Chibougamau Independent Mines Inc.

ANNUAL REPORT 2014

Table of Contents

President's Message to Shareholders

We began 2014 optimistic that we could either complete a private placement or access some form of financing as we were in the process of evaluating our options in the Chibougamau Mining Camp. This funding would have allowed us to build on the exploration successes in 2013. In the first half of 2014, $34,262 was spent on exploration activities completing the previous year's work and planning for future exploration.

In August, we announced that we planned to complete a private placement of up to 4,000,000 Quebec "flow-through" shares at a price of $0.10 per share and up to 2,500,000 units at a price of $0.08 per unit, each unit being comprised of one common share and one-half of a common share warrant. Unfortunately, due to market conditions the private placement could not be closed at terms favourable to shareholders.

These financing challenges caused Management and the Board of Directors to reconsider the strengths and most significant assets of the Corporation and develop a short and longer term plan to maintain the assets as well as the Corporation's public listings. This reassessment reaffirmed the key assets as:

- A dominant land package in the Chibougamau Mining Camp (9,326 hectares - 23,044 acres),
- Significant exploration targets identified in 2013,
- Eight former copper-gold mines,
- Three unmined deposits:
  - Gold, silver, zinc - Berrigan,
  - Copper, gold - Bateman Bay,
  - Iron/titanium/vanadium - Mont Sorcier.
- No environmental liabilities,
- Committed and experienced Board of Directors,
- Excellent community relations, as well as,
- Access to an experienced exploration management team.

As a result of the exploration activities in 2013, the Corporation has met its assessment requirements for 2015 and will only require limited expenditures in 2016. On December 15, 2014, CIM completed a loan arrangement which will provide up to $100,000 and enable the Corporation to maintain its properties, meet its ongoing administrative expenses, as well as maintain its TSXV listing. Further details of this arrangement and the financial results for 2014 are outlined in the 2014 Audited Financial Statements and Annual Management Discussion and Analysis.

Our achievements would not have been possible without the contributions of our directors, employees, consultants, professional advisors, contractors and suppliers. I would also like to thank our shareholders for their continued support and appreciation of our efforts during these exceptionally difficult times.

Despite the difficulties in 2014, we believe that the Corporation holds first-class properties and has access to the necessary and corporate resources needed to maintain the Chibougamau Mining Camp Properties until appropriate financing becomes available.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2014

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Chibougamau Independent Mines Inc's. ("CIM", the "Corporation" and "we") results of operations, financial performance and current business environment. This MD&A, which has been prepared as of February 27, 2014 and should be read in conjunction with the audited annual financial statements and the related notes, for the two years ended December 31, 2014 and December 31, 2013.

Table of contents

HIGHLIGHTS

- During 2013, the CIM spent $1,434,645 on deferred exploration expenses which represented all of the "flow-through" funds raised in December 2012. As announced in a press release in August 2014, CIM anticipated completing a private placement of up to 4,000,000 Quebec "flow-through" shares and up to 2,500,000 units which could generate $400,000 of "flow-through" funds and $200,000 for working capital purposes. In the fourth quarter of 2014, due to market conditions we concluded that a private placement could not be closed at terms which were favourable to shareholders.

- On December 15, 2014, CIM completed a loan arrangement which will provide up to $100,000 which will enable the Corporation maintain its properties, meet its ongoing administrative expenses as well as maintain its TSXV listing. This resulted in the Corporation having cash and cash equivalents of $58,912 at December 31, 2014 (December 31, 2013 - $170,798). See page 18, for further details.

- For the year ended December 31, 2014, the Corporation reported a loss of $4,053,524 (2013 - $3,479,406) which includes an impairment provision against mineral properties and deferred exploration expenses of

$3,908,407 (2013 - $2,986,631). See pages 5, 7 - 9, for further details.

FORWARD-LOOKING STATEMENTS

Certain information in this MD&A, including any information as to the Corporation's future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute "forward-looking statements." The words "expect", "will", "intend", "estimate", and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

This document may contain forward-looking statements reflecting the management's expectations with respect to future events. Actual results may differ from those expected. The Corporation's management does not assume any obligation to update or revise these forward-looking statements as a result of new information or future events except as required by law.

ECONOMIC ENVIRONMENT AND STRATEGY

Uneven economic growth was one of the hallmarks of 2014 with growth accelerating nicely in the U.S. and U.K. while Japan and Europe posted disappointing results. China posted a growth rate of 7.4% which was down from 10%. In addition to these growth rates, additional uncertainties in the economic outlooks arose as a result of the tremendous declines in oil price and political uncertainties in Russia and the Middle East. These factors are reflected in depressed metal prices:

Summary of Metal Prices

2011 – Current 2015

Commodities (USD)	**Current[1]**	**December 31,**			
		2014	**2013**	**2012**	**2011**
Gold ($/oz)	1,206	1,180	1,205	1,656	1,563
Silver ($/oz)	16.46	15.70	19.44	30.06	27.63
Nickel ($/pound)	6.34	6.68	6.31	7.89	8.23
Copper ($/pound)	2.65	2.85	3.35	3.61	3.43
Zinc ($/pound)	0.93	0.98	0.92	0.92	0.87
					Table 1

Note:

1. Current prices represent the prices as of the approval date of the MD&A.

Precious and base metal prices continue to be volatile. Iron prices have fallen significantly.

During the last three years, the market value of many large mining companies have declined significantly while at the same time junior mining companies share prices have been decimated. Many of these junior mining companies are TSXV listed companies and during the last three years, the S&P/TSX Venture Composite has declined by 51%. (December 31, 2011 - 1,411; December 31, 2014 - 696). It is almost impossible for these companies to successfully complete an equity financing at this time. In CIM's case, its shares began trading on January 25, 2013 at an average price of $0.21 per share and experienced a dramatic decline to its current pricing of $0.03 per share.

In order to protect CIM's property interests and its TSXV listing, during 2014, CIM reduced its administration expenses to a minimum, secured a loan facility and explored various financing options.

CIM's longer-term strategy is to continue exploring various options to acquire financing at a reasonable cost and move forward with an effective exploration program on its properties in the Chibougamau Mining Camp.

EXPLORATION ACTIVITIES AND MINING PROPERTIES

The Corporation conducts exploration activities in compliance with "Exploration Best Practices Guidelines" established by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) standards with exploration programs planned and managed by "Qualified Persons" who ensure that QA/QC practices are consistent with National Instrument (NI) 43-101 standards. On all projects, diamond drill core is marked by a geologist and subsequently split, with one-half of the core analyzed, in the case of gold, by standard fire assay with atomic absorption or gravimetric finish at an independent, registered commercial assay laboratory. The second-half of the core is retained for future reference, except in the case when a duplicate sample is collected for "quality assurance and quality control" (QA/QC) purposes. In that case, the duplicate sample is collected as a sawn, quartered-core sample taken from the second-half of the retained sample, and only a quarter of the core remains in the core tray for that particular interval. Other elements may also be determined in an industry acceptable manner, for either geochemical trace signatures or high grade metal content.

When discussing historical resource calculations available in the public domain regarding CIM's properties, CIM will include source, author and date, and cautionary language stating that:

- A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or reserves;
- CIM is not treating the historical estimate as current mineral resources or mineral reserves; and
- The historical estimate should not be relied upon.

OVERVIEW – CHIBOUGAMAU MINING CAMP

In 2010, Globex Mining Enterprises Inc. ("Globex") acquired a significant number of properties in the Chibougamau Mining Camp as detailed in previous MD&A's. In 2012, Globex management concluded that the best way to "unlock" the value of the Chibougamau assets and to position Globex shareholders to participate directly in future growth opportunities as these properties were explored and advanced towards production, was to establish a separate company and "spin out" the assets. This approach would also position the Corporation for future financing.

On September 10, 2012, Globex and CIM entered into an Arrangement which resulted in the reorganization of the Corporation's capital and resulted in the transfer of cash, investments, as well as the transfer of ten properties from Globex to CIM subject to a 3% "gross metal royalty" in favor of Globex.

On December 29, 2012, (the "Effective Date"), Globex completed the reorganization by way of a Plan of Arrangement which resulted in the transfer of cash of $503,006, investments with a fair market value of $72,903 and ten mining properties with a fair market value of $6,429,175. At that date, each Globex shareholder was eligible to redeem one old Globex share for one New Globex Common Share and one common share of CIM which resulted in the issuance of 27,896,018 CIM common shares. The CIM shares began trading on the TSX Venture Exchange on January 25, 2013, under the symbol CBG.

PROPERTY OVERVIEW:

The overview which follows highlights the Chibougamau Mining Camp. As properties are acquired and subdivided, the overview as presented on the Corporation's web-site (www.chibougamaumines.com,) is updated.

Property Overview

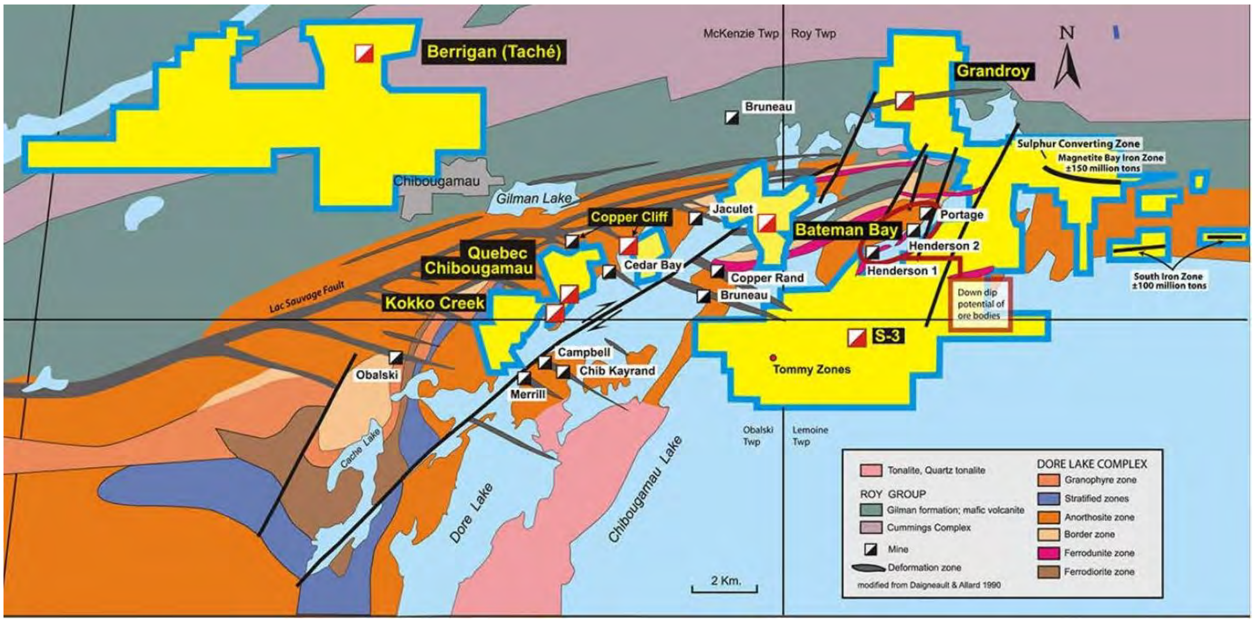

Figure 1

EXPLORATION ACTIVITIES IN 2013 and 2014:

In December 2012, CIM raised $1,417,799 flow-through funds which financed the 2013 exploration expenditures of $1,434,285 incurred on the various properties with the bulk of the expenditures concentrated on Bateman Bay, Berrigan South and Berrigan Mine, Lac Chibougamau, Lac Élaine (Berrigan West) and Mont Sorcier properties.

The 2013 Annual MD&A outlines the objectives and results from the exploration activities. Late in 2013, Management had hoped to raise significant exploration funds, but concluded that a financing at that time would be too dilutive and therefore not in the best interests of the shareholders. In addition, we explored various opportunities to Option or Joint Venture a number of properties.

During the year ended December 31, 2014, exploration expenditures of $43,314 (2013 - $1,434,285 were incurred on the various properties which mainly represented geology and labour costs related to completing 2013 programs and planning future exploration programs. The exploration expenditures by quarter were as follow:

	December 31, 2014	December 31, 2013
Q1	**$ 26,558**	$ 499,300
Q2	**7,704**	125,765
Q3	**6,362**	539,608
Q4	**2,690**	269,612
	$ 43,314	$ 1,434,285

QUALIFIED PERSON

All scientific and technical information contained in this MD&A was prepared by the Corporation's geological staff under the supervision of R.V. Zalnieriunas, P. Geo., who is a qualified Person under NI 43-101.

RESULTS OF OPERATIONS
Selected Annual Information

		2014		2013		2012
Other income	$	(170,052)	$	170,164	$	-
Administrative expenses		(166,664)		(609,160)		(63,907)
Impairment of mineral properties and deferred exploration expenses		(3,908,407)		(2,986,631)		-
Total expenses		(4,075,071)		(3,595,791)		(63,907)
Loss before taxes		(4,245,123)		(3,425,627)		(63,907)
Income and mining taxes (recovery)		(191,599)		53,779		-
Income (loss) and comprehensive income (loss) for the year		(4,053,524)		(3,479,406)		(63,907)
Income (loss) per common share - Basic and Diluted	$	(0.12)	$	(0.11)	$	(0.71)
Total Assets	$	1,505,732	$	5,698,372	$	9,538,763
Other non-current financial liabilities	$	44,026	$	-	$	327,184

Variation in results

CIM was inactive until late in 2012 at which time the assets were "spun out" under the Plan of Arrangement from Globex Mining Enterprises Inc. to CIM. The administrative expenses of $63,907 in 2012 mainly reflects audit expenses of $42,000 covering the audits for 2012, 2011 and 2010 as well as other administration expenses of $21,907 including insurance and outside services.

In 2013, the Corporation incurred total administrative expenses of $609,160 including Management services of $342,716 which represented administrative, compliance, corporate secretarial, risk management support and advisory services.

In 2014, the Corporation spent limited amounts on exploration expenses with the result that the administrative expenses totaled only $166,664 in 2014 as compared to $609,160 in 2013.

In addition to the administrative expenses, in 2014, an impairment provision of $3,908,407 (2013 - $2,986,631) was recorded with $3,520,419 charged against the carrying value of properties and $387,988 against deferred exploration expenses. .

FOURTH QUARTER TRANSACTIONS

On December 15, 2014, CIM entered into a $100,000 loan with GJSL under which $50,000 was advanced on that date and the second tranche of $25,000 will be disbursed on March 15, 2015 and the third tranche of $25,000 will be disbursed on June 15, 2015. The proceeds from the loan will be used for working capital. The loan will mature on December 15, 2016 and will bear interest at an annual rate of 12%, compounded and payable on the maturity date. The loan will be secured by a hypothec and security interest on all of Chibougamau Independent Mines Inc's assets. In consideration for the loan, CIM has issued 1,000,000 non-transferrable common share purchase warrants to GJSL each of which will entitle GJSL to purchase one common share of CIM at a price of $0.05 until December 15, 2016.

On December 23, 2014, the TSX Venture Exchange conditionally approved the loan and the warrants to be issued to GJSL. Any conversion of the loan into shares of CIM upon its maturity will be subject to the prior approval of the TSX Venture Exchange.

As a result of not closing a financing in the fourth quarter, CIM management recognized the need to review the carrying value of the mining properties and deferred exploration considering the status of the claims and assessment credits, as well as budgets and plans for the properties. The impairment provision of $3,908,407 (2013 - $2,986,631) reflects the current challenges related to raising sufficient financing to explore the CIM properties.

SUMMARY OF QUARTERLY RESULTS

The following table shows selected results by quarter for the last eight quarters:

	2014				2013			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total expenses	3,906,530	33,699	57,312	77,530	3,089,518	96,056	199,970	210,247
Other income (expenses)	48,613	(72,862)	(48,602)	(97,201)	48,626	121,519	48,621	(48,602)
Income (loss)	(3,695,533)	(102,838)	(98,955)	(156,198)	(2,948,537)	(41,943)	(167,304)	(321,622)
Income (loss) per share								
- Basic and diluted	$ (0.11)	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.09)	$ (0.00)	$ (0.01)	$ (0.01)

The 2014 fourth quarter loss of $3,695,533 was higher than the loss of $102,838 in the third quarter of 2014 mainly as a result of the impairment provision of $3,882,162 which was recorded as a result of the management review of the carrying values of the mining properties and deferred exploration expenses.

The loss of $102,838 in the third quarter of 2014 is comparable to loss of $98,955 in the second quarter of 2014. Total expenses in the third quarter were lower than the second quarter of the current year mainly as there was no stock-based compensation expense in the second quarter as compared to $23,298 in the second quarter.

The loss of $98,955 in the second quarter of 2014 was lower than the loss of $156,198 in the first quarter of 2014 mainly as a result of a lower decline in the fair value of financial assets as reflect in the lower other expenses.

The loss of $156,198 in the first quarter of 2014 was lower than the loss of $2,948,537 in the fourth quarter of 2013 mainly as a result of a reduced impairment provision. In the fourth quarter of 2013, an impairment provision of $2,986,631 was recorded whereas in Q1 2014, the impairment provision was $20,296 in Q1. The other expense of $97,201 in the first quarter of 2014 compare to other income of $48,626 in the fourth quarter of 2013. The expenses in Q1 2014 reflect the decline in the fair value of equity investments.

The 2013 fourth quarter loss of $2,948,537 was higher than the loss of $41,943 in the third quarter of 2013. In the fourth quarter, the expenses of $3,089,518 were $2,993,462 higher than the third quarter expenses of $96,056 mainly as a result of an impairment provision of $2,986,631. The other income in the fourth quarter of $48,626 as compared to $121,519 in the third quarter reflects the change in the fair value of equity investments.

The loss of $41,943 in the third quarter ended is lower than the loss of $167,304 in the second quarter of 2013 mainly because of an increase of the fair value of financial assets in the third quarter of $121,519 compared to an increase of $48,602 in the second quarter. In addition, the total expenses in the third quarter were lower than the second quarter as a result of a reduction in the year to date charges for management services provided by Globex of $120,961.

The 2013 second quarter loss of $167,304 was lower than the loss of $321,622 in the first quarter of 2013 mainly because of an increase in the fair value of financial assets of $48,621 as compared to a decrease in the fair value of the financial assets which was recorded in the first quarter.

The loss of $321,622 in the first quarter of 2013 was greater than the loss of $40,547 in the fourth quarter of 2012 mainly as the Corporation incurred administration expenses of $210,247 compared to $40,547 in the fourth quarter. The expenses in the first quarter of 2013 included the costs associated with the completion of the TSXV listing which was completed on January 25, 2013. In the first quarter of 2013, a provision for income and mining taxes of $62,773 was recorded related to flow-through shares as a result of exploration activities.

RESULTS OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2014

Total expenses year ended December 31, 2014 - $4,075,071 (December 31, 2013 - $3,595,791)

The total expenses of $4,075,071 were $479,280 higher than last year's total of $3,595,791 mainly as a result of the increase in the impairment provision in the current year.

Administration

- The nature of the administration expenses are further detailed in note 19 to the financial statements. The administration expenses consist of office supplies and maintenance, shareholder information, information technology, advertising & promotion and part Xii.6 tax related to flow-through shares as well as insurance and other.

- During 2014, the administrative expenses totaled $18,981 as compared to $51,642 representing a reduction of $32,661 with $10,135 related to a reduction in office supplies & maintenance, a reduction of $13,425 related to Part Xii.6 tax with the remainder of $9,101 related to other administrative items.

Transfer Agent and filing fees

- During 2014, the transfer agent and filing fees totaled $30,194 as compared to $61,267 in 2013. The 2013 transfer agent fees included initial account set up and share issuance costs of $30,559 which were not incurred in the current year.

Legal

- During 2014 the legal expenses totaled $15,088 as compared to $58,974 in 2013. The 2013 expenses included final expenses of $50,964 related to securing the Company's TSXV listing.

Audit and accounting

- The audit and accounting expenses for 2014 of $28,190 show a minor increase of $470 from 2013.

Management Services

- On December 29, 2012, CIM entered into a Management Services Agreement with Globex under which the Corporation would receive management services including administrative, compliance, corporate secretarial, risk management support and advisory services.

- The Management Service fees of $50,400 during the year ended December 31, 2014 (December 31, 2013 - $342,716) represent Globex's estimate of the specific costs related to performing these services. The charges in 2014 were significantly lower than the previous year as there was very little activity with virtually no exploration expenditures. In 2013, significant management effort was also directed towards establishing processes and systems for the newly TSXV listed company.

Amortization of financing costs

- The $250 represents the amortization of the financing costs for the long-term loan. There was no comparable expense in 2013.

Interest expense on long-term loan

- The $263 represents accrued interest on the long-term loan. There was no comparable expense in 2013.

Share-based compensation

- The share based compensation expense of $23,298 during the year ended December 31, 2014 represents the fair value (fair value of $0.055 per share) of 425,000 options which were issued (immediately vested) on June 17, 2014 to an employee and director. In 2013, the share based compensation of $66,841 represented the fair market value of $0.092 per share for the 725,000 options issued to Directors and Employees of the Corporation.

Impairment of mineral properties and deferred exploration expenses

- IFRS 6, *Exploration for and Evaluation for Mineral Resources*, outlines facts and circumstance which indicate that an entity should test exploration and evaluation assets for impairment. In CIM's case, the relevant circumstances include; (a) whether the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed and (b) substantive expenditure on further exploration for and evaluation of mineral resources is neither budgeted nor planned.

- As a result of not closing a financing in the fourth quarter of 2014, CIM management reviewed the carrying value of the mining properties and deferred exploration expenses considering the status of the claims and assessment credits, as well as budgets and plans for the properties. The impairment provision of $3,908,407 (2013 - $2,986,631) reflects recent changes in gold and copper prices, financing challenges for junior exploration companies, external benchmark prices for properties with similar characteristics as well as CIM's short-term priorities and exploration plans. It reflects a charge against mineral properties of $3,520,419 (2013 - $2,900,000) and exploration expenses of $387,988 (2013 - $86,631).

Mineral properties

	December 31, 2013	Additions 2014	Impairment and write-offs 2014	December 31, 2014
Bateman Bay	$ 647,058	$ -	$ (580,282)	$ 66,776
Berrigan South and Berrigan Mine	1,081,962	-	(970,304)	111,658
Lac Chibougamau	1,657,935	-	(1,486,696)	171,239
Copper Cliff Extension	18,375	-	(18,375)	-
Grandroy	69,675	-	(69,675)	-
Kokko Creek	64,650	-	(57,978)	6,672
Lac Élaine (Berrigan West)	141,377	123	(141,500)	-
Lac Antoinette	81,297	-	(81,297)	-
Mont Sorcier (Sulphur Converting Property and Magnetite Bay)	52,091	219	(46,912)	5,398
Québec Chibougamau Goldfields	63,500	-	(63,500)	-
Virginia Property	3,900	-	(3,900)	-
	$ 3,881,820	$ 342	$ (3,520,419)	$ 361,743

Deferred exploration expenses

	December 31, 2013	Additions 2014	Impairment and write-offs 2014	December 31, 2014
Bateman Bay	$ 256,042	$ 1,244	$ -	$ 257,286
Berrigan South and Berrigan Mine	329,948	620	-	330,568
Lac Chibougamau	270,910	10,213	(146,775)	134,348
Copper Cliff Extension	25,211	223	(25,434)	-
Grandroy	67,340	449	(67,789)	-
Kokko Creek	86,677	278	-	86,955
Lac Élaine (Berrigan West)	119,522	585	(120,107)	-
Lac Antoinette	-	242	(242)	-
Mont Sorcier (Sulphur Converting Property and Magnetite Bay)	190,931	2,892	-	193,823
Québec Chibougamau Goldfields	800	-	(800)	-
Virginia Property	-	140	(140)	-
Buckell Lake	111	-	(111)	-
Lac Simon	162	183	(345)	-
General exploration and other	-	26,245	(26,245)	-
Quebec refundable tax credit recovery	-	(2,540)	-	(2,540)
	$ 1,347,654	$ 40,774	$ (387,988)	$ 1,000,440

- As a result of the technical reports related to the Berrigan and Lac Chibougamau properties, as well as the results of the 2013 exploration programs and activities, exploration plans have been developed for the following properties which are deemed as projects of merit:
  - Bateman Bay,
  - Berrigan (Tache),
  - Lac Chibougamau.
  - Kokko Creek,
  - Mont Sorcier,

- If additional funding was available, then CIM would consider Québec Chibougamau Goldfields , Copper Cliff, and Grandroy as medium term projects. While the Corporation has made an impairment provision against the properties, all of the claims are in good standing and assessment credits are up to date for 2014 and 2015. Management still strongly believes that the exploration targets identified in 2013 should be further explored.

Other income (expenses)

- The other expenses of $170,052 mainly represent the decline in the fair value of the 4,860,200 Mag Copper Limited shares which CIM received under the Plan of Arrangement. In 2013, the Corporation recorded an increase in the fair value of the shares of $170,107.

Income and mining taxes (recovery)

- During the year end December 31, 2014, CIM recorded an income and mining tax recovery of $191,599 as compared to a provision of $53,779 in 2013. The recovery in 2014 combines the deferred tax impact of the change in the fair value of the financial assets and timing differences related to mining properties and deferred exploration whereas in 2013 the provision reflects the net deferred tax impact of qualified Canadian exploration expenditures renounced to subscribers.

FINANCIAL POSITION – DECEMBER 31, 2014

Total assets

At December 31, 2014, the total assets were $1,505,732 which represented a decrease of $4,192,640 from the balance of $5,698,372 at December 31, 2013. The change mainly reflects the impact of the impairment provision against mineral properties and deferred exploration of $3,908,407.

Liabilities

At December 31, 2014, CIM had total current liabilities of $20,278 (December 31, 2013 - $56,488). The reduction is mainly related to the lower level of activities during the year.

At December 31, 2014, CIM owed Globex Mining Enterprises Inc. $15,382 (December 31, 2013 – Nil) which represented unpaid management services.

At December 31, 2014, CIM reported a net liability to Jack Stoch Geoconsultant Services Ltd of $28,644. (December 31, 2013 – Nil) which represented $50,000 advanced under a loan arrangement on December 15, 2014, along with accrued interest and offsetting financing costs in the form of warrants. Further details are provided on page 18.

Deferred tax liabilities

At December 31, 2014, deferred tax liabilities were reported at $189,364 compared to $380,963 at December 31, 2013. The change of $191,599 mainly reflects the impact of the reduction in the carrying value of mining properties as a result of the impairment provision.

These liabilities represent management’s best estimate of future taxes that will be payable if income is earned, based on substantially enacted legislation as well as current operating plans and tax strategies. They reflect the Canadian Eligible Exploration Expenditures which have been renounced to shareholders under flow-through share arrangements and therefore not available as a reduction in taxable income.

Owners' equity

Owners' equity of the Corporation, consists of common shares, warrants, and the deficit which totaled $1,252,064 at December 31, 2014 (December 31, 2013 - $5,260,921). The reduction mainly reflects the loss of $4,053,123 for the year end December 31, 2014.

Common Shares

At December 31, 2014, the Corporation had 32,477,248 common shares outstanding which is unchanged from December 31, 2013.

Warrants

At December 31, 2014, there were 1,000,000 warrants outstanding which were issued on December 15, 2014 in connection with the loan from Jack Stoch Geoconsultant Services Ltd. These warrants have an ascribed value of $21,369.

LIQUIDITY, WORKING CAPITAL, CASH FLOW AND CAPITAL RESOURCES

At December 31, 2014, the Corporation had cash and cash equivalents of $58,912 (December 31, 2013 - $170,798).

Working Capital

The Corporation had working capital (based on current assets minus current liabilities) of $123,271 including equity investments with a fair value of $72,903. The Mag Copper Limited investments are considered to be non-active.

Cash Flow

During the year ended December 31, 2014, $142,798 (December 31, 2013 - $542,262) **was used in operating activities** and $7,146 was generated from changes in non-cash operating working capital items (used – December 31, 2013 - $32,064).

In the year end December 31, 2014, the **financing activities** for the year generated $64,882. These financing activities consisted of the $50,000 received under the loan arrangement with Jack Stoch Geoconsultant Services Ltd, less financing costs of $500 and related party advances from Globex Mining Enterprises Inc. of $15,382. There were no comparable financing activities in 2013.

In the year ended December 31, 2014, $43,656 (December 31, 2013 - $1,786,930) was invested in the acquisition of mineral properties and deferred exploration expenses while a Quebec refundable tax credit recovery of $2,540 (2013 – Nil) was received.

These operating, financing and investing activities resulted in a net decrease in the cash and cash equivalents of $111,886 for the year ended December 31, 2014 as compared to a decrease of $2,361,256 in 2013.

Capital Resources

The Corporation has no operating revenues and therefore must utilize its funds obtained from equity financing and other financing transactions to maintain its capacity to meet ongoing exploration and operating activities.

In August 2014, CIM announced a private placement of up to 4,000,000 Quebec "flow-through" shares at a price of $.10 per share and up to $2,500,000 units at a price of $0.08 per unit, each unit being comprised of one common share and one-half of a common share warrant. Unfortunately due to market conditions the private placement could not be closed at terms which were favourable to shareholders.

As a result on December 15, 2014, CIM entered into a loan arrangement with Jack Stoch Geoconsultant Services Limited which will provide up to $100,000. The loan was designed to provide the Corporation with sufficient cash to meet the ongoing listing requirements as a TSXV listed company which include adequate working capital or financial resources of the greater of: (a) $50,000 and (b) the funding required to maintain operations and fund general and administrative expenses for a period of 6 months. Currently, management has estimated the ongoing costs to be approximately $61,000 for 2015 based on very limited operations which will be covered by the loan arrangement. The Corporation has also met all of its 2014 and 2015 property assessment requirements.

At the present time, the Corporation is exploring also various options to generate sufficient funding to re-establish exploration activities and meet its longer term working capital requirements.

FINANCIAL INSTRUMENTS

Capital risk management

The Corporation manages its common shares, stock options, warrants and retained earnings (deficit) as capital. Its principal source of cash is from the issuance of common shares. The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern while it pursues its objective of evaluating, enhancing the value and acquiring additional properties or business assets.

The Corporation manages the capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, CIM may attempt to issue new shares.

The Corporation's investment policy is to invest its short-term excess cash in highly-liquid short-term interest-bearing investments with short-term maturities, selected with regards to the expected timing of expenditures related to continuing operations.

Financial risk management objectives

The Corporation's financial instruments are exposed to certain financial risks including credit risk, liquidity risk, and interest rate risk.

(a) Credit Risk

The Corporation had cash and cash equivalents of $58,912 at December 31, 2014 (December 31, 2013 - $170,798). These funds are subject to a combination of the $100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation ("CDIC"), a federal Crown Corporation.

The Corporation does not believe that it is subject to any significant concentration of credit risk. Cash and Cash equivalents are in place with major financial institutions.

The maximum exposure to credit risk was:

	December 31 2014	December 31, 2013
Cash and cash equivalents	**$ 58,912**	$ 170,798
Investments	**72,903**	-
Taxes receivable (1)	**714**	45,683
Distribution receivable	**-**	243,010
	$ 132,529	$ 459,491

1) Taxes receivable of $714 (December 31, 2013 - $45,683) represent G.S.T. and Q.S.T. recoverable and therefore are not subject to credit risks.

(b) Liquidity Risk

Liquidity risk represents the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through its capital structure and by continuously monitoring actual and projected cash flows. The Corporation finances its exploration activities through flow-through shares, operating cash flows and the utilization of its liquidity reserves.

The Board of Directors reviews and approves the Corporation's operating and capital budgets, as well as any material transaction out of the ordinary course of business.

(c) Equity market risk

Equity market risk is defined as the potential adverse impact on the Corporation's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Corporation closely monitors the general trends in the stock markets and individual equity movements, and determines the appropriate course of action to be taken.

The Corporation currently holds investments which were transferred from Globex under the Plan of Arrangement. Based on the fair market value of the investments of $72,903 at December 31, 2014, a 10% increase or decrease would impact Income and Loss by $7,290.

(d) Fair value measurements recognized in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable data (unobservable inputs).

December 31, 2014		Level 1		Level 2		Level 3		Total Financial Assets at fair Value
Financial assets								
Equity investments	$	-	$	72,903	$	-	$	72,903
	$	-	$	72,903	$	-	$	72,903

The fair value of the equity investments has been measured using the quoted price of the related shares on the market which has been determined non-active.

December 31, 2013		Level 1		Level 2		Level 3		Total Financial Assets at fair Value
Financial assets								
Distribution receivable (Equity investments)	$	-	$	243,010	$	-	$	243,010
	$	-	$	243,010	$	-	$	243,010

CHANGES IN ACCOUNTING POLICIES

In 2014, the following standards, amendments and interpretations became effective and have been applied in Globex's consolidated financial statements for the year ended December 31, 2014 as described below.

Amendments to IFRS 2, Share-based Payment:

In the second quarter of 2014, the IASB issued Amendments to IFRS 2, *Share-based Payment*. The amendments changed the definitions of "vesting condition" and "market condition" in the Standard, and added definitions for "performance condition" and "service condition." It also clarified that any failure to complete a specified service period, even due to the termination of an employee's employment or a voluntary departure, would result in a failure to satisfy a service condition. This would result in the reversal, in the current period, of compensation expense previously recorded reflecting that the employee failed to complete a specified service condition. These amendments are effective for transactions with a grant date on or after July 1, 2014 and had no impact on the Corporation's financial statements.

Amendments to IAS 32, Financial Instruments: Presentation:

IAS 32, Financial Instruments: Presentation ("IAS 32") was amended by the IASB in December 2011. The amendment clarifies that an entity has a legally enforceable right to offset financial assets and financial liabilities if that right is not contingent on a future event and it is enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014. The amendment had no impact on the Corporation's consolidated financial statements

Amendments to IAS 36, Impairment of Assets:

In May 2013, the IASB adopted amendments that more accurately reflect the IASB's previous decision to require:

- the disclosure of the recoverable amount of impaired assets; and
- additional disclosures related to the measurement of the recoverable amount of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount.

The amendments are effective for annual periods on or after January 1, 2014. This amendment did not have an impact on the Corporation's financial statements.

IFRIC 21, Levies:

This new interpretation was issued by the IASB in May 2013. IFRIC 21 provides guidance on the accounting for levies within the scope of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. The main features of IFRIC 21 are as follows:

- defines a levy as an outflow of resources or economic benefits that is imposed by governments in accordance with laws and/or regulations, other than (a) those within the scope of IAS 12 Income Taxes and (b) fines or other penalties that are imposed for breaches of the legislation.
- the obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation; and
- the liability to pay a levy is recognized progressively if the obligating event occurs over a period of time.

This interpretation is effective for annual periods on or after January 1, 2014. This interpretation did not have an impact on the Corporation's financial statements.

SIGNIFICANT ACCOUNTING ASSUMPTIONS, JUDGMENTS AND ESTIMATES

The preparation of financial statements under the principles of IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about such judgments and estimates is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarized below. Areas of judgment that have the most significant effect on the amounts recognized in the financial statements are:

(a) Fair value of investments

Under the plan or arrangement, CIM received common shares of a Junior Mining Company which is in the development stage. CIM attempts to determine the fair value of these shares based on published price quotations in an active market. However, as a result of the strategic nature or volume of trading in the market, the quoted price may not be representative of the price that these shares could be sold to a willing arm's length party. These valuation issues could also impact the fair value measurement of financial assets at each period end.

(b) Impairment of mineral properties and deferred exploration expenses

At the end of each reporting period, the Corporation considers whether there has been an impairment of its mineral properties as well as deferred exploration expenses. If the Corporation determines that there has been impairment then it must estimate the recoverable amount and selling costs resulting in a net recoverable amount. As a result of the limited information available, it requires significant management judgment in estimating a net recoverable amount.

(c) Estimate of share-based compensation

The estimate of share-based compensation requires the selection of an appropriate valuation model and consideration of the inputs necessary for the model chosen. The Corporation has made estimates of the volatility of its own shares, the probable life of options granted, interest rates, and the time of exercise of those options. The Corporation uses the Black-Scholes valuation model to calculate the fair value of the share-based compensation and payment costs.

(d) Deferred tax balances

The Corporation uses the asset and liability method in accounting for deferred income taxes and mining duties. Under this method, deferred income taxes are recognized for future income tax in preparing these estimates, management is required to interpret, substantially enacted legislation as well as economic and business conditions along with management's tax and corporate plans which may impact taxable income in future periods.

(e) Estimate of fair value of Warrants:

The estimate of the fair value of warrants requires the Corporation to select an appropriate valuation model and consideration of inputs necessary for the model chosen. The Corporation has made estimates of the volatility of its own shares and interest rates. The Corporation uses the Black-Scholes valuation model to calculate the fair value of the warrants.

OUTSTANDING SHARE DATA

At December 31, 2014 and December 31, 2013, the Corporation had 32,477,248 common shares outstanding. In addition at December 31, 2014, the Corporation had 1,000,000 (December 31, 2013 – Nil) warrants outstanding as well as 1,940,400 stock options (December 31, 2013 - 1,810,400 for fully diluted common share capital of 35,417,648. At December 31, 2014, 1,266,070 (December 31, 2013 – 1,396,070) options were available to be granted.

On February 22, 2015, 200,000 options expired which resulted in 1,740,400 options outstanding as at February 27, 2015, with 32,477,248 common shares outstanding for fully diluted common share capital of 35,217,648.

RISKS AND UNCERTAINTIES

(a) Financing Risk

The Corporation must periodically obtain new funds in order to pursue its activities. At the present time, obtaining financing at a reasonable price is a challenge and may continue for the foreseeable future.

The Corporation believes that the quality of its properties and their geological potential will enable it to obtain the required financing for their continued exploration and potential development.

(b) Cash Flow

The Corporation's properties are currently being maintained for future exploration potential. The Corporation has no source of operating cash flow. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be favorable.

(c) Permits and Licenses

The Corporation's operations may require permits and licenses from different governmental authorities. There cannot be any assurance that the Company will obtain all the required permits and licenses in order to continue the exploration and development of its properties.

(d) Government Regulations

All of the Corporation's exploration projects are located in Quebec and have been affected by revisions to Quebec's Mining Act. After several months of deliberations and uncertainty, on December 10, 2013, the Quebec Assembly adopted the proposed new Mining Act, Bill 70 (Québec) ("Bill 70"). Bill 70 is seen as the replacement for the existing Mining Act, 1987 (Quebec) and retains many of the rules in relation to rights and ownership contained within it; however, a number of significant changes included in Bill 70 are now in effect. These include:

1) changes with respect to the rights of municipalities and surface rights owners to oversee mining activities;
2) increased financial and disclosure obligations for mining rights holders in a bid to create further responsibility and transparency;
3) further environmental and economic obligations;
4) further consultation requirements with Aboriginal groups; and
5) increased powers of the Minister, and
6) significant increased costs.

CIM believes that some of these changes have adversely impacted the efficiency and effectiveness of our exploration activities and created additional unwarranted expenses and delays.

(e) Environmental Risks

The Corporation's operations are and will be subject to provincial and local environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards, land use standards, land reclamation and labour standards. They also set forth limitations on the generation, transportation, storage and disposal of liquid and waste materials.

Environmental legislation is evolving in a way which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increased responsibility for companies and their officers, directors and employees. At this time, it is not certain that these changes will not adversely affect the Corporation's operations.

Environmental hazards may exist on the Corporation's properties which are unknown to management at the present time and which have been caused by previous owners or operators of the properties.

(f) Exploration and Development Risks

The business of exploring for minerals and mining involves a high degree of risk. There is no assurance the Corporation's mineral exploration activities will be successful. Few properties that are explored are ultimately developed into producing mines. In exploring and developing its mineral deposits, the Corporation will be subjected to an array of complex economic factors and technical considerations. Delays in obtaining governmental approvals, inability to obtain financing or other factors could cause delays in exploring and developing properties. Such delays could materially adversely affect the financial performance of the Corporation. Unusual or unexpected formations, formation pressures, power outages, labour disruptions, flooding, explosions, cave-ins, landslides, environmental hazards, the discharge of toxic chemicals and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The Corporation has limited experience in the development and operation of mines and in the construction of facilities required to bring mines into production. The Corporation has relied and may continue to rely upon consultants and others for operating expertise. Depending on the price of minerals produced, the Corporation may determine that it is impractical to commence or continue commercial production.

(g) Title Matters

The staked mining claims in which the Corporation has an interest have not been surveyed and, accordingly the precise location of the boundaries of the claims and ownership of mineral rights on specific tracts of land compromising the claims may be in doubt. Although, the Corporation has taken all possible measures to ensure proper title to its properties and royalty interests, including filing of necessary documents and payments to local regulatory authorities, there is no guarantee that the title of any of its properties will not be challenged.

The Quebec governments is currently working on system to convert mining claims to a map designated system which should mitigate this risk.

RELATED PARTY INFORMATION

The Corporation is considered a related party with Globex Mining Enterprises Inc. as Management consisting of the President and CEO, Executive Vice-President and Chief Financial Officer hold the same positions with both entities. In addition, the President and CEO holds a large number of common shares of both organizations through Jack Stoch Geoconsultant Services Limited, a private company which is the principal shareholder of CIM, and therefore can significantly influence the operations of both entities. Currently, CIM is dependent upon management services provided by Globex as described below.

Loan Agreement with Jack Stoch Geoconsultant Services Limited ("GJSL" "GEO")

	December 31, 2014	December 31, 2013
Loan balance	$ 50,000	$ -
Accrued interest	263	-
	50,263	-
Deduct: deferred financing costs		
Fair value of warrants issued	21,369	-
Fees paid to TSXV	500	-
	21,869	-
Amortization of financing costs	(250)	-
	21,619	-
Loan net of deferred financing costs	$ 28,644	$ -

On December 15, 2014, CIM entered into a $100,000 loan with GJSL under which $50,000 was advanced on that date and the second tranche of $25,000 will be disbursed on March 15, 2015 and the third tranche of $25,000 will be disbursed on June 15, 2015. The proceeds from the loan will be used for working capital. The loan will mature on December 15, 2016 and will bear interest at an annual rate of 12%, compounded and payable on the maturity date. The loan will be secured by a hypothec and security interest on all of Chibougamau Independent Mines Inc's assets.

In consideration for the loan, CIM has issued 1,000,000 non-transferrable common share purchase warrants to

GJSL each of which will entitle GJSL to purchase one common share of CIM at a price of $0.05 until December 15, 2016.

Management Services

On December 29, 2012, CIM entered into a Management Services Agreement with Globex under which the Corporation would receive management services including administrative, compliance, corporate secretarial, risk management support and advisory services.

The Management services charges of $50,400 during the year ended December 31, 2014 (December 31, 2013 - $342,716) represents Globex's estimate of the specific costs related to performing these services. The costs in 2014 were significantly reduced over the previous year as a result of CIM's lack of exploration activities in the current year.

Director and Management Compensation

During the years ended December 31, 2014 and 2013 none of the Directors or Management received any remuneration or benefits in these roles other than stock options.

On June 16, 2014, Ray Zalnieriunas was granted 400,000 options (200,000 of which were a replacement for options which had been received under the plan of arrangement and expired on June 15, 2014) and an employee received 25,000 options which had expired on January 5, 2014. The options granted to Ray Zalnieriunas had a fair market value of $21,600 ($0.054 per share).

In 2013, each of the three independent Directors received 200,000 options and the Chief Financial Officer received 100,000 options and another employee received 25,000. The 700,000 options issued to the Directors and Management has a fair market value of $64,536 ($0.092 per share).

During the year ended December 31, 2014, Ray Zalnieriunas earned fees totalling $21,502 (December 31, 2013 - $74,955) and Sam Bosum, an independent director, through his corporation, Native Exploration Services earned Nil (December 31, 2014 - $38,181) for line cutting services. These charges represented the fair market value for similar services.

Due to Globex Mining Enterprises Inc.

	December 31, 2014	December 31, 2013
	$ 15,382	$ -

The amount due to Globex Mining Enterprises Inc. represents management services provided by Globex, but which remain unpaid at December 31, 2014.

OUTLOOK

Despite the disappointment that CIM encountered as a result of not being able to complete a financing in 2014, Management believes that the Corporation holds first-class properties and has access to the human and corporate resources necessary to advance the exploration and development of the Chibougamau Mining Camp Properties should proper financing be available.

In our forward planning for the remainder of 2014 and into 2015, we have recognized that the economic uncertainties and market challenges may somewhat impede the speed at which these plans can be executed as it is likely that additional financing will be required in order to undertake a large drilling program on many of our high priority targets and to expand known zones of economic grade mineralization.

ADDITIONAL INFORMATION

This analysis should be read in conjunction with the comparative financial statements for the year ended December 31, 2014 and the year ended December 31, 2013 and additional information about the Corporation which is available on SEDAR at www.sedar.com. Further, the Corporation posts all publicly filed documents, including this MD&A on its website, www.chibougamaumines.com, in a timely manner.

If you would like to obtain, at no cost to you, a copy of the 2013 and/or 2012 MD&A, please send your request to:

Chibougamau Independent Mines Inc.
86, 14th Street, Rouyn-Noranda, Quebec J9X 2J1
Telephone: 819.797.5242 Fax: 819.797.1470
Email: info@chibougamaumines.com

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The financial statements and other financial information contained in this MD&A are the responsibility of CIM's management and have been approved by the Board of Directors on February 27, 2015.

Responsibilities for Financial Statements

The management of the Corporation is responsible for the preparation of the financial statements and the financial information contained in the Annual Report. The accompanying financial statements of Chibougamau Independent Mines Inc. have been prepared by management and approved by the Board of Directors of the Corporation. Financial information contained elsewhere in this report is consistent with the financial statements.

The financial statements have been prepared in accordance with International Financial Reporting Standards and where appropriate reflect management's best estimates and judgments based on currently available information.

Chibougamau Independent Mines Inc. maintains adequate accounting systems and administrative controls to produce reliable financial statements and provide reasonable assurance that assets are properly safeguarded.

Deloitte LLP, "Chartered Professional Accounatnts", have been appointed by the shareholders to conduct an independent audit of the Corporation's financial statements. Their report outlines the nature of their audit and expresses their opinion of the financial statements of the Corporation.

The Board of Directors of the Corporation is responsible for ensuring that management fulfills its responsibilities for financial reporting. The Board of Directors carries out this responsibility through its Audit Committee, which is composed solely of independent directors. The Audit Committee is also responsible for making recommendations with respect to the appointment, the remuneration and the terms of engagement of the Corporation's auditors. The Audit Committee meets periodically with management and the external auditors to discuss internal controls, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. The Audit Committee also reviews the financial statements, management's discussion and analysis, the external auditor's report, and examines the fees and expenses for audit services, and considers the engagement of reappointment of the external auditors. Deloitte LLP, the external auditors, have full and free access to the Audit Committee. The Audit Committee reports its findings to the Board of Directors for its consideration when approving the financial statements for issuance to shareholders.

"Jack Stoch"
Jack Stoch
President and Chief Executive Officer

"James Wilson"
James Wilson
Chief Financial Officer, Treasurer and Corporate Secretary

Deloitte LLP
1 Place Ville Marie
Suite 3000
Montreal QC H3B 4T9
Canada

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Independent Auditor's Report

To the Shareholders of
Chibougamau Independent Mines Inc.

We have audited the accompanying financial statements of Chibougamau Independent Mines Inc., which comprise the statements of financial position as at December 31, 2014 and December 31, 2013, and the statements of loss and comprehensive loss, statements of equity and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chibougamau Independent Mines Inc. as at December 31, 2014 and December 31, 2013 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

(s) Deloitte LLP

February 27, 2015

[1] CPA auditor, CA, public accountancy permit No. A121501

CHIBOUGAMAU INDEPENDENT MINES INC.

Statements of Loss and Comprehensive Loss

(In Canadian dollars)

	Notes	**December 31, 2014**	December 31, 2013
Continuing operations			
Expenses			
Administration	19	**$ 18,981**	$ 51,642
Transfer agent and filing fees		**30,194**	61,267
Legal		**15,088**	58,974
Audit and accounting		**28,190**	27,720
Management services	12	**50,400**	342,716
Amortization of financing costs	12	**250**	-
Interest expense on long-term loan	12	**263**	-
Share-based compensation	16	**23,298**	66,841
Impairment of mineral properties and deferred exploration expenses	9, 10	**3,908,407**	2,986,631
Loss from operations		**(4,075,071)**	(3,595,791)
Other income (expenses)			
Interest income		**55**	57
Increase (decrease) in fair value of financial assets		**(170,107)**	170,107
		(170,052)	170,164
Loss before taxes		**(4,245,123)**	(3,425,627)
Income and mining taxes			
Deferred	13	**(191,599)**	53,779
Income and mining taxes (recovery)	13	**(191,599)**	53,779
Loss and comprehensive loss for the year		**$ (4,053,524)**	$ (3,479,406)
Loss per common share			
Basic and diluted	14	**$ (0.12)**	$ (0.11)
Weighted average number of common shares outstanding		**32,477,248**	32,477,248
Shares outstanding at end of year		**32,477,248**	32,477,248

The accompanying notes are an integral part of these financial statements

CHIBOUGAMAU INDEPENDENT MINES INC.

Statements of Cash Flows

(In Canadian dollars)

	Notes	**December 31, 2014**	December 31, 2013
Operating activities			
Loss and comprehensive loss for the year		**$ (4,053,524)**	$ (3,479,406)
Adjustments for:			
Share-based compensation	16	**23,298**	66,841
Decrease (Increase) in fair value of financial assets		**170,107**	(170,107)
Impairment of mineral properties and deferred exploration expenses	9, 10	**3,908,407**	2,986,631
Amortization of financing costs		**250**	-
Interest expense		**263**	-
Deferred income taxes		**(191,599)**	53,779
		(142,798)	(542,262)
Changes in non-cash operating working capital items	15	**7,146**	(32,064)
		(135,652)	(574,326)
Financing activities			
Amount due to Jack Stoch Geoconsultant Services Limited	12	**50,000**	-
Financing cost related to the amount due to Jack Stoch Geoconsultant Services Limited		**(500)**	-
Related party payable	12	**15,382**	
		64,882	-
Investing activities			
Acquisition of mineral properties	9	**(342)**	(352,645)
Deferred exploration expenses	10	**(43,314)**	(1,434,285)
Quebec refundable tax credit recovery		**2,540**	-
		(41,116)	(1,786,930)
Net decrease in cash and cash equivalents		**(111,886)**	(2,361,256)
Cash and cash equivalents, beginning of year		**170,798**	2,532,054
Cash and cash equivalents, end of year		**$ 58,912**	$ 170,798

Supplementary cash flows information (note 15)

The accompanying notes are an integral part of these financial statements

CHIBOUGAMAU INDEPENDENT MINES INC.

Statements of Financial Position

(In Canadian dollars)

	Notes		**December 31, 2014**		December 31, 2013
Assets					
Current assets					
Cash and cash equivalents	6	**$**	**58,912**	$	170,798
Investments	7		**72,903**		-
Taxes receivable			**714**		45,683
Distribution receivable	8		**-**		243,010
Prepaid expenses			**11,020**		9,407
			143,549		468,898
Mineral properties	9		**361,743**		3,881,820
Deferred exploration expenses	10		**1,000,440**		1,347,654
		$	**1,505,732**	$	5,698,372
Liabilities					
Current liabilities					
Payables and accruals	11	**$**	**20,278**	$	56,488
			20,278		56,488
Related party payable - Globex Mining Enterprises Inc.	12		**15,382**		-
Amount due to Jack Stoch Geoconsultant Services Limited	12		**28,644**		-
Deferred income tax	13		**189,364**		380,963
Owners' equity					
Common shares	16		**8,554,690**		8,554,690
Warrants	16		**21,369**		-
Deficit			**(7,597,383)**		(3,543,859)
Contributed surplus - equity settled reserve			**273,388**		250,090
			1,252,064		5,260,921
		$	**1,505,732**	$	5,698,372

The accompanying notes are an integral part of these financial statements

Approved by the board

"Jack Stoch"
Jack Stoch, Director

"Dianne Stoch"
Dianne Stoch, Director

CHIBOUGAMAU INDEPENDENT MINES INC.

Statements of Equity

(In Canadian dollars)

	Notes		**December 31, 2014**		December 31, 2013
Common shares		**$**	**8,554,690**	$	8,554,690
Warrants					
Beginning of year		**$**	**-**	$	183,249
Issued under a loan from a related party	16		**21,369**		-
Expired warrants	16		**-**		(183,249)
End of year		**$**	**21,369**	$	-
Contributed surplus - equity settled reserve					
Beginning of year		**$**	**250,090**	$	-
Share-based compensation and payments			**23,298**		66,841
Expired warrants			**-**		183,249
End of year		**$**	**273,388**	$	250,090
Deficit					
Beginning of year		**$**	**(3,543,859)**	$	(64,453)
Loss and comprehensive loss for the year			**(4,053,524)**		(3,479,406)
End of year		**$**	**(7,597,383)**	$	(3,543,859)
Total Equity		**$**	**1,252,064**	$	5,260,921

The accompanying notes are an integral part of these financial statements

1. General business description

Chibougamau Independent Mines Inc. (the “Corporation”, “CIM”) was incorporated under the Canada Business Corporations Act on December 13, 2010, as a wholly-owned subsidiary of Globex Mining Enterprises Inc. (“Globex”) with the intention of acquiring and developing all of the exploration activities carried out by Globex in the Chibougamau Mining District of Québec.

On September 10, 2012, Globex and CIM entered into an Arrangement which resulted in the reorganization of the Corporation’s capital and the receipt of cash and cash equivalents, certain investments held by Globex as well as the transfer of ten properties from Globex to CIM subject to a 3% “gross metal royalty” in favour of Globex.

On December 29, 2012, (the “Effective Date”), Globex completed the reorganization by way of a Plan of Arrangement under the Business Corporations Act (Québec) which resulted in the transfer of cash of $503,006, investments with a fair market value of $72,903 and ten mining properties with a fair market value of $6,429,175.

Under the Arrangement, each Globex shareholder at the Effective Date was entitled to receive one New Globex Common Share and one common share of CIM which resulted in the issuance of 27,896,018 common shares.

CIM is a natural resources exploration and development corporation, with properties, located in the area of Chibougamau, Québec. It holds exploration properties that were transferred from Globex as of December 29, 2012. It is focused on reviving production in the Chibougamau gold-copper mining camp. It has established short-term objectives of defining NI 43-101- compliant resources and reserves on selected target properties.

The Corporation’s head office and principal business offices are located at 86, 14th Street, Rouyn-Noranda, Québec, J9X 2J1.

The CIM shares trade on the TSX Venture Exchange under the symbol CBG and on the Stuttgart exchange under the symbol CLL.

2. Basis of presentation and going concern

a) Statement of Compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB").

b) Basis of Presentation

These financial statements were prepared on a going concern basis, under the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value through the statement of loss and comprehensive loss. All financial information is presented in Canadian dollars.

2. Basis of presentation and going concern (continued)

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

Since its incorporation, the Corporation has accumulated a deficit of $7,597,383 and during the year ended December 31, 2014, the Company recorded a net loss of $4,053,524 (December 31, 2013 - $3,479,406). The Corporation's ability to continue as a going concern depends on its ability to realize its assets and to obtain additional financing. While it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. The application of International Financial Reporting Standards (IFRS) on a going concern basis may be inappropriate, since there is a doubt as to the appropriateness of the going concern assumptions.

CIM is in the development stage and is subject to the risks and challenges particular to companies at this stage. There is no assurance that CIM's projects will be successful. As a result, there is substantial doubt regarding CIM's ability to continue to operate as a going concern. The Corporation's continuing operations are dependent on the ability to secure adequate financing, the discovery of economically-recoverable mineral reserves, securing and maintaining title or beneficial interests in the mining properties and on future profitable production or proceeds from the disposition of mineral property interests. On December 15, 2014, CIM entered into a $100,000 loan with Jack Stoch Geoconsultant Services Limited ("GJSL", "GEO") which will provide working capital support for the Corporation during the next twelve months and will support the achievement of the operating objectives outlined above. There is no assurance that any such activity will generate sufficient funds for continued operations.

c) Approval of Financial Statements

The Corporation's Board of Directors approved these financial statements for the years ended December 31, 2014 and December 31, 2013 on February 27, 2015.

3. New and Revised International Financial Reporting Standards

(a) New and revised International Financial Reporting Standards issued, adopted.

In 2014, the following standards amendments and interpretation became effective and have been applied in these financial statements as described below.

Amendments to IFRS 2, Share-based Payment:

In the second quarter of 2014, the IASB issued Amendments to IFRS 2, *Share-based Payment*. The amendments changed the definitions of "vesting condition" and "market condition" in the Standard, and added definitions for "performance condition" and "service condition." It also clarified that any failure to complete a specified service period, even due to the termination of an employee's employment or a voluntary departure, would result in a failure to satisfy a service condition. This would result in the reversal, in the current period, of compensation expense previously recorded reflecting that the employee failed to complete a specified service condition. These amendments are effective for transactions with a grant date on or after July 1, 2014 and had no impact on the Corporation's financial statements.

3. New and Revised International Financial Reporting Standards (continued)

Amendments to IAS 32, Financial Instruments: Presentation:

IAS 32, Financial Instruments: Presentation ("IAS 32") was amended by the IASB in December 2011. The amendment clarifies that an entity has a legally enforceable right to offset financial assets and financial liabilities if that right is not contingent on a future event and its is enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014. The amendment had no impact on the Corporation's financial statements.

Amendments to IAS 36, Impairment of Assets:

In May 2013, the IASB adopted amendments that more accurately reflect the IASB's previous decision to require:

- the disclosure of the recoverable amount of impaired assets; and
- additional disclosures related to the measurement of the recoverable amount of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount.

The amendments are effective for annual periods on or after January 1, 2014. This amendment did not have an impact on the Corporation's financial statements.

IFRIC 21, Levies:

This new interpretation was issued by the IASB in May 2013. IFRIC 21 provides guidance on the accounting for levies within the scope of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. The main features of IFRIC 21 are as follows:

- defines a levy as an outflow of resources or economic benefits that is imposed by governments in accordance with laws and/or regulations, other than (a) those within the scope of IAS 12 Income Taxes and (b) fines or other penalties that are imposed for breaches of the legislation.
- the obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation; and
- the liability to pay a levy is recognized progressively if the obligating event occurs over a period of time.

This interpretation is effective for annual periods on or after January 1, 2014. This interpretation did not have an impact on the Corporation's financial statements.

(b) New and revised International Financial Reporting Standards issued, but not yet effective

Certain new standards are not yet effective, and have not been applied in preparing these financial statements.

3. New and Revised International Financial Reporting Standards (continued)

IFRS 9, Financial Instruments (replacement of IAS 39):

In July 2014, the IASB completed the final element of the comprehensive responses to the financial crisis with the publication of IFRS 9 Financial Instruments. The package of improvements introduced to IFRS 9 includes a logical model for classification and measurement, a single, forward – looking “expected loss” impairment model and a substantially reformed approach to hedge accounting.

The IASB has previously published versions of IFRS 9 that introduced new classification and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). The July 2014 publication represents the final version of the Standard, replaces earlier versions of IFRS 9 and completes the IASB’s project to replace IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted. Management is in the process of evaluating the impacts of this standard on the Corporation.

IFRS 15, Revenue from Contracts with Customers:

In May 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers*, which establishes the principles that an entity shall apply to report useful information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.

IFRS 15, replaces a number of standards and interpretations including IAS 18 *Revenue* which provides the guidance that the Corporation currently employs in recording Option revenue and Net Metal Royalty Revenues.

IFRS 15 is effective for annual periods beginning on or after January 1, 2017. Early adoption is permitted. Management is in the process of evaluating the impacts of this standard on the Corporation.

4. Summary of significant accounting policies

The principal accounting policies applied in the presentation of these financial statements are set out below.

a) Functional and Presentation Currency

The Corporation’s presentation and the functional currency is the Canadian (CAD) dollar as this is the principal currency of the economic environment in which they operate.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

c) Cash reserved for exploration

The cash reserve for exploration consists of cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. These funds are earmarked for funding prescribed resource expenditures.

4. Summary of significant accounting policies (continued)

d) Financial assets

Financial assets are classified into the following specified categories: financial assets “at fair value through profit or loss” (FVTPL), “held-to-maturity” investments, “available-for-sale” (AFS) financial assets and “loans and receivables”. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Corporation manages together and has a recent actual pattern of short-term profit-taking ; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Corporation’s documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

The Corporation has designated all of its investments as at FVTPL upon initial recognition.

Financial assets at FVTPL are measured at fair value, with any gains or losses arising on re-measurement recognized in income or loss.

4. Summary of significant accounting policies (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including accounts receivables and refundable tax credit and mining duties) are measured at amortized cost using the effective interest method, less any impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest rate method

The effective interest method is a method of calculating the amortized cost of a financial asset/liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments through the expected life of the financial asset/liability or, where appropriate, a shorter period.

Derecognition of financial assets

Financial assets are derecognized when the rights to receive cash flows from the assets expire or the financial assets are transferred and the Corporation has transferred substantially all the risk and rewards of ownership of the financial assets.

Classification of financial assets

The table below illustrates the classification and measurement of the financial assets under IAS 39:

Financial Assets	Measurement category under IAS 39
Cash and cash equivalents	Loans and receivables
Equity investments	Financial assets at FVTPL
Taxes receivable	Loans and receivables
Distribution receivable (Investments)	Financial assets at FVTPL

Financial liabilities

The Corporation's financial liabilities includes accounts payable and accrued liabilities.

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through the profit and loss that are carried subsequently at fair value with gains or losses recognized in profit or loss.

4. Summary of significant accounting policies (continued)

Derecognition of financial liabilities

The Corporation derecognizes financial liabilities when, and only when, the Corporation's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit and loss.

e) Mineral properties

All direct costs related to the acquisition of mineral properties are capitalized, at their cost at the date of acquisition, by property.

f) Deferred exploration expenses

All costs incurred prior to obtaining the legal rights to undertake exploration and evaluation activities are recognized in the statements of loss as incurred. Exploration expenses arising following the acquisition of the right to explore are capitalized on a project-by-project basis, pending determination of the technical feasibility and commercial viability of the project. Costs incurred include appropriate technical costs and deferred exploration costs, and are carried at historical cost less any impairment losses recognized. The Corporation classifies exploration assets as tangible or intangible according to the nature of the assets acquired.

General exploration costs not related to specific properties and general exploration administrative expenses are charged to the Statement of Loss and Comprehensive Loss in the year in which they are incurred.

If an exploration project is successful, then the related expenditures are transferred to mining assets and amortized over the estimated life of the ore reserves on a unit of production basis.

The recoverability of deferred exploration and evaluation expenses is dependent upon the discovery of economically recoverable ore reserves, the ability of the Corporation to obtain the necessary financing to complete the development of ore reserves and future profitable production or proceeds from the disposal thereof.

g) Impairment of non-financial assets

Whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, the asset is reviewed for impairment. An asset's carrying value is written down to its estimated recoverable amount (being the higher of the fair value less costs to sell and value in use) if that is less than the asset's carrying amount.

Impairment reviews for mineral properties and deferred exploration expenses are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances applies:

4. Summary of significant accounting policies (continued)

- the right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- no further exploration or evaluation expenditures in the area are planned or budgeted
- no commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
- sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Reversals of impairment losses are recognized in respect of mineral properties, exploration and evaluation expenditures where this is justified by a change of circumstances.

h) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

i) Current and deferred taxes

Taxes, comprising both income and resource taxes accounted for as income taxes, are recognized in the statement of loss, except where they relate to items recognized in other comprehensive income or directly in equity, in which case the related taxes are recognized in other comprehensive income or equity. Taxes on income are recorded using the tax rate that would be applicable to expected annual income.

The current income tax charge is based on taxable income for the period. Taxable income differs from net income (loss) as reported in the statement of loss and comprehensive loss because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible.

Deferred tax is recognized, using the asset and liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

4. Summary of significant accounting policies (continued)

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At the end of each reporting period, CIM reassesses unrecognized deferred tax assets. The Corporation recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profits will enable the deferred tax asset to be recovered. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is adjusted to the extent that it is no longer probable that sufficient taxable income will be available to ensure that all or part of the asset will be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and CIM intends to settle its current tax assets and liabilities on a net basis.

j) Share-based compensation

The Corporation uses the fair value method to record stock options. The fair value of all share purchase options is expensed over their vesting period with a corresponding increase to contributed surplus. Upon exercise of share purchase options, the consideration paid by the option holder, together with the amount previously recognized in contributed surplus, is recorded as an increase to share capital. The Corporation uses the Black-Scholes option pricing model to calculate the fair value of share purchase options at the date of the grant. Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate and, therefore, do not necessarily provide a reliable single measure of the fair value of CIM's share purchase options.

k) Flow-Through shares

The Corporation raises funds through the issuance of "flow-through" shares which entitle investors to prescribed resource tax benefits and credits once CIM has renounced these benefits to the investors in accordance with applicable tax legislation. The Corporation considers the issuance of flow-through shares in substance: (a) an issue of an ordinary share; and (b) the sale of tax deductions. The sale of tax deductions has been measured based on the relative fair value method.

At the time, the flow-through shares are issued; the sale of tax deductions is deferred and presented as an Other Liability. When CIM fulfills its obligation; the Other Liability is reduced; the sale of tax deductions is recognized in the statement of loss and comprehensive loss as a reduction of the deferred tax expense; and a deferred tax liability is recognized in accordance with IAS 12, Income Taxes, for the taxable temporary differences between the carrying value of eligible expenditures capitalized as an asset in the statement of financial position and its tax base.

4. Summary of significant accounting policies (continued)

l) Loss per share

Basic loss per share is computed by dividing the net loss attributable to common shareholders by the weighted average number of shares outstanding during the reporting period.

Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options (if dilutive).

The number of additional shares is calculated by assuming that outstanding dilutive stock options were exercised and the proceeds from such exercise were used to acquire common stock at the average market price during the reporting periods.

m) Share capital

The Corporation's common shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

n) Warrants

Warrants are classified as equity as they are derivatives over the Corporation's own equity that will be settled only by the Corporation exchanging a fixed amount of cash for a fixed number of the Corporation's own equity instruments.

When shares and warrants are issued at the same time, the proceeds are allocated first to warrants, based on an estimate of the fair value using the Black-Scholes pricing model, and the residual is allocated to the common shares.

When warrants expire, the ascribed value is transferred to Contributed Surplus of the Corporation.

o) Financing costs

Financing costs related to long-term debt are capitalized as a reduction of long-term debt and amortized using the effective interest rate method.

5. Significant accounting assumptions, judgments and estimates

The preparation of financial statements under the principles of IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

5. Significant accounting assumptions, judgments and estimates (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about such judgments and estimates is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarized below. Areas of judgment that have the most significant effect on the amounts recognized in the financial statements are:

a) Fair value of investments

Under the Plan of Arrangement, CIM received common shares of a Junior Mining Company which is in the development stage. CIM attempts to determine the fair value of these shares based on published price quotations in an active market. However, as a result of the strategic nature or volume of trading in the market, the quoted price may not be representative of the price that these shares could be sold to a willing arm's length party. These valuation issues could also impact the fair value measurement of financial assets at each period end.

b) Impairment of mineral properties and deferred exploration expenses

At the end of each reporting period, the Corporation considers whether there has been an impairment of its mineral properties as well as deferred exploration expenses. If the Corporation determines that there has been impairment then it must estimate the recoverable amount and selling costs resulting in a net recoverable amount. As a result of the limited information available, it requires significant management judgment in estimating a net recoverable amount.

c) Estimate of share-based compensation

The estimate of share-based compensation requires the selection of an appropriate valuation model and consideration of the inputs necessary for the model chosen. The Corporation has made estimates of the volatility of its own shares, the probable life of options granted, interest rates, and the time of exercise of those options. The Corporation uses the Black-Scholes valuation model to calculate the fair value of the share-based compensation.

d) Deferred tax balances

The Corporation uses the asset and liability method in accounting for deferred income taxes. Under this method, deferred income taxes are recognized for the future income tax. In preparing these estimates, management is required to interpret, substantially enacted legislation as well as economic and business conditions along with management's tax and corporate plans which may impact taxable income in future periods.

e) Estimate of fair value of warrants

The estimate of the fair value of warrants, requires the Corporation requires the selection of an appropriate valuation model and consideration of inputs necessary for the model chosen. The Corporation has made estimates of the volatility of its own shares and interest rates. The Corporation uses the Black-Scholes valuation model to calculate the fair value of the warrants.

6. Cash and cash equivalents

		December 31, 2014		December 31, 2013
Bank balances	$	58,912	$	170,798

7. Investments

		December 31, 2014		December 31, 2013
Equity investments [(i)]	$	72,903	$	-

(i) At December 31, 2014, represents the fair market value of 4,860,200 Mag Copper Limited shares received under the Plan of Arrangement (see note 8).

8. Distribution receivable

		December 31, 2014		December 31, 2013
Investments	$	-	$	243,010

The transfer of 4,860,200 Mag Copper Limited shares was completed on January 27, 2014.

9. Mineral Properties

		December 31, 2013		Additions 2014		Impairment and write-offs 2014		December 31, 2014
Bateman Bay	$	647,058	$	-	$	(580,282)	$	66,776
Berrigan South and Berrigan Mine		1,081,962		-		(970,304)		111,658
Lac Chibougamau		1,657,935		-		(1,486,696)		171,239
Copper Cliff Extension		18,375		-		(18,375)		-
Grandroy		69,675		-		(69,675)		-
Kokko Creek		64,650		-		(57,978)		6,672
Lac Élaine (Berrigan West)		141,377		123		(141,500)		-
Lac Antoinette		81,297		-		(81,297)		-
Mont Sorcier (Sulphur Converting Property and Magnetite Bay)		52,091		219		(46,912)		5,398
Québec Chibougamau Goldfields		63,500		-		(63,500)		-
Virginia Property		3,900		-		(3,900)		-
	$	3,881,820	$	342	$	(3,520,419)	$	361,743

9. Mineral Properties (continued)

	December 31, 2012	Additions 2013	Impairment and write-offs 2013	December 31, 2013
Bateman Bay	$ 1,220,000	$ -	$ (572,942)	$ 647,058
Berrigan South and Berrigan Mine	1,885,150	82,124	(885,312)	1,081,962
Lac Chibougamau	3,070,000	29,681	(1,441,746)	1,657,935
Copper Cliff Extension	18,375	-	-	18,375
Grandroy	53,250	16,425	-	69,675
Kokko Creek	63,000	1,650	-	64,650
Lac Élaine (Berrigan West)	-	141,377	-	141,377
Lac Antoinette	-	81,297		81,297
Mont Sorcier (Sulphur Converting Property and and Magnetitie Bay)	52,000	91		52,091
Québec Chibougamau Goldfields	63,500	-		63,500
Virginia Property	3,900	-	-	3,900
	$ 6,429,175	$ 352,645	$ (2,900,000)	$ 3,881,820

Under the Plan of Arrangement, on December 29, 2012, the properties with a fair market value of $6,429,175 were transferred from Globex.

Berrigan Property Acquisition

On May 9, 2013, the Corporation acquired three major blocks of claims from Globex for a cash payment of $350,000 and a 2% Gross Metal Royalty (see note 13).

The claim blocks are located in the Chibougamau Mining Camp ((a) Grandroy ore body and (b) Berrigan deposit). These claims were acquired by Globex after the spin-out and therefore had not been included in the Plan of Arrangement. These properties were acquired based on the fair market value derived from properties of similar size and exploration stage.

Impairment and write-off

For the year ended December 31, 2014, the $3,520,419 (December 31, 2013 - $2,900,000) provision represents management's estimate of the decline in the carrying value of the properties reflecting recent changes in gold and copper prices, the financing challenges for junior exploration companies, external benchmark prices for properties with similar characteristics, as well as CIM's short-term priorities and exploration plans.

10. Deferred exploration expenses

	December 31, 2013	**Additions 2014**	**Impairment and write-offs 2014**	**December 31, 2014**
Bateman Bay	$ 256,042	**$ 1,244**	**$ -**	**$ 257,286**
Berrigan South and Berrigan Mine	329,948	**620**	**-**	**330,568**
Lac Chibougamau	270,910	**10,213**	**(146,775)**	**134,348**
Copper Cliff Extension	25,211	**223**	**(25,434)**	**-**
Grandroy	67,340	**449**	**(67,789)**	**-**
Kokko Creek	86,677	**278**	**-**	**86,955**
Lac Élaine (Berrigan West)	119,522	**585**	**(120,107)**	**-**
Lac Antoinette	-	**242**	**(242)**	**-**
Mont Sorcier	190,931	**2,892**	**-**	**193,823**
Québec Chibougamau Goldfields	800	**-**	**(800)**	**-**
Virginia Property	-	**140**	**(140)**	**-**
Buckell Lake	111	**-**	**(111)**	**-**
Lac Simon	162	**183**	**(345)**	**-**
General exploration and other	-	**26,245**	**(26,245)**	**-**
Quebec refundable tax credit recovery	-	**(2,540)**	**-**	**(2,540)**
	$ 1,347,654	**$ 40,774**	**$ (387,988)**	**$ 1,000,440**

The impairment and write-offs provision of $387,988 reflects the expensing of general exploration and management’s review of the exploration expenses and future planned activities.

	December 31, 2012	Additions 2013	Impairment and write-offs 2013	December 31, 2013
Bateman Bay	$ -	$ 256,042	$ -	$ 256,042
Berrigan South and Berrigan Mine	-	329,948	-	329,948
Lac Chibougamau	-	270,910	-	270,910
Copper Cliff Extension	-	25,211	-	25,211
Grandroy	-	67,340	-	67,340
Kokko Creek	-	86,677	-	86,677
Lac Élaine (Berrigan West)	-	119,522	-	119,522
Lac Antoinette	-	-	-	-
Mont Sorcier	-	190,931	-	190,931
Québec Chibougamau Goldfields	-	800	-	800
Virginia Property	-	-	-	-
Buckell Lake	-	111	-	111
Lac Simon	-	162	-	162
General exploration and others	-	86,631	(86,631)	-
	$ -	$ 1,434,285	$ (86,631)	$ 1,347,654

10. Deferred exploration expenses (continued)

Deferred exploration expenses by expenditure type

	December 31, 2014	December 31, 2013
Balance, beginning of year	**$ 1,347,654**	$ -
Current exploration expenses		
Claim staking	**575**	3,250
Consulting	**-**	101,955
Core shack, storage and equipment rental	**-**	15,220
Drilling	**-**	384,649
Equipment rental	**-**	18,776
Geology	**19,031**	236,604
Geophysics	**-**	356,729
Laboratory analysis and sampling	**28**	87,539
Labour	**11,281**	94,502
Line cutting	**-**	58,001
Mining property tax and permits	**8,129**	5,965
Permit - Forestry	**-**	2,726
Prospecting and surveying	**-**	8,652
Reports, maps and supplies	**2,510**	52,220
Transport and road access	**1,760**	7,497
Quebec refundable tax credit recovery	**(2,540)**	-
Total current exploration expenses	**40,774**	1,434,285
Impairment and write-offs	**(387,988)**	(86,631)
Balance, end of year	**$ 1,000,440**	$ 1,347,654

11. Payable and accruals

	December 31, 2014	December 31, 2013
Trade payables and accrued liabilities	**$ 20,278**	$ 56,488

12. Related parties

Related party payable	December 31, 2014	December 31, 2013
Globex Mining Enterprises Inc.	**$ 15,382**	$ -

The Corporation is considered a related party with Globex as Management consisting of the President and CEO, Executive Vice-President and Chief Financial Officer hold the same positions with both entities. In addition, the President and CEO holds a large number of common shares of both organizations through Jack Stoch Geoconsultant Services Limited, a private company which is the principal shareholder of CIM, and therefore can significantly influence the operations of both entities. Currently, CIM is dependent upon management services provided by Globex as described below.

12. Related party information (continued)

Loan Agreement with Jack Stoch Geoconsultant Services Limited ("GJSL", "GEO")

	December 31, 2014	December 31, 2013
Loan balance	**$ 50,000**	$ -
Accrued interest	**263**	-
	50,263	-
Deduct: deferred financing costs		
Fair value of warrants issued	**21,369**	-
Fees paid to TSXV	**500**	-
	21,869	-
Amortization of financing costs	**(250)**	-
	21,619	-
Loan net of deferred financing costs	**$ 28,644**	$ -

On December 15, 2014, CIM entered into a $100,000 loan with GJSL under which $50,000 was advanced on that date and the second tranche of $25,000 will be disbursed on March 15, 2015 and the third tranche of $25,000 will be disbursed on June 15, 2015. The proceeds from the loan will be used for working capital. The loan will mature on December 15, 2016 and will bear interest at an annual rate of 12%, compounded and payable on the maturity date. The loan will be secured by a hypothec and security interest on all of Chibougamau Independent Mines Inc's assets.

In consideration for the loan, CIM has issued 1,000,000 non-transferrable common share purchase warrants to GJSL each of which will entitle GJSL to purchase one common share of CIM at a price of $0.05 until December 15, 2016.

At December 31, 2014, deferred financing costs of $21,619 (December 31, 2013 – Nil) have been presented as a deduction against the amount due to GJSL. This amount is being amortized to the statement of loss and comprehensive loss over the term of the debt, using the effective interest method.

The Loan Agreement provides that if GJSL has advanced 100% of the loan amount and CIM does not repay the loan on the maturity date of December 15, 2016, GJSL will have the right, at its sole discretion, to convert the unpaid loan and all accrued interest thereon into common shares of CIM. Any such shares would be issued at a price per share equal to the volume weighted average trading price of the common shares of Chibougamau Independent Mines Inc. on the TSX Venture Exchange, or such other stock exchange on which the shares of Chibougamau Independent Mines Inc. are then listed or quoted, for a period of 20 trading days immediately preceding the maturity date, less a discount of 15%, subject to any minimum issue price established by the TSX Venture Exchange or such other stock exchange.

On December 23, 2014, the TSX Venture Exchange conditionally approved the loan and the warrants to be issued to GJSL. Any conversion of the loan into shares of CIM upon its maturity will be subject to the prior approval of the TSX Venture Exchange.

12. Related party information (continued)

Management Services

On December 29, 2012, CIM entered into a Management Services Agreement with Globex under which the Corporation would receive management services including administrative, compliance, corporate secretarial, risk management support and advisory services.

The Management Service fees of $50,400 during the year ended December 31, 2014 (December 31, 2013 - $342,716) represent Globex's estimate of the specific costs related to performing these services.

Transactions with Key Management Personnel

None of the key management personnel received any remuneration or other benefits during the year ended December 31, 2014 or December 31, 2013.

13. Deferred income tax

Income and mining taxes (recovery)

		December 31, 2014		December 31, 2013
Deferred tax provision for income tax		**(191,599)**		380,963
Recovery of income and mining taxes as a result of the sale of tax benefits (flow-through shares)		**-**		(327,184)
	$	**(191,599)**	$	53,779

Tax expense reconciliation

The reconciliation of the income tax expense, calculated using the statutory income tax rates of the Federal Government and the Province of Quebec, to the income tax expense as per the financial statements, is as follows:

		December 31, 2014		December 31, 2013
Loss before income taxes	**$**	**(4,245,123)**	$	(3,425,627)
Combined tax rates		**26.9%**		26.9%
Income tax provisions calculated at combined rates		**(1,141,938)**		(921,494)
Adjustments for share-based compensation		**6,267**		17,980
Impairment of mineral properties and deferred exploration		**882,642**		780,100
Taxable income at different rates		**22,879**		(22,879)
Deferred tax expense related to flow-through shares		**-**		381,388
Non deductible amortization of financing costs		**123**		
Income tax provision		**(230,027)**		235,095
Unrecognized tax asset		**38,428**		145,868
Other liabilities (sale of tax benefits (flow-through shares))		**-**		(327,184)
Income tax provision (recovery)	**$**	**(191,599)**	$	53,779

13. Deferred income tax (continued)

At December 31, 2014, the Corporation has non-capital loss carry forwards of $1,084,227 available to reduce future years' income for tax purposes. The non-capital losses will expire as follows:

2031	$	546
2032		175,459
2033		653,814
2034		254,408
	$	1,084,227

Deferred tax balances

		December 31, 2013		Recognized in income or loss		December 31, 2014
Temporary differences						
Deferred tax assets						
Non-capital losses carry forward	$	223,221	$	68,435	$	291,656
Share issue expenses		90,022		(30,007)		60,015
		313,243		38,428		351,671
Less valuation allowance		(313,243)		(38,428)		(351,671)
Deferred tax assets		-		-		-
Deferred tax liabilities						
Financial assets at FVTPL		22,879		(22,879)		-
Mining properties and deferred exploratio expenses		358,084		(168,720)		189,364
Deferred tax liabilities	$	380,963	$	(191,599)	$	189,364

		December 31, 2012		Recognized in income or loss		December 31, 2013
Temporary differences						
Deferred tax assets						
Non-capital losses carry forward	$	47,345	$	175,876	$	223,221
Share issue expenses		120,030		(30,008)		90,022
		167,375		145,868		313,243
Less valuation allowance		(167,375)		(145,868)		(313,243)
Deferred tax assets		-		-		-
Deferred tax liabilities						
Financial assets at FVTPL		-		22,879		22,879
Mining properties and deferred expenses		-		358,084		358,084
Deferred tax liabilities	$	-	$	380,963	$	380,963

14. Loss per share

The loss per common share is calculated by dividing the net loss by the weighted average number of common shares outstanding during the year. Diluted loss per common share is calculated by dividing the net loss applicable to common shares by the weighted average number of common shares outstanding during the year, plus the effects of dilutive common share equivalents such as stock options. Diluted net loss per share is calculated using the treasury method, where the exercise of options is assumed to be at the beginning of the year and the proceeds from the exercise of options and the amount of compensation expense measured, but not yet recognized in income are assumed to be used to purchase common shares of the Corporation at the average market price during the year.

14. Loss per share (continued)

Basic and diluted loss per share

The following table sets forth the computation of basic and diluted loss per share:

		December 31, 2014		December 31, 2013
Numerator				
Loss for the year	$	**(4,053,524)**	$	(3,479,406)
Denominator				-
Weighted average number of common shares - basic and diluted [(1)]		**32,477,248**		32,477,248
Loss per share				
Basic and diluted	$	**(0.12)**	$	(0.11)

[(1)] At December 31, 2014, stock options have not been included in the diluted loss per share as they are anti-dilutive.

15. Supplementary cash flow information

Change in non-cash working capital items

		December 31, 2014		December 31, 2013
Taxes receivable	$	**44,969**	$	(44,058)
Distribution receivable		**-**		503,006
Prepaid expenses		**(1,613)**		(9,407)
Payables and accruals		**(36,210)**		2,599
Due to Globex Mining Enterprises Inc.		**-**		(484,204)
	$	**7,146**	$	(32,064)

Non-cash financing and investing activities

		December 31, 2014		December 31, 2013
Fair value of warrants issued	$	**21,369**	$	-

16. Share capital

Authorized:

The Corporation is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.

Common: Voting

Preferred: Issuable in series, non-voting, conditions to be determined by the Board of Directors.

16. Share capital (continued)

a) Issued: Common shares

	December 31, 2014			December 31, 2013		
	Number of shares		**Capital Stock**	Number of shares		Capital Stock
Balance, end of year	**32,477,248**	**$**	**8,554,690**	32,477,248	$	8,554,690

b) Warrants

	December 31, 2014			December 31, 2013		
	Number of warrants		**Fair Value**	Number of warrants		Fair Value
Balance, beginning of year	**-**	**$**	**-**	2,290,615	$	183,249
Issued in connection with loan from GJSL	**1,000,000**		**21,369**	-		-
Expired warrants - ascribed value	-		-	(2,290,615)		(183,249)
Balance, end of year	**1,000,000**	**$**	**21,369**	-	$	-

As outlined in note 12, CIM issued 1,000,000 non-transferrable common share purchase warrants to GJSL each of which will entitle GJSL to purchase one common share of CIM at a price of $0.05 until December 15, 2016. If the loan is reduced or repaid during the first year of its term, a pro rata number of the warrants must have their term reduced to the later of one year from issuance of the Warrants and 30 days from the reduction or repayment of the loan.

The warrants have been valued using the Black-Scholes Model with the following assumptions:

- Stock Price - $0.03 per share
- Exercise Price - $0.05 per share
- Expected life 24 months
- Annualized volatility - 170%
- Annual rate of dividends - Nil
- Interest rate - 1.02%

The fair value of each warrant has been estimated at $0.021 per warrant which results in a fair value for the 1,000,000 warrants of $21,369 with this amount being reported as a deferred financing cost in note 12.

c) Stock Options

On September 7, 2012, the CIM Directors approved the adoption of the 2012 Stock Option Plan for directors, officers, employees and consultants who share primary responsibility for the management, growth and protection of the business of the Corporation. The maximum number of shares that can be issued pursuant to the plan is a fixed number of 3,206,470. The key terms of the plan are as follows:

(i) The maximum number of shares that can be issued pursuant to the plan is a fixed number of 3,206,470.

16. **Share capital (continued)**

The maximum number of shares that can be reserved for issuance during any 12 month period is limited to a certain percentage, as follows, of issued and outstanding shares:

a) 5% for any one optionee,
b) 2% for any one consultant,
c) 2% for persons conducting investor-relations.

(ii) The option exercise price shall be fixed by the Board of Directors at the time of granting the options and shall not be less than the Market Price of the Shares, less the maximum discount permitted under the policies of the TSX Venture Exchange.

(iii) The options are not transferable and the term cannot exceed ten (10) years.

At December 31, 2014, 1,940,400 (December 31, 2013 - 1,810,400) options were issued with a weighted average exercise price of $0.16 per share and a weighted average remaining contractual life of 2.66 years. At that date, in addition to the 1,940,400 options outstanding, 1,266,070 (December 31, 2013 – 1,396,070) options were available to be granted.

The following is a summary of option transactions under the Plan for the relevant year:

		December 31, 2014		December 31, 2013
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
Balance - beginning of year	**1,810,400**	**$ 0.20**	1,137,900	$ 0.27
Expired	**(295,000)**	**0.26**	(52,500)	0.41
Granted - Directors and employees	**425,000**	**0.06**	725,000	0.10
Balance - end of year	**1,940,400**	**$ 0.16**	1,810,400	$ 0.20
Options exercisable	**1,940,400**	**$ 0.16**	1,810,400	$ 0.20

The following table summarizes information regarding the stock options outstanding and exercisable at December 31, 2014:

Range of prices	Number of Options Outstanding	Number of options outstanding and exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
0.05 - 0.08	425,000	425,000	4.46	$ 0.06
0.09 - 0.12	725,000	725,000	3.61	0.10
0.17 - 0.22	425,000	425,000	0.95	0.17
0.25 - 0.36	229,200	229,200	0.36	0.26
0.38 - 0.59	136,200	136,200	1.24	0.58
	1,940,400	1,940,400	2.66	$ 0.16

16. Share capital (continued)

Share-based compensation

The Corporation uses the fair value method for stock options granted to directors, officers, employees and non-employees. Accordingly, the fair value of the options at the date of grant is charged to operations, with an offsetting credit to contributed surplus, over vesting periods (which can vary from immediate vesting to 5 years). If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to capital stock. The Corporation uses the Black-Scholes model to estimate fair value using the following weighted average assumption:

	December 31, 2014	December 31, 2013
Expected dividend yield	**Nil**	Nil
Expected stock price volatility	**152.0%**	155.5%
Risk-free interest rate	**1.31%**	1.57%
Expected life	**5.0 years**	5.32 years
Weighted average fair value of granted options	**$0.05**	$0.09

During the year ended December 31, 2014, the total expense related to share-based compensation of $23,298 (December 31, 2013 - $66,841) related to 425,000 options which were issued on June 17, 2014 to employees and directors, has been recorded and presented separately in the Statements of Loss and Comprehensive Loss.

17. Financial instruments

Capital risk management

The Corporation manages its common shares, stock options, warrants and retained earnings (deficit) as capital. Its principal source of cash is from the issuance of common shares. The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern while it pursues its objective of evaluating, enhancing the value and acquiring additional properties or business assets. The Corporation manages the capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, CIM may attempt to issue new shares.

The Corporation's investment policy is to invest its short-term excess cash in highly-liquid short-term interest-bearing investments with short-term maturities, selected with regards to the expected timing of expenditures related to continuing operations.

Financial risk management objectives

The Corporation's financial instruments are exposed to certain financial risks including credit risk, liquidity risk, and interest rate risk.

a) Credit Risk

The Corporation had cash and cash equivalents of $58,912 at December 31, 2014 (December 31, 2013 - $170,798). These funds are subject to a combination of the $100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation ("CDIC"), a federal Crown Corporation.

17. Financial instruments (continued)

The Corporation does not believe that it is subject to any significant concentration of credit risk. Cash and Cash equivalents are in place with major financial institutions.

The maximum exposure to credit risk was:

	December 31, 2014	December 31, 2013
Cash and cash equivalents	**$ 58,912**	$ 170,798
Investments	**72,903**	-
Taxes receivable [(1)]	**714**	45,683
Distribution receivable	**-**	243,010
	$ 132,529	$ 459,491

(1) Taxes receivable of $714 (December 31, 2013 - $45,683) represent G.S.T. and Q.S.T. recoverable and therefore are not subject to credit risks.

b) Liquidity Risk

Liquidity risk represents the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through its capital structure and by continuously monitoring actual and projected cash flows. The Corporation finances its exploration activities through flow-through shares, operating cash flows and the utilization of its liquidity reserves.

The Board of Directors reviews and approves the Corporation's operating and capital budgets, as well as any material transaction out of the ordinary course of business.

c) Equity market risk

Equity market risk is defined as the potential adverse impact on the Corporation's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Corporation closely monitors the general trends in the stock markets and individual equity movements, and determines the appropriate course of action to be taken.

The Corporation currently holds equity investments with a fair market value of $72,903 at December 31, 2014 and as a result a 10% increase or decrease would impact Income and Loss by $7,290.

17. Financial instruments (continued)

d) Fair value measurements recognized in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable data (unobservable inputs).

December 31, 2014	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Equity investments	$ -	$ 72,903	$ -	$ 72,903
Total financial assets	$ -	$ 72,903	$ -	$ 72,903

The fair value of the equity investments has been measured using the quoted price of the related shares on the market which has been determined non-active.

December 31, 2013	Level 1	Level 2	Level 3	Total financial assets at fair value
Financial assets				
Distribution receivable (Investments)	$ -	$ 243,010	$ -	$ 243,010
Total financial assets	$ -	$ 243,010	$ -	$ 243,010

18. Risk Management

The Corporation is engaged primarily in mineral exploration and manages related industry risk issues directly. The Corporation may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

19. Expenses by nature

The following is a breakdown of the nature of expenses included in administration expenses.

	December 31, 2014	December 31, 2013
Office supplies & maintenance	$ 5,510	$ 15,645
Shareholder information	466	4,144
Information technology	904	5,757
Advertising & Promotion	-	2,276
Part XII.6 Tax related to Flow-through shares	(2,704)	10,721
Insurance	8,925	-
Other administrative expenses	5,880	13,099
	$ 18,981	$ 51,642

20. Commitments and Contingencies

a) At the year-end, the Corporation had no outstanding commitments other than in the normal course of business.

b) The Corporation's operations are subject to governmental laws and regulations regarding environmental protection. The environmental consequences are difficult to identify and it is also a challenge to anticipate the impacts of deadlines. At December 31, 2014, management believes to the best of its knowledge that CIM is in conformity with applicable laws and regulations. Restoration costs, if any, will be accrued in the financial statements and reflected in the statement of income and loss, if and when they can be reasonably estimated at that time.

CORPORATE INFORMATION

Board of Directors

Jack Stoch
Director
Toronto, Ontario Canada

Dianne Stoch
Director
Toronto, Ontario Canada

Independent Directors

Samuel R. Bosum (1)(2)
Director
Oujé-Bougoumou, Quebec Canada

David LeClaire (1)(2)
Director
Aurora, Ontario Canada

Rimant (Ray) Zalnieriunas (1)(2)
Director
Larder Lake, Ontario Canada

(1) Member of the Audit Committee
(2) Member of the Compensation Committee

Stock Exchange Listings

Canada - Trading Symbol: **CBG**
Toronto Stock Exchange Venture

Germany - Trading Symbol: **CLL**
Stuttgart Stock Exchange

CUSIP No. 167101 10 4

Officers

Jack Stoch
President and Chief Executive Officer

James Wilson
Chief Financial Officer, Treasurer and Corporate Secretary

Dianne Stoch
Executive Vice President

Auditors

Deloitte LLP "Chartered Professional Accountants" Montreal, Quebec Canada

Legal Counsel

Fasken Martineau DuMoulin s.e.n.c.r.l.
Montreal, Quebec Canada

Transfer Agent & Registrar

Computershare Investor Services Inc.
Montreal, Quebec Canada

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Chibougamau Independent Mines Inc.
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Annual Meeting of Shareholders

May 28, 2015 at 9:30 a.m.
The Offices of the Corporation
86, 14th Street
Rouyn-Noranda, Quebec Canada