Chibougamau Independent Mines Inc.

INTERIM REPORT
SIX MONTHS ENDED
JUNE 30, 2015
(UNAUDITED)

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STATEMENT CONCERNING THE INTERIM CONDENSED FINANCIAL STATEMENTS

Management has compiled the unaudited interim condensed financial report as of June 30, 2015 and 2014. The statements have not been audited or reviewed by the Corporation's auditors or any other firm of chartered professional accountants.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTH AND SIX MONTH PERIODS ENDED JUNE 30, 2015

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 August 10, 2015 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 1
FORWARD-LOOKING STATEMENTS 2
ECONOMIC ENVIRONMENT AND STRATEGY 2
EXPLORATION ACTIVITIES AND MINING PROPERTIES 2
OVERVIEW - CHIBOUGAMAU MINING CAMP....3
QUALIFIED PERSON....4
SUMMARY OF QUARTERLY RESULTS 4
RESULTS OF OPERATIONS FOR THE THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2015 5
FINANCIAL POSITION – JUNE 30, 2015 7
LIQUIDITY, WORKING CAPITAL, CASH FLOW AND CAPITAL RESOURCES....8
FINANCIAL INSTRUMENTS 9
OUTSTANDING SHARE DATA 11
RISKS AND UNCERTAINTIES 12
RELATED PARTY INFORMATION 12
OUTLOOK....14
ADDITIONAL INFORMATION....14
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION 14

HIGHLIGHTS

- As a result of the significant financing challenges that the Corporation faced in 2014, on December 15, 2014, CIM completed a loan arrangement which was designed to 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.
- During the six month period ended June 30, 2015, $50,000 was drawn down under this arrangement. See page 13, for further details.
- At June 30, 2015, CIM had cash and cash equivalents of $57,973.
- During the first six months of 2015, CIM reported administration expenses of $56,674 (2014 - $134,842) which is reflected in the loss of $56,674 and compares to the loss of $255,153 in the six month period ended June 30, 2014.

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

In 2014, uneven economic growth was one of the hallmarks with growth accelerating nicely in the U.S. and U.K. while Japan and Europe posted disappointing results. However, during the first seven month of 2015, we have seen significant volatility in the world financial markets caused by the defaults and threats of bankruptcy in Greece, and the potential spill over to the Eurozone as well as declines in the Chinese stock markets. The oversupply of oil has continued to create downward pressure on oil prices. These factors combined with projected declines in a number of important world economies including China are reflected in reduced commodity prices.

During the first four months of 2015, Gold and Silver reported increases of 2% and 5% respectively from year-end, Zinc hit its highest price in eight months and copper its loftiest in 4½ months. However, as a result of the factors described above, the commodity prices all reflect declines from the prices at December 31, 2014 at June 30, 2015. Since June 30, commodity prices have all declined significantly with Gold prices recently hitting a five-year low. These price movements are considered in CIM's forward planning.

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 period since December 31, 2011, the S&P/TSX Venture Composite has declined by 55% (December 31, 2011 - 1,484; December 31, 2014 - 696; June 30, 2015 - 671). 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.

CIM currently faces financing challenges, but its 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 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 properties in the Chibougamau Mining Camp in the province of Quebec and subsequently concluded that the best way to "unlock" the value of these assets and allow Globex shareholders to participate in future growth opportunities was to "spin out" the assets in to a separate entity. 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 ten mining 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. 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,).

Property Overview

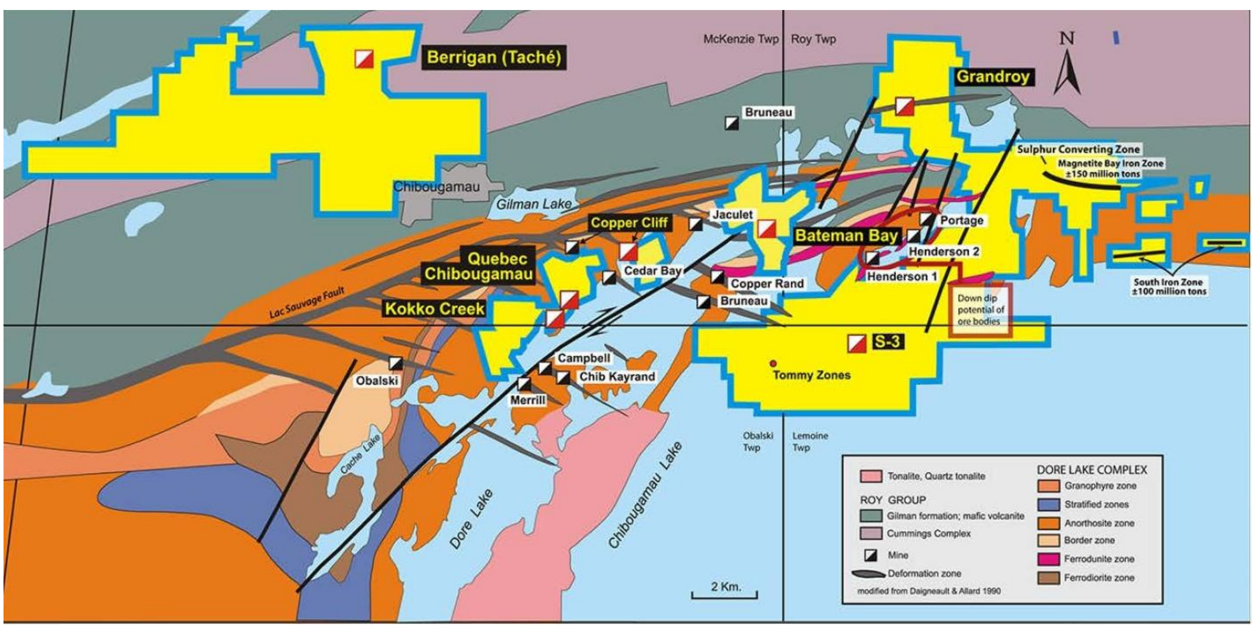

Figure 1

EXPLORATION ACTIVITIES IN 2015:

During the six month period ended June 30, 2015 exploration expenditures of $2,166 as compared to $34,262 in the corresponding period in 2014.

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.

SUMMARY OF QUARTERLY RESULTS

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

	2015		2014				2013	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Total revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total expenses	31,658	25,016	3,906,530	33,699	57,312	77,530	3,089,518	96,056
Other income (expenses)	(48,602)	48,602	48,613	(72,862)	(48,602)	(97,201)	48,626	121,519
Income (loss)	(73,723)	17,049	(3,695,533)	(102,838)	(98,955)	(156,198)	(2,948,537)	(41,943)
Income (loss) per share								
- Basic and diluted	$ (0.00)	$ 0.00	$ (0.11)	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.09)	$ (0.00)

The loss of $73,723 in the second quarter of 2015 compares to income of $17,049 in the first quarter of 2015. The difference in the results mainly reflects the decrease in the fair value of the 4,860,200 shares in Mag Copper which took place during the second quarter. In the first quarter of 2015, an increase in the fair value had been reported.

The income of $17,049 in the first quarter of 2015 compares to the loss of $3,695,533 in the fourth quarter of 2014. The difference in the results relates to the reduced impairment provision. In the fourth quarter of 2014, an impairment provision of $3,882,162 was recorded whereas in Q1 2015, no impairment provision was taken. The other income of $48,602 in the first quarter of 2015 is comparable as the other income of $48,613 in the fourth quarter of 2014.

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 of $33,699 in the third quarter were lower than the second quarter of the current year mainly as there was no stock-based compensation expense 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 reflected 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 the first quarter of 2014, $20,296 was reported. 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 the first quarter of 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 September 30, 2013 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.

RESULTS OF OPERATIONS FOR THE THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2015

Total expenses (three months ended June 30, 2015 - $31,658 (June 30, 2014 - $57,312); Six months ended June 30, 2015 - $56,674 (June 30, 2014 - $134,842).

In the second quarter of 2015, the total expenses were $31,658 compared to $57,312 in 2014. The reduction of $25,654 in the expenses is mainly a result of no share based compensation expense in 2015 as compared to $23,298 in the comparable period in 2014.

During the six-month period ended June 30, 2015, the total expenses were $56,674 as compared to $134,842 in the comparable period in 2014. The decrease of $78,168 mainly reflects a reduction in:

- management services of $36,000,
- share based compensation of $23,398,
- impairment of mineral properties and deferred exploration of $21,881.

These reductions were offset by total increases of $3,111 in other expenses as detailed below.

The following paragraphs provide an overview of the nature of the expense incurred in the second quarter of 2015 and during the six-month period ended June 30, 2015:

Administration

- During the second quarter of 2015, the administrative expenses totaled $3,210 as compared to $4,067 representing a reduction of $857.

- During the six-month period ended June 30, 2015, the administration expenses totaled $7,827 as compared to $14,290 in the comparable period in 2014. The majority of the $6,463 decrease relates to a reduction in office supplies and maintenance and other expenses.

Transfer Agent and filing fees

- During the second quarter of 2015, the transfer agent and filing fees were $13,401 as compared to $6,339 in 2014. The difference represents a timing difference in expenses related to the Corporation’s annual meeting.

- During the six-month period ended June 30, 2015, the transfer agent and filing fees totaled $22,862 as compared to $20,116. The expenses in 2015 were higher in 2014 mainly as the Corporation’s annual meeting was held earlier in the year and all of the costs were included in the second quarter of 2015.

Legal

- The legal expenses of $4,285 in the second quarter of 2015 represent the costs of general corporate matters including costs related to the Corporation's annual meeting. The expenses are $251 higher than $4,034 incurred in the comparable period in 2014.

- During the six-month period ended June 30, 2015, the legal expenses were $6,966 as compared to $7,268 in the comparable period in 2014. The reduction reflects lower activity levels.

Audit and accounting

- In the second quarter of 2015, the audit and accounting provision was $6,130 as compared to $6,000 in the comparable period in 2014. The marginal increase reflects the impact of final adjustments related to the 2014 year-end audit accrual.

- During the six-month period ended June 30, 2015, the audit and accounting expenses totaled $11,230 as compared to $12,000 in the comparable period in 2014.

Share-based compensation

- During 2015, there have been no stock options issued and as a result there is no expense reported in either the three month or six month periods ended June 30, 2015. The share based compensation of $23,298 in 2014 represents the fair value of 425,000 options issued on June 17, 2014 to an employee and a director. This resulted in an expense of $23,298 in the three month and six month periods ended June 30, 2014.

Management Services

- No Management Service fees were recorded during either the three month period ended June 30, 2015 or the six month period ended June 30, 2015 as a result of the very low level of activities in the respective periods.

Amortization of financing costs

- During the three month period ended June 30, 2015, the $2,257 represents the amortization of the financing costs for the long-term term loan which was secured on December 15, 2014. There was no comparable expense in the second quarter of 2014.

- During the six month period ended June 30, 2015, the total expenses were $3,795 which represents the amortization of the financing costs for the long-term term loan which was secured on December 15, 2014. There was no comparable expense in the second quarter of 2014.

Interest expense

- The interest expense of $2,375 during the three month period ended June 30, 2015, represents accrued interest on the long-term loan. There was no comparable expense in 2014.

- During the six-month period ended June 30, 2015, the interest expense of $3,994 represents accrued interest on the long-term loan. There was no comparable expense in 2014.

Impairment of mineral properties and deferred exploration expenses

- For the three months ended June 30, 2015, no impairment provision was made as a result of the low level of activity whereas in the comparable period in 2014, the general exploration expenditures of $1,585 were written off in accordance with the Corporation's accounting policy.

- During the six month period ended June 30, 2015, no impairment provision was made. In the comparable period in 2014, the general exploration expenditures of $21,881 were written off.

- As a result of the technical reports related to the Berrigan and Lac Chibougamau properties and prior year exploration programs, 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. All of the claims are in good standing and assessment credits are up to date for 2015. Management believes that these exploration targets should be further explored.

Other income (expenses)

- The other expense of $48,602 in the three-month period ended June 30, 2015 (2014 $48,602) represent the decrease in the fair value of the 4,860,200 Mag Copper Ltd shares which are held by the Corporation. The shares were value at $0.015 at June 30, 2015 as compared to $0.025 per share at March 31, 2015.

- During the six month period ended June 30, 2015, no decrease in the fair value of investments was recorded as the shares had been valued at $0.015 which is the same value as at December 31, 2014. In the comparable period 2014, the Corporation recorded a decline in the fair value of the shares of $145,806.

Deferred tax provision (recovery)

- During the three-month period ended June 30, 2015, a deferred income tax recovery of $6,537 related to the change in the carrying value of the equity investments was recorded (June 30, 2014 - $6,959).

- During the six month period ended June 30, 2015, no deferred income tax expense or recovery was recorded as changes in the deferred tax assets were offset by adjustments to the valuation allowance. In the comparable period in 2014, a deferred tax recovery of $25,492 was recorded which related to the change in the carrying value of equity investments and a deferred tax recovery related to exploration expenses. .

FINANCIAL POSITION – June 30, 2015

Total assets

At June 30, 2015, the total assets were $1,503,851 which represented a decrease of $1,881 from $1,505,732 at December 31, 2014.

Liabilities

At June 30, 2015, CIM had total current liabilities of $15,034 (December 31, 2014 - $20,278). The reduction is mainly related to the lower level of activities during the period.

At June 30, 2015, CIM had a related party payable liability to Globex Mining Enterprises Inc. of $17,630 (December 31, 2014 - $15,382) which represented unpaid management services and other miscellaneous expenses.

At June 30, 2015, CIM reported $86,433 (December 31, 2014 - $28,644) as an amount due to Jack Stoch Geoconsultant Services Limited. The liability consists of advances of $100,000 under a loan arrangement executed on December 15, 2014, along with accrued interest and offsetting financing costs. Further details are provided on page 13.

Deferred tax liabilities

At June 30, 2015, deferred tax liabilities were reported at $189,364 which is unchanged from December 31, 2014. 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, contributed surplus – equity settled reserve, and the deficit which totaled $1,195,390 at June 30, 2015 (December 31, 2014 - $1,252,064). The decrease reflects the loss of $56,674 for the six month period ended June 30, 2015.

Common Shares

At June 30, 2015, the Corporation had 32,477,248 common shares outstanding which is unchanged from December 31, 2014.

Warrants

At June 30, 2015, 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 June 30, 2015, the Corporation had cash and cash equivalents of $57,973 (December 31, 2014 - $58,912).

Working Capital

The Corporation had working capital (based on current assets minus current liabilities) of $124,468 (December 31, 2014 - $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 six month period ended June 30, 2015, $48,885 (June 30, 2014 - $89,665) **was used in operating activities** and $2,136 (June 30, 2014 - $12,723) was used in non-cash operating working capital items.

In the six month-period ended June 30, 2015, the **financing activities** totaled $52,248 which represented funds received under the loan arrangement with Jack Stoch Geoconsultant Services Limited of $50,000 and related party payments of $2,248.

During the six month period ended June 30, 2015, $2,166 (June 30, 2014 - $34,604) was invested in the acquisition of mineral properties and deferred exploration expenses.

These operating, financing and investing activities resulted in a decrease in the cash and cash equivalents of $939 for the six month period ended June 30, 2015 (June 30, 2014 - $136,992).

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 2014, due to market conditions CIM was not able to complete an equity financing 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. (Further are provided on page 13). On December 15, 2014, $50,000 was advanced followed by two additional tranches of $25,000 on March 15, 2015 and June 15, 2015.

The loan was designed to provide the Corporation with sufficient cash to meet the ongoing listing requirements as a TSXV listed company which includes 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 six months. Management estimated the annual 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, warrants, stock options (equity settled reserve), and 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.

In order to facilitate the management of its capital requirements, the Corporation prepares annual expenditure budgets that are updated as necessary. The annual and updated budgets are approved by the Board of Directors. For capital management purposes, the Corporation has developed two objectives which are as follows:

- Retain cash and cash equivalents, cash reserved for exploration expenditures and accounts receivable which are equal to or greater than the committed exploration expenditures,

- Retain equity investments and debt instruments with a combined fair market value which are greater than twelve months of projected operating and administrative expenditures.

The Corporation will need additional capital resources to complete or carry out its exploration and development plans for the next twelve months.

The Corporation is not subject to any externally imposed capital requirements. The Corporation's overall strategy remains unchanged from 2014.

The fair value of the Corporation's cash and cash equivalents, taxes receivable, accounts payable and accrued liabilities approximate their carrying value due to the short-term nature. The equity investments have been adjusted to reflect their fair market value at the period end based on quoted market rates.

Financial risk management objectives

The Corporation's financial instruments are exposed to certain financial risks including credit risk, liquidity risk, equity market risk and fair value measurements recognized in the statement of financial position.

(a) Credit Risk

The Corporation had cash and cash equivalents of $57,973 at June 30, 2015 (December 31, 2014 - $58,912). 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:

		June 30, 2015		December 31, 2014
Cash and cash equivalents	**$**	**57,973**	$	58,912
Investments		**72,903**		72,903
Taxes receivable [i)]		**2,139**		714
	$	**133,015**	$	132,529

(i) Taxes receivable of $2,139 (December 31, 2014 - $714) 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 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 June 30, 2015 (December 31, 2014 - $72,903) and as a result 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).

June 30, 2015	Level 1	Level 2	Level 3	Total Financial Assets at fair Value
Financial assets				
Equity investments	$ -	$ 72,903	$ -	$ 72,903
	$ -	$ 72,903	$ -	$ 72,903

There were no transfers between level 1 and level 2 during the period.

The level 2 equity investments have been measured using the quoted price of the shares on the market which has been determined to be non-active. For all other financial assets and liabilities, the fair value is equal to the carrying value.

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

There were no transfers between level 1 and level 2 during the period.

OUTSTANDING SHARE DATA

At June 30, 2015, the Corporation had 32,477,248 common shares outstanding which is unchanged from December 31, 2014. In addition at June 30, 2015, the Corporation had 1,000,000 (December 31, 2014 – 1,000,000) warrants outstanding as well as 1,740,400 stock options (December 31, 2014 - 1,940,400 for fully diluted common share capital of 35,217,648 (December 31, 2014 – 35,417,648.

At June 30, 2015, in addition to the 1,740,400 stock options outstanding (December 31, 2014, 1,940,400) 1,466,070 (December 31, 2014 – 1,266,070) stock options were available to be granted.

There have been no changes in the number of shares, options and warrants outstanding since June 30, 2015 to August 10, 2015, the date of the approval of this MD&A.

RISKS AND UNCERTAINTIES

The Corporation, like all other mining exploration companies, is exposed to a variety of financial and environmental risks as well as operational and safety risks related to the very nature of its activities. It is also subject to risks related to other factors, such as metal prices and financial market conditions. Further details with respect to the following risks were outlined in the Corporation's December 31, 2014 Annual MD&A.

(a) Financing Risk
(b) Cash Flow
(c) Permits and licenses
(d) Government Regulations
(e) Environmental Risks
(f) Exploration and Development Risks
(g) Title Matters

On March 26, 2015, the Government of Quebec tabled the 2015-2016 Budget which included provisions to:

(a) Re-launch the Plan Nord and

(b) Initiatives to enhance support for mining activities:

- definition of exploration expenses will be expanded to include environmental studies and community consultation as eligible flow-through expenses,
- one-year postponement of an increase in the pricing of certain mining rights (8% increase January 1, 2016 and January 1, 2017 replaces a 16% increase scheduled for 2015) has been proposed,
- minimum cost of work that must be performed by a claimholder in a two-year term of a claim will be reduced by 35% for a period of two years, starting in 2015.

RELATED PARTY INFORMATION

(a) Related party payables

Related party payables	June 30, 2015	December 31, 2014
Globex Mining Enterprises Inc.	**$ 17,630**	$ 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 (GJSL), a private company which is the principal shareholder of CIM, and therefore can significantly influence the operations of both entities.

(b) 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.

No Management Service charges have been incurred during the three-month period June 30, 2015 (June 30, 2014 - $12,000) or during the six month period ended June 30, 2015 (June 30, 2014 $36,000) as CIM currently has no funds available for exploration and therefore the operational activities are minimal.

(c) Amount due to Jack Stoch Geoconsultant Services Limited

		June 30, 2015		December 31, 2014
Loan balance	**$**	**100,000**	$	50,000
Accrued interest		**4,257**		263
		104,257		50,263
Deduct: deferred financing costs				
Fair value of 1,000,000 warrants issued		**21,369**		21,369
Fees paid to TSXV		**500**		500
		21,869		21,869
Amortization of financing costs		**(4,045)**		(250)
		17,824		21,619
Balance, end of period	**$**	**86,433**	$	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 a second tranche of $25,000 was advanced on March 15, 2015 followed by a third tranche of $25,000 on June 15, 2015. The proceeds from the loan have been used for working capital. The loan will mature on December 15, 2016 and bears interest at an annual rate of 12%, compounded and payable on the maturity date. The loan is secured by a hypothec and security interest on all of CIM's assets.

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

At June 30, 2015, deferred financing costs of $17,824 (December 31, 2014 - $21,619) 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 CIM on the TSX Venture Exchange, or such other stock exchange on which the shares of CIM 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.

The TSX Venture Exchange approved the loan and the warrants to be issued to GJSL on April 2, 2015. Any conversion of the loan into shares of CIM upon its maturity will be subject to the prior approval of the TSX Venture Exchange.

(d) Transactions with Key Management Personnel

None of the key management personnel received any remuneration or other benefits during the three-month and six month periods ended June 30, 2015 or June 30, 2014.

OUTLOOK

As outlined in the economic environment and strategy section of this MD&A, CIM like other Junior mining companies have seen their share values decline substantially during the last two years. They are also facing significant financing challenges. However, despite these challenges, we have continued to explore various financing options as we believe that the technical reports related to the Berrigan and Lac Chibougamau properties as well as the results of previous exploration programs have identified a number of priority targets on the following properties which are deemed as projects of merit:

- Bateman Bay,
- Berrigan (Tache),
- Lac Chibougamau.
- Kokko Creek, and
- Mont Sorcier.

In our forward planning for the remainder of 2015 and into 2016, 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 August 10, 2015.

CHIBOUGAMAU INDEPENDENT MINES INC.

Interim Condensed Statements of Loss and Comprehensive Loss

(Unaudited - In Canadian dollars)

	Notes	Three month ended June 30, 2015	Three month ended June 30, 2014	Six months ended June 30, 2015	Six months ended June 30, 2014
Continuing operations					
Expenses					
Administration	10	**$ 3,210**	$ 4,067	**$ 7,827**	$ 14,290
Transfer agent and filing fees		**13,401**	6,339	**22,862**	20,116
Legal		**4,285**	4,034	**6,966**	7,268
Audit and accounting		**6,130**	6,000	**11,230**	12,000
Management services	13 (b)	**-**	12,000	**-**	36,000
Share-based compensation		**-**	23,298	**-**	23,298
Amortization of financing costs		**2,257**	-	**3,795**	-
Interest expense on long-term loan		**2,375**	-	**3,994**	-
Impairment of mineral properties and deferred exploration expenses		**-**	1,585	**-**	21,881
Loss on foreign exchange		**-**	(11)	**-**	(11)
		31,658	57,312	**56,674**	134,842
Loss from operations		**(31,658)**	(57,312)	**(56,674)**	(134,842)
Other income					
Interest income		**-**	-	**-**	3
Decrease in fair value of financial assets		**(48,602)**	(48,602)	**-**	(145,806)
		(48,602)	**(48,602)**	-	(145,803)
Loss before taxes		**(80,260)**	(105,914)	**(56,674)**	(280,645)
Income and mining taxes					
Deferred tax provision (recovery)	9	**(6,537)**	(6,959)	**-**	(25,492)
Income and mining taxes expense (recovery)		**(6,537)**	-	**-**	(25,492)
Loss and comprehensive Loss for the period		**$ (73,723)**	$ (98,955)	**$ (56,674)**	$ (255,153)
Loss per common share					
Basic and diluted	11	**$ -**	$ -	**$ -**	$ (0.01)
Weighted average number of common shares outstanding		**32,477,248**	32,477,248	**32,477,248**	32,477,248
Shares outstanding at end of period		**32,477,248**	32,477,248	**32,477,248**	32,477,248

The accompanying notes are an integral part of these financial statements

CHIBOUGAMAU INDEPENDENT MINES INC.

Interim Condensed Statements of Cash Flows

(Unaudited - In Canadian dollars)

	Notes		Six months ended June 30, 2015		2014
Operating activities					
Loss and comprehensive Loss for the period		**$**	**(56,674)**	$	(255,153)
Adjustments for:					
Share-based compensation			**-**		23,298
Increase in fair value of financial assets			**-**		145,806
Impairment of mineral properties and deferred exploration expenses			**-**		21,881
Amortization of financing costs	14		**3,795**		-
Interest expense	14		**3,994**		-
Deferred income and mining taxes			**-**		(25,492)
Income and mining taxes paid			**-**		(5)
			(48,885)		(89,665)
Changes in non-cash operating working capital items	14		**(2,136)**		(12,723)
			(51,021)		(102,388)
Financing activities					
Amount due to Jack Stoch Geoconsultant Services	13 (c)		**50,000**		-
Related party payable - Globex Mining Enterprises Inc.	13 (a)		**2,248**		-
			52,248		-
Investing activities					
Acquisition of mineral properties	6		**-**		(342)
Deferred exploration expenses	7		**(2,166)**		(34,262)
			(2,166)		(34,604)
Net decrease in cash and cash equivalents			**(939)**		(136,992)
Cash and cash equivalents, beginning of period			**58,912**		170,798
Cash and cash equivalents, end of period		**$**	**57,973**	$	33,806
Cash and cash equivalents		**$**	**57,973**	$	33,806
Cash reserved for exploration			**-**		-
		$	**57,973**	$	33,806

Supplementary cash flow information (note 14)

The accompanying notes are an integral part of these financial statements

CHIBOUGAMAU INDEPENDENT MINES INC.

Interim Condensed Statements of Financial Position

(Unaudited - In Canadian dollars)

	Notes		**June 30, 2015**		December 31, 2014
Assets					
Current assets					
Cash and cash equivalents	4	**$**	**57,973**	$	58,912
Investments	5		**72,903**		72,903
Taxes receivable			**2,139**		714
Prepaid expenses			**6,487**		11,020
			139,502		143,549
Mineral properties	6		**361,743**		361,743
Deferred exploration expenses	7		**1,002,606**		1,000,440
		$	**1,503,851**	$	1,505,732
Liabilities					
Current liabilities					
Payables and accruals	8	**$**	**15,034**	$	20,278
			15,034		20,278
Related party payable - Globex Mining Enterprises Inc.	13 (a)		**17,630**		15,382
Amount due to Jack Stoch Geoconsultant Services Limited	13 (c)		**86,433**		28,644
Deferred income tax	9		**189,364**		189,364
Owners' equity					
Common shares	12		**8,554,690**		8,554,690
Warrants	12		**21,369**		21,369
Contributed surplus - equity settled reserve			**273,388**		273,388
Deficit			**(7,654,057)**		(7,597,383)
			1,195,390		1,252,064
		$	**1,503,851**	$	1,505,732

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.

Interim Condensed Statements of Equity

(Unaudited - In Canadian dollars)

	Notes		**Six months ended June 30, 2015**		2014		Year ended December 31, 2014
Common shares		**$**	**8,554,690**	$	8,554,690	$	8,554,690
Warrants							
Beginning of period	12	**$**	**21,369**	$	-	$	-
Issued under private placement			**-**		-		21,369
End of period		**$**	**21,369**	$	-	$	21,369
Contributed surplus - equity settled reserve							
Beginning of period		**$**	**273,388**	$	250,090	$	250,090
Share-based compensation and payments			**-**		23,298		23,298
End of period		**$**	**273,388**	$	273,388	$	273,388
Deficit							
Beginning of period		**$**	**(7,597,383)**	$	(3,543,859)	$	(3,543,859)
Loss and comprehensive loss for the period			**(56,674)**		(255,153)		(4,053,524)
End of period		**$**	**(7,654,057)**	$	(3,799,012)	$	(7,597,383)
Total Equity		**$**	**1,195,390**	$	5,029,066	$	1,252,064

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.

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

Basis of Presentation

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

Since its incorporation, the Corporation has accumulated a deficit of $7,654,057 (December 31, 2014 - $7,597,383). 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 assumption.

The recoverability of amounts shown for mineral properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Corporation’s interest in the underlying mineral claims, the ability of the Corporation to obtain necessary financing to complete the development, and future profitable production or proceeds from the disposal thereof.

These interim condensed financial statements have been prepared on a going-concern basis which contemplates that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. This assumption is based on the current net assets of the Corporation and management’s current operating plans.

2. Basis of presentation and going concern (continued)

These interim condensed financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of revenues and expenses and the classification of statement of financial position items if the going concern assumption was deemed inappropriate, and these adjustments could be material. Management did not take these adjustments into account as it believes in the validity of the going concern assumption.

Statement of compliance

These interim condensed financial statements have been prepared by Management in accordance with *IAS 34, Interim Financial Reporting*. The disclosure contained in these interim condensed financial statements do not include all the requirements in *IAS 1 Presentation of Financial Statements.* Accordingly, the interim condensed financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2014.

The preparation of interim condensed financial statements in accordance with IAS 34 requires the use of certain critical judgments and accounting estimates. It also requires management to exercise judgment when applying the Corporation's accounting policies.

The Corporation's Board of Directors approved these interim condensed financial statements for the periods ended June 30, 2015 and June 30, 2014 on August 10, 2015.

3. Summary of significant accounting policies

(a) International Financial Reporting Standards adopted.

These interim condensed financial statements have been prepared using the same accounting policies and methods of computation as the annual financial statements (Note 4) of the Corporation's audited financial statements for the year ended December 31, 2014.

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

Certain new standards, interpretations, amendments and improvements to existing standards are not yet effective, and have not been applied in preparing these interim condensed financial statements.

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 had 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.

3. Summary of significant accounting policies (continued)

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 is effective for annual periods beginning on or after January 1, 2017, but may be deferred to January 1, 2018. Early adoption is permitted. Management is in the process of evaluating the impacts of this standard on the Corporation.

4. Cash and cash equivalents

	June 30, 2015	December 31, 2014
Bank balances	**$ 57,973**	$ 58,912

5. Investments

	June 30, 2015	December 31, 2014
Equity investments	**$ 72,903**	$ 72,903

At June 30, 2015, the fair market value of $72,903 (December 31, 2014 - $72,903) of the equity investments represents 4,860,200 (December 31, 2014 - 4,860,200) Mag Copper Limited shares valued at $0.015 per share (December 31, 2014 - $0.015 per share).

6. Mineral properties

	December 31, 2014	**Additions 2015**	**Impairment and write-offs 2015**	**June 30, 2015**
Bateman Bay	$ 66,776	**$ -**	**$ -**	**$ 66,776**
Berrigan South and Berrigan Mine	111,658	**-**	**-**	**111,658**
Lac Chibougamau	171,239	**-**	**-**	**171,239**
Copper Cliff Extension	-	**-**	**-**	**-**
Grandroy	-	**-**	**-**	**-**
Kokko Creek	6,672	**-**	**-**	**6,672**
Lac Élaine (Berrigan West)	-	**-**	**-**	**-**
Lac Antoinette	-	**-**	**-**	**-**
Mont Sorcier (Sulphur Converting Property and Magnetite Bay)	5,398	**-**	**-**	**5,398**
Québec Chibougamau Goldfields	-	**-**	**-**	**-**
Virginia Property	-	**-**	**-**	**-**
	$ 361,743	**$ -**	**$ -**	**$ 361,743**

The mineral properties were acquired in 2012 and 2013 and as a result of not incurring substantive expenditures on the properties in 2014, an impairment provision was made against the carrying values.

If funding is secured, plans and targets have been developed and expenses will be incurred on these properties.

7. Deferred exploration expenses

	December 31, 2014	Additions 2015	Impairment and write-offs 2015	June 30, 2015
Bateman Bay	$ 257,286	$ 28	$ -	$ 257,314
Berrigan South and Berrigan Mine	330,568	1,134	-	331,702
Lac Chibougamau	134,348	85	-	134,433
Copper Cliff Extension	-	-	-	-
Grandroy	-	141	-	141
Kokko Creek	86,955	-	-	86,955
Lac Élaine (Berrigan West)	-	-	-	-
Lac Antoinette	-	639	-	639
Mont Sorcier	193,823	139	-	193,962
Québec Chibougamau Goldfields	-	-	-	-
Virginia Property	-	-	-	-
Buckell Lake	-	-	-	-
Lac Simon	-	-	-	-
General exploration and other	-	-	-	-
Quebec refundable tax credit recovery	(2,540)	-	-	(2,540)
	$ 1,000,440	$ 2,166	$ -	$ 1,002,606

As a result of not incurring substantive exploration expenditures in 2014, an impairment provision was made against the carrying values of many of the properties in the Chibougamau Mining Camp. If financing is secured, plans and targets have been developed and expenses will be incurred on the properties. During the six months ended June 30, 2015, no impairment provisions were recorded against the deferred exploration expenses (six months ended June 30, 2014 - $21,881).

	June 30, 2015	December 31, 2014
Balance, beginning of year	$ 1,000,440	$ 1,347,654
Current exploration expenses		
Claim staking	-	575
Geology	725	19,031
Laboratory analysis and sampling	-	28
Labour	178	11,281
Mining property tax and permits	1,253	8,129
Reports, maps and supplies	-	2,510
Transport and road access	10	1,760
Quebec refundable tax credit recovery	-	(2,540)
Total current exploration expenses	2,166	$ 40,774
Impairment and write-offs	-	$ (387,988)
Balance, end of year	$ 1,002,606	$ 1,000,440

8. Payables and accruals

	June 30, 2015	December 31, 2014
Trade payables and accrued liabilities	$ 15,034	$ 20,278
	$ 15,034	$ 20,278

9. Deferred Income tax

Income and mining taxes expense (recovery)

	Three months ended		Six months ended	
	June 30, 2015	June 30, 2014	**June 30, 2015**	June 30, 2014
Deferred tax provision (recovery) for income taxes	**$ (6,537)**	$ (6,959)	**$ -**	$ (25,492)

Deferred tax balances

	December 31, 2014	**Recognized in loss for the six months ended June 30, 2015**	**Other**	**June 30, 2015**
Temporary differences				
Deferred tax assets				
Non-capital losses carry forward	**$ 291,656**	**$ 13,817**	**$ -**	**$ 305,473**
Share issue expenses	**60,015**	**(7,502)**	**-**	**52,513**
	351,671	**6,315**	**-**	**357,986**
Less valuation allowance	**(351,671)**	**(6,315)**	**-**	**(357,986)**
Deferred tax assets	**-**	**-**	**-**	**-**
Deferred tax liabilities				
Financial assets at FVTPL	**-**	**-**	**-**	**-**
Mining properties and deferred	**189,364**	**-**	**-**	**189,364**
Deferred tax liabilities	**$ 189,364**	**$ -**	**$ -**	**$ 189,364**

	December 31, 2013	Recognized in loss for the year ended December 31, 2014	Other	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 exploration expenses	358,084	(168,720)	-	189,364
Deferred tax liabilities	$ 380,963	$ (191,599)	$ -	$ 189,364

10. Expenses by nature

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

	Three months ended		Six months ended	
	June 30, 2015	June 30, 2014	**June 30, 2015**	June 30, 2014
Office supplies and maintenance	**$ 304**	$ 129	**$ 579**	$ 3,205
Shareholder information	**283**	466	**442**	466
Information technology	**-**	340	**1,785**	2,101
Advertising and promotion	**274**	-	**274**	-
Insurance	**2,303**	2,425	**4,605**	4,850
Other	**46**	707	**142**	3,668
	$ 3,210	$ 4,067	**$ 7,827**	$ 14,290

11. Loss per common share

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 warrants and stock options. Diluted 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 period.

Basic and diluted income (loss) per common share

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

	Three months ended		Six months ended	
	June 30, 2015	June 30, 2014	**June 30, 2015**	June 30, 2014
Numerator				
Income (loss) for the period	**$ (73,723)**	$ (98,955)	**$ (56,674)**	$ (255,153)
Denominator				-
Weighted average number of common shares - basic and diluted (i), (ii)	**32,477,248**	32,477,248	**32,477,248**	32,477,248
Income (loss) per share				
Basic and diluted	**$ -**	$ -	**$ -**	$ (0.01)

(i) At June 30, 2014, stock options have not been included in the diluted income (loss) per share as they are anti-dilutive.
(ii) At June 30, 2015, stock options have not been included as they are “not in the money.”

12. Share capital

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

Issued: Common shares

	June 30, 2015		December 31, 2014	
	Number of shares	**Capital Stock**	Number of shares	Capital Stock
Balance, end of period	**32,477,248**	**$ 8,554,690**	32,477,248	$ 8,554,690

Warrants

	June 30, 2015		December 31, 2014	
	Number of warrants	**Fair value**	Number of warrants	Fair value
Balance, beginning of period	**1,000,000**	**$ 21,369**	-	$ -
Issued in connection with private placement	-	-	1,000,000	21,369
Balance, end of period	**1,000,000**	**$ 21,369**	1,000,000	$ 21,369

As outlined in note 13 (c), 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.

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 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. 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.

12. Share capital (continued)

At June 30, 2015, 1,740,400 (December 31, 2014 - 1,940,400) options were issued with a weighted average exercise price of $0.15 per share and a weighted average remaining contractual life of 2.46 years. At that date, in addition to the 1,740,400 options outstanding, 1,466,070 (December 31, 2014 - 1,266,070) options were available to be granted.

The following is a summary of the share purchase option transactions under the Plan for the relevant periods:

		June 30, 2015		December 31, 2014
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
Balance - beginning of period	**1,940,400**	**$ 0.16**	1,810,400	$ 0.20
Expired	**(200,000)**	**0.25**	(295,000)	0.26
Granted - Directors and employees	**-**	**0.15**	425,000	0.06
Balance - end of period	**1,740,400**	**$ 0.15**	1,940,400	$ 0.16
Options exercisable	**1,740,400**	**$ 0.15**	1,940,400	$ 0.16

The following table summarizes information regarding the stock options outstanding and exercisable as at June 30, 2015:

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	3.97	0.06
0.09 - 0.12	725,000	725,000	3.11	0.10
0.17 - 0.22	425,000	425,000	0.45	0.17
0.25 - 0.36	29,200	29,200	1.34	0.33
0.38 - 0.59	136,200	136,200	0.75	0.58
	1,740,400	1,740,400	2.46	0.15

Stock-based compensation and payments

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. No stock options were issued during the six month periods ended June 30, 2015 whereas 425,000 were issued in the comparable period.

13. Related party information

(a) Related party payables

		June 30, 2015		December 31, 2014
Globex Mining Enterprises Inc.	**$**	**17,630**	$	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 (GJSL), a private company which is the principal shareholder of CIM, and therefore can significantly influence the operations of both entities.

(b) 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.

No Management Service charges have been incurred during the six-month period ended June 30, 2015 (June 30, 2014 - $36,000) as CIM currently has minimal operational activities.

(c) Amount due to Jack Stoch Geoconsultant Services Limited

		June 30, 2015		December 31, 2014
Loan balance	**$**	**100,000**	$	50,000
Accrued interest		**4,257**		263
		104,257		50,263
Deduct: deferred financing costs				
Fair value of 1,000,000 warrants issued		**21,369**		21,369
Fees paid to TSXV		**500**		500
		21,869		21,869
Amortization of financing costs		**(4,045)**		(250)
		17,824		21,619
Balance, end of period	**$**	**86,433**	$	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 a second tranche of $25,000 was advanced on March 15, 2015 followed by a tranche of $25,000 was advanced on June 15, 2015. The proceeds from the loan were used for working capital. The loan will mature on December 15, 2016 and bears interest at an annual rate of 12%, compounded and payable on the maturity date. The loan is secured by a hypothec and security interest on all of CIM's assets.

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

At June 30, 2015, deferred financing costs of $17,824 (December 31, 2014 - $21,619) have been presented as a deduction against the amount due to GJSL.

13. Related party information (continued)

This amount is being amortized to the interim condensed statement of income (loss) and comprehensive income (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 CIM, on the TSX Venture Exchange, or such other stock exchange on which the shares of CIM 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.

The TSX Venture Exchange approved the loan and the warrants to be issued to GJSL on April 2, 2015. Any conversion of the loan into shares of CIM upon its maturity will be subject to the prior approval of the TSX Venture Exchange.

(d) Transactions with Key Management Personnel

None of the key management personnel received any remuneration or other benefits during the six-month periods ended June 30, 2015 or June 30, 2014.

14. Supplementary cash flows information

Changes in non-cash working capital items

	June 30, 2015	June 30, 2014
Taxes receivable	**$ (1,425)**	$ 27,711
Prepaid expenses	**4,533**	(148)
Payables and accruals	**(5,244)**	(40,286)
	$ (2,136)	$ (12,723)

Changes in financing costs and interest on long-term loan

	Three months ended		**Six months ended**	
	June 30, 2015	June 30, 2014	**June 30, 2015**	June 30, 2014
Amortization of financing costs	**$ 2,257**	$ -	**$ 3,795**	$ -
Interest expense on long-term loan	**2,375**	-	**3,994**	-

15. 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.

In order to facilitate the management of its capital requirements, the Corporation prepares annual expenditure budgets that are updated as necessary. The annual and updated budgets are approved by the Board of Directors. For capital management purposes, the Corporation has developed two objectives which are as follows:

- Retain cash and cash equivalents, cash reserved for exploration expenditures and accounts receivable which are equal to or greater than the committed exploration expenditures,

- Retain equity investments and debt instruments with a combined fair market value which are greater than twelve months of projected operating and administrative expenditures.

The Corporation will need additional capital resources to complete or carry out its exploration and development plans for the next twelve months.

The Corporation is not subject to any externally imposed capital requirements. The Corporation's overall strategy remains unchanged from 2014.

The fair value of the Corporation's cash and cash equivalents, taxes receivable, accounts payable and accrued charges approximate their carrying value due to the short-term nature. The equity investments have been adjusted to reflect their fair market value at the period end based on quoted market rates.

Financial risk management objectives

The Corporation's financial instruments are exposed to certain financial risks including credit risk, liquidity risk, equity market risk and fair value measurements recognized in the statement of financial position.

(a) Credit risk

The Corporation had cash and cash equivalents of $57,973 at June 30, 2015 (December 31, 2014 - $58,912). 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 Canadian financial institutions.

15. Financial instruments (continued)

The maximum exposure to credit risk was:

		June 30, 2015		December 31, 2014
Cash and cash equivalents	$	**57,973**	$	58,912
Investments		**72,903**		72,903
Taxes receivable [(i)]		**2,139**		714
	$	**133,015**	$	132,529

(i) Taxes receivable of $2,139 (December 31, 2014 - $714) 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 transactions out of the ordinary course of business.

(c) Equity market risk

Equity market risk is defined as the potential 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 by the Corporation.

The Corporation currently holds equity investments with a fair market value of $72,903 at June 30, 2015 (December 31, 2014 - $72,903) and as a result a 10% increase or decrease would impact Income and Loss by $7,290.

(d) Fair value measurements recognized in the statement of consolidated 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 market data (unobservable inputs).

15. Financial instruments (continued)

June 30, 2015	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

There were no transfers between level 1 and level 2 during the period.

The level 2 equity investments have been measured using the quoted price of the shares on the market which has been determined to be non-active. For all other financial assets and liabilities, the fair value is equal to the carrying value.

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

There were no transfers between level 1 and level 2 during the period.

16. 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.

17. Commitments and contingencies

a) At the period-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 June 30, 2015, 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.