Stewart, Gitwinksihlkw, and Gitlaxt'aamiks last October. It was a pleasure to meet everyone and speak to you about the Project.

We'll be back for more open houses during the BC Environmental Assessment Office's (EAO)'s public comment period on the Application for an Environmental Assessment Certificate.



Stewart Open House



Gitwinksihlkw Open House



ENVIRONMENTAL ASSESSMENT UPDATE

We continue to move the Project through the EA process, in collaboration with Nisga'a Nation, EAO, and the Canadian Environmental Assessment Agency. We've accomplished some major milestones in the last few months!



A low snow year at camp!

DRAFT APPLICATION INFORMATION REQUIREMENTS PUBLIC COMMENT PERIOD

In October 2016, EAO ran a public comment period on the draft Application Information Requirements (dAIR). Members of the public were able to submit comments or questions about the Project to EAO either electronically, by fax, or by mail. We appreciate EAO's effort in running this public comment period and allowing us to hear people's feedback on the Project. We also appreciate the people who took the time to submit thoughtful and sincere questions and comments.

A second public comment period will take place during the Application Review phase of the EA.

FINAL APPLICATION INFORMATION REQUIREMENTS

Following the public comment period and open houses, we worked closely with EAO and Nisga'a Nation to finalize the Application Information Requirements (AIR). The AIR outlines everything that IDM will include in the Project's Application for an Environmental Assessment Certificate. When we submit the Application, it will include a checklist that will confirm that everything listed in the AIR is included in the Application and where to find it.

The final AIR is available on EAO's electronic Project Information and Collaboration website (ePIC): <https://projects.eao.gov.bc.ca/p/red-mountain-underground-gold/docs>

PREPARING THE APPLICATION

We've begun to focus on preparing the Application in advance of submitting it to EAO and the Canadian Environmental Assessment Agency. When IDM submits the Application to EAO, EAO takes 30 days to compare it with the AIR and ensure that the Application is complete. Once EAO confirms that they accept the Application, they will begin the 180-day Application Review phase, which will include a second public comment period and community open houses. During this Application Review phase, IDM, EAO, the Canadian Environmental Assessment Agency, Nisga'a Nation, and the Project's Advisory Working Group will discuss the potential effects of the Project on the environment (including consideration of biophysical, socio-economic, health, and heritage aspects of the environment) and the appropriate measures IDM needs to take to avoid, minimize, mitigate, or otherwise address the identified potential adverse effects. If all goes well, these discussions will become the conditions in the Project's Environmental Assessment Certificate.



FOLLOW RED MOUNTAIN IN THE EA PROCESS

If you are interested in learning more about Red Mountain's EA, all of the documents are available at the following sites:
 EAO's Project Information Centre: <http://www.eao.gov.bc.ca/> | CEEA's Environmental Assessment Registry: www.ceaa-acee.gc.ca/050/index-eng.cfm

DRILLING AND EXPLORATION



Portal entrance

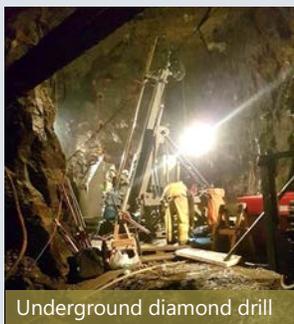
We're back at Red Mountain this spring and summer to do some more underground drilling and geotechnical investigations. We're happy to have our crew from Matrix back, including the Stewart and Nisga'a locals who make the camp a home away from home.

To get the drilling program up and running, IDM has hired Stewart-based David Green as our Mine Manager. We are excited to have David's experience, leadership, and local knowledge to guide the team of miners.

Safety is our priority. Employees are trained in underground mine rescue, avalanche safety, and emergency response.



Equipment near the portal



Underground diamond drill



Nisga'a employees staying warm!



View of camp from portal

DON MCLEOD INDUCTED TO THE MINING HALL OF FAME



IDM Mining is named in honour of Stewart-born miners Ian and Don McLeod. Don was recently inducted to the Canadian Mining Hall of Fame, and his family was on hand to celebrate. Don's career in mining spanned every role, from pack-horse operator to CEO. The tenacity and spirit that led to Don's induction to the hall of fame are qualities IDM hopes to keep alive.

DROP US A LINE ANYTIME



Workshop and equipment near portal

We are IDM Mining Ltd., a Canadian, publically traded company based in Vancouver, listed on the TSX.V:IDM; OTCQB:IDMMF., and led by Stewart-raised Rob McLeod. The gold and silver resources of the Red Mountain Project are our core assets and primary focus.

IDM is committed to developing open dialogue with the residents of Stewart, the Nisga'a Villages, and northwest BC. We will provide you with transparent information about Red Mountain and will be accountable, honest, and timely in responding to your questions and concerns.

