INTERIM REPORT
THREE MONTHS ENDED
MARCH 31, 2017
(UNAUDITED)

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STATEMENT CONCERNING THE INTERIM CONDENSED FINANCIAL STATEMENTS

Management has compiled the unaudited interim condensed financial report as of March 31, 2017 and 2016. The statements have not been audited or reviewed by the Corporation's auditors or any other firm of chartered professional accountants.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three-months ended March 31, 2017

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 May 15, 2017, and should be read in conjunction with the audited annual financial statements and the related notes, for the two years ended December 31, 2016 and December 31, 2015.

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Overview - Chibougamau Mining Camp

CIM is a natural resources exploration and development corporation, with properties, located in the area of Chibougamau, Québec. It currently holds twelve exploration properties.

In 2010, Globex Mining Enterprises Inc. ("Globex") acquired a significant number of properties in the Chibougamau Mining Camp. 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. Under a Plan of Arrangement, effective December 29, 2012, ten properties were transferred from Globex to CIM subject to a 3% "Gross Metal Royalty" in favour of Globex.

On October 3, 2016, Globex announced that the 3% Gross Metal Royalty on a number of claims related to the Mont Sorcier project had been reduced to 1%, but extended to claims acquired by CIM in 2016 and therefore applicable to the entire historical mineral deposit.

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

CIM is focused on finding economic mineral deposits and reviving production in the Chibougamau mining camp. It has established a short-term objective of defining NI 43-101 compliant resources on selected target properties.

The CIM shares trade on the TSX Venture Exchange under the symbol CBG, on the Stuttgart exchange under the symbol CLL, as well as on the OTC Markets (USA) under the symbol CMAUF.

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.

Geological Map of Chibougamau Area

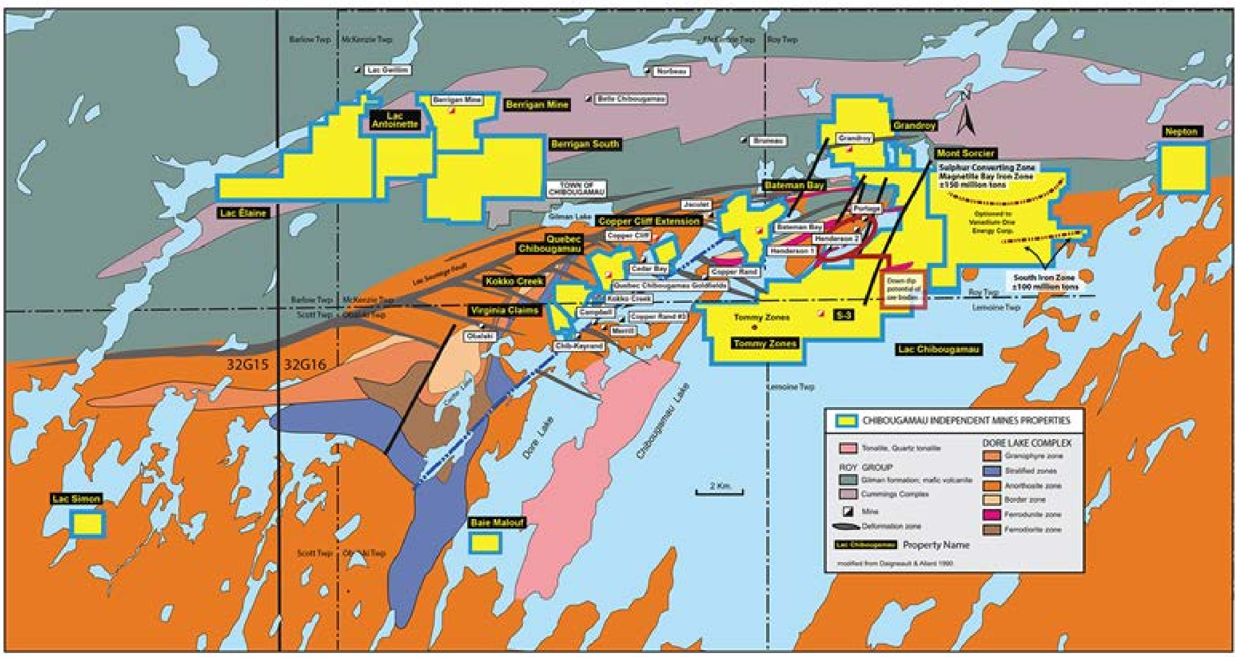

Figure 1

CIM owns half of the Chibougamau mining camp (10,349 hectares (25,572 acres)), which is one of the major mining camps in Quebec. It is principally a copper/gold camp which was explored in the past for copper while most of the gold was ignored when gold was in the US $35 to US $60 per ounce range. As a result, CIM believes that there is significant potential. The CIM assets include:

- Five former producing copper/gold mines,
- Down/dip of three of the largest copper/gold deposits in the camp,
- Two unmined historical deposits (Berrigan (Au, Ag, Zn) and Bateman Bay (Cu, Au)),
- An unmined historical quarter billion tonne iron/titanium/vanadium body, as well as
- Numerous drill-ready copper/gold zones (known mineralization from historical drilling supported by deep penetration geophysics and indicates potential at depth along strike and identified as a drill target by CIM).

Highlights and summary

- CIM began operations in 2013 and spent $1,434,285 on deferred exploration expenses. In 2014 and 2015, limited exploration expenditures were incurred as sufficient funding was not available.

- On June 24, 2016, the Corporation issued 15,690,000 Units ("units") under a private placement which generated gross proceeds of $784,500. On the same date, the Corporation issued 5,000,000 flow-through shares at a price of $0.05 per FT share which generated gross proceeds of $250,000. As a result of completing this financing, in 2016, $289,310 (2015 - $4,795) of deferred exploration expenses were incurred including drilling costs of $155,644. These expenditures were mainly directed towards gaining a further understanding of the Bateman Bay and Berrigan South and Berrigan Mine properties.

- During the first quarter of 2017, $63,280 (2016 - $747) of exploration expenditures were incurred with the majority of the expenditures directed towards the Bateman Bay and Berrigan South and Berrigan Mine Properties. Additional exploration work was undertaken in April and further fieldwork is being planned for this summer.

- In 2016, CIM announced the sale of the Buckell Lake property and optioning of the Mont Sorcier property. In the fourth quarter of 2016, CIM reported the receipt of 2,750,000 Vendome Resources Corp. (name changed to Vanadium One Energy Corp. on January 13, 2017, "Vanadium") common shares under this option agreement and on March 1, 2017, CIM received a further $150,000.

- During the three-month period ended March 31, 2017, the expenses were $94,280 as compared to $23,143 in the comparable period in 2016 with the increase representing higher activity levels and a focus on project identification and investor relations.

- During the three-month period ended March 31, 2017, CIM generated income of $58,350 as compared to a loss of $32,863 in the comparable period in 2016.

- At March 31, 2017, CIM had cash and cash equivalents of $459,995 (December 31, 2016 -$388,912).

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

Early in 2016, we saw both significant volatility in the world financial markets and downward pressures on all commodity prices much of which is a result of the declines in economic growth in a number of important world economies. During the second and third quarter, Britain's Brexit vote to leave the European Union, the US Federal

Reserve interest rate policy and widespread uncertainty over the US presidential election motivated global investors to seek safe haven. During the latter part of 2016, there was also a recognition of the rebalancing between supply and demand for a number of commodities including copper and zinc.

During 2016, the Copper price increased from US$2.13 per pound at the beginning of the year to US$2.50 per pound at December 31, 2016 and currently trades in the U.S. $2.50 per pound range. Following a similar pattern, the Zinc price increased from US$0.73 per pound at the beginning of the year to US$1.16 per pound at the year-end and currently trades at US$1.18. per pound. During 2016, the Gold price averaged US$1,254 per ounce and is trading in the US$1,220 range.

During the last three years, many junior mining companies were unable to successfully complete equity financings. However, since February of 2016, we have seen some increased interest in reorganizations and financings in this sector. This market trend is reflected in CIM's October 3, 2016, press release announcing that it had optioned its Mont Sorcier Vanadium-Iron-Titanium project in Roy Township, Quebec, 18 km east of the Town of Chibougamau to Vanadium One Energy Corp.

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.

Past exploration and future plans

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.

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.

Following the completion of the June 2016, financing, in the third quarter, an exploration team reviewed the results of the exploration work completed in 2013 and undertook a site investigation. This review resulted in the identification of several new structural features and mineralization on the Berrigan Property and the new interpretation extended the potential copper mineralization encountered in the 2013 drill program on the Bateman-Jaculet property.

During the subsequent fiscal periods, the exploration expenditures have been as follows:

- Twelve-month period ended, December 31, 2014 - $43,314,
- Twelve-month period ended, December 31, 2015 - $4,795,
- Twelve-month period ended, December 31, 2016 - $289,310.

In the fourth quarter of 2016, CIM spent $234,412 on exploration with $64,786 being spent on Bateman Bay (including drilling of $47,637) and $163,543 on the Berrigan South and Berrigan mine (including drilling of $108,007) with the remainder of $6,083 being spent on the other properties.

On January 18, 2017, CIM issued a press release indicating that the recent drilling on the Bateman Bay property had intersected the C3 mineralized zone and the Corporation planned a down-hole electromagnetic survey to better define the strike and depth potential of the copper-gold zone followed by step-out drilling. Hole BJ-16-15 at a vertical depth of 170 m intersected 3.65 % Cu, 0.88 gpt Au over 6.33 meters and Hole BJ-16-16 at a vertical depth of 260 m, 90 meters below hole BJ-16-15, intersected 3.61 % Cu, 1.72 gpt Au over 12.5 meters. True width is approximatively 60% of the core length.

On February 1, 2017, CIM issued a press release indicating that all five drill holes completed in the 4th quarter of 2016 on the Berrigan property intersected multiple zinc-gold silver zones at shallow vertical depths of between 51 and 250 meters. Among others, hole BT-16-009 intersected 2.22 % Zn, 7.58 gpt Ag, 1.13 gpt Au over 13.94 m from 194.51 to 208.45 meters and hole BT-16-011 intersected 2.22 % Zn, 6.31 gpt Ag, 0.72 gpt Au over 19.25m from 237.00 to 256.25 meters. True width is approximatively 70% of the core length.

During the three-month period ended March 31, 2017, $63,280 of exploration expenditures were incurred with $17,837 being spent on Bateman Bay and $36,971 being spent on Berrigan South and Berrigan Mine.

Berrigan: Activities during the first quarter of 2017, included finalizing logs for drilling done in November 2016, completing descriptions of core and adding assays received. During this period, we continued compilation by verifying all data in the database and ensuring that locations of collars are accurate. In addition, we created cross-sections, plan views and longitudinal sections to help conduct structural analysis of the property.

Proposed work to be performed during the summer of 2017 includes: geological mapping, structural analysis, channel and grab sampling. Currently, no diamond drilling is planned on Berrigan.

Bateman Bay: In February 2017, a PULSE-EM downhole survey was conducted in drill hole BJ-13-012. Drill hole BJ-16-016 was primarily selected to do the survey since it was the deepest mineralized intersection from the 2013 and 2016 drilling. The survey revealed the presence of two weak anomalies. The first one located at a downhole depth of 160 meters (100 meters vertical depth) seems to reflect the mineralization intersected in the 2013 drill holes (50 meters vertical depth), where the best intersection returned 3.1% Cu, 41.5 g/t Ag, and 0.72 g/t Au over a core length of 40.5 meters (BJ-13-010). The second anomaly (weaker) located at a downhole depth of 240 meters (150 meters vertical depth) does not seem to correlate with the known mineralization.

Future plans for this property include: finalizing logs of drilling done in November 2016, completing descriptions of core and add assays received. In addition, we plan on completing the database with missing information; geology, assays, mineralization, as well as deviation tests. We also plan on continuing the structural analysis of the property in order to better define drill targets.

We propose drill holes BJ-17-A and BJ-17-B which are located respectively some 50 and 100 meters east-southeast of drill hole BJ-16-016 (3.6% Cu, 11.9 g/t Ag, 1.72 g/t Au over a core length of 12.5 meters). The proposed holes would be drilled from the shore and not on Doré Lake and would comprise for a total of approximately 850 to 900 meters of drilling.

The exploration expenditures for each of the properties are outlined in note 7 to Interim Condensed financials statements for the three-month period ended March 31, 2017.

Optioning of Mont Sorcier Property

On October 3, 2016, CIM announced that it had optioned its Mont Sorcier Vanadium-Iron-Titanium project in Roy Township, Quebec, 18 km east of the Town of Chibougamau to Vanadium One Energy Corp. On October 14, 2016, a final agreement was concluded. Under the agreement, Vanadium agreed to:

- issue 2,750,000 Vanadium common shares to CIM (shares issued on November 21, 2016 at a deemed price of $0.175 per share),
- pay $150,000 in cash after completing a financing for minimum gross proceeds of $500,000 (payment was made on March 1, 2017),
- incur exploration expenses of $1 million within 24 months, as well as
- accept a 2% Gross Metal Royalty (GMR) on all mineral production from the Mont Sorcier property.

On the same time, Globex also announced that the 3% Gross Metal Royalty on a number of claims related to the Mont Sorcier project had been reduced to 1%, but extended to claims acquired by CIM in 2016 and therefore applicable to the entire historical mineral deposit.

Qualified Person

All scientific and technical information contained in this MD&A was prepared by the Corporation's geological staff under the supervision of Jack Stoch, 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:

	2017	2016				2015		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
	$	$	$	$	$	$	$	$
Total revenues	148,779	473,052	4,000	-	-	-	-	-
Total expenses	94,280	37,060	72,380	157,266	23,143	1,209,114	23,454	31,658
Other income (expenses)	17,918	(127,301)	1,582	(9,720)	(9,720)	39	(43,742)	(48,602)
Income (loss)	58,350	347,740	(39,072)	(166,986)	(32,863)	(1,025,594)	(61,313)	(73,723)
Income (loss) per share								
- Basic and diluted	0.00	0.01	(0.00)	(0.01)	(0.00)	(0.06)	(0.01)	(0.00)

CIM is an exploration and development Corporation and generally does not generate revenues; however, in the third quarter of 2016, it generated $4,000 from the sale of the Buckell Lake property while retaining a royalty and in the fourth quarter it Optioned its Mont Sorcier property to Vanadium One Energy Corp. and on November 21, 2016 received 2,750,000 shares in that Corporation which had a fair market value on receipt of $481,250 ($0.175 per share). The gross revenues were offset by recovered costs of $8,198. On March 1, 2017, a cash payment of $150,000 from Vanadium One Energy Corp. was received which has been offset by recovered deferred exploration costs of $1,221 resulting in net option income of $148,779.

During 2016 and 2015, the total expenses were generally limited to administrative, legal, transfer agent and filing fees as well as audit and accounting fees which are required to maintain the Corporation and meet the TSXV listing requirements.

In first quarter of 2017, the expenses increased from $37,060 in the fourth quarter of 2016 to $94,280 mainly as a result of increases in; project finder's fees of $15,000, investors relations expenses of $26,666 and management services of $24,696. In the second and third quarters of 2016, the expenses also include share based compensation and payments of $62,382 (700,000 options were issued in Q2 - 2016) and $35,648 (300,000 options were issued in Q3 - 2016). The significant increase in expenses in the fourth quarter of 2015 include additional impairment provisions recorded against the deferred exploration and mineral proprieties of $1,182,985.

The variations in the other income (expenses) represent the increase or decrease in the fair value of Mag Copper shares which the Corporation holds as well as a decline in the carrying value of the Vanadium One Energy shares of $123,750,

In the third and fourth quarters of 2016, the Corporation recorded a net recovery of deferred taxes of $27,726 and $39,049 as a result of incurring eligible flow-through expenditures. In the first quarter of 2017, a provision for deferred income taxes of $14,067 was recorded.

Results of operations for the three-month period ended March 31, 2017

Revenues - net option income - Mont Sorcier property

Under the amended option agreement negotiated in October 2016, related to the Mont Sorcier property, on March 1, 2017, CIM received a cash payment of $150,000 from Vanadium One Energy Corp. which has been offset by recovered deferred exploration costs of $1,221 resulting in net option income of $148,779 in the three-month period ended March 31, 2017 as compared to Nil in the comparable period in 2016.

Total expenses for the three-month period ended March 31, 2017 - $94,280 (March 31, 2016 - $23,143)

During the three-month period ended March 31, 2017, the total expenses were $94,280 as compared to $23,143 in the comparable period in 2016. The change of $71,137 reflects a reduction in amortization of financing costs and interest expenses of $6,366 and increases in the following:

- administration expenses - $5,109,
- transfer agent and filing fees - $4,518,
- legal fees - $1,099,
- audit and accounting fees - $900,
- project finder's fees - $15,000,
- investor relations - $26,666,
- management services -$22,196, as well as
- impairment provisions - $2,015.

Administration

- The nature of the administration expenses is further detailed in note 12 to the interim condensed financial statements. The administration expenses consist of shareholder information, information technology, advertising & promotion as well as insurance and other.

- During the three-month period ended March 31, 2017, the administration expenses totaled $8,601 as compared to $3,492 which represents an increase of $5,109 with the change mainly related to an increase of $1,059 in shareholder information costs and $2,585 representing increased information technology licensing fees.

Transfer Agent and filing fees

- In the first quarter of 2017, the transfer agent and filing fees were $11,639 as compared to $7,121 in 2016. The majority of the increase reflects a timing difference in annual filing fees which are paid at the timing of the filings. In 2017, the annual filings were completed in March whereas in the previous year, they were completed in April.

Legal

- During the first quarter of 2017, legal expenses of $1,099 were incurred related to the re-registration of warrants and other corporate matters whereas as in 2016, no legal expenses were incurred in the comparable period.

Audit and accounting

- During the three-month period ended March 31, 2017, audit and accounting expenses totaled $6,000 as compared to $5,100 in 2016.

Project finder’s fees

- During the first quarter of 2017, project finder’s fees of $15,000 were incurred related to finalizing the Mont Sorcier option arrangement and identifying potential projects. No comparable expenses were incurred in the first quarter of 2016.

Investor relations

- During the three-month period ended March 31, 2017, Investor relations expenses of $26,666 were incurred to promote the corporation’s exploration plans and build shareholder interest. No comparable expenses were incurred in 2016 as the Corporation had limited activities underway.

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.

- During the first quarter of 2017, Management Service fees of $24,696 (2015 – $2,500) were incurred. The increase reflects more corporate and year-end reporting as well as exploration activities as a result of the funds generated in the June 2016 financing and the proceeds from the sale/optioning of the Buckell Lake and Mont Sorcier properties.

Amortization of financing costs

- In the first quarter of 2017, no amortization of financing costs (2016 - $3,102) were reported as the loan was paid off on June 30, 2016.

Interest expense on long-term loan

- During the three-month period ended March 31, 2017, no interest expense (2016 - $3,264) was reported as the loan was repaid on June 30, 2016.

Impairment of mineral properties and deferred exploration expenses

- For the three-month period ended March 31, 2017, an impairment provision of $579 (2016 – recovery of $1,436) representing the write-off of general exploration was reported. In the comparable period in 2016, the recovery of $1,436 represents the impact of claims renewal expenses of $747 and a refundable tax credit of $2,183.

Other income (expenses)

- The other income for the three-month period ended March 31, 2017 was $17,918 as compared to expenses of $9,720. In the first quarter of 2017, on January 30, 2017, CIM realized a gain of $4,350 on the sale of 174,000 Mag Copper share at $0.025 per share. On February 2, 2017, Mag Copper completed a five for one share consolidation. On February 6, 2017, CIM realized a gain of $7,812 on the sale of 62,500 Mag Copper shares at $0.125 per share. The gains on the sale of investments totaled $12,162 for the three-month period ended March 31, 2017 whereas there were no dispositions in the comparable period in 2016.

- The increase in fair value of financial assets for the three months ended March 31, 2017 of $4,851 represents the change in the carrying value of the Mag Copper and Vanadium Energy Corp shares which CIM held at December 31, 2016 and still held at March 31, 2017. The decrease in fair value of $9,720 in the comparable period in 2016 represents the change in the carrying value of the 972,040 Mag Copper shares it held at December 31, 2015 and March 31, 2016.

Income and mining tax expense

- During the three-month period ended March 31, 2017, CIM recorded a provision for income and mining tax of $14,067 as compared to Nil in the comparable period in 2016. The provision mainly reflects the reduction in the carrying value of mineral properties as a result of the proceeds received related to the sale of the Mont Sorcier property.

Financial position - March 31, 2017

Total assets

At March 31, 2017, the total assets were $1,433,016 which represents an increase of $180,446 from $1,252,570 at December 31, 2016. The change mainly reflects an increase in:

- cash of $71,083,
- prepaids and deposits of $45,361,
- deferred exploration expenses of $61,480, as well as changes in
- investments and taxes receivable of $2,522.

Cash and cash equivalents, cash reserved for exploration

At March 31, 2017, CIM had cash and cash equivalents of $459,995 (December 31, 2016 - $388,912).

Liabilities

Current liabilities

At March 31, 2017, current liabilities were reported at $33,742 as compared to $49,872 at December 31, 2016. The reduced liabilities reflects a lower level of exploration activities during the first quarter of 2017 as compared to the fourth quarter of 2017 and lower accrued liabilities.

Related party payable – Globex Mining Enterprises Inc.

At March 31, 2107, CIM owed Globex Mining Enterprises Inc. $69,715 (December 31, 2016 -$17,551) which represented unpaid management services and other exploration expenses made by Globex.

Deferred income tax

At March 31, 2017, the Corporation had a deferred tax liability of $97,292 (December 31, 2016 - $83,225) which related mainly to the tax benefits renounced to shareholders under flow-through subscription arrangements and therefore not available as a reduction in taxable income.

The deferred tax estimates 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.

Owners' equity

Owners' equity of the Corporation consists of common shares, warrants, contributed surplus, and the deficit which totaled $1,232,267 at March 31, 2017 (December 31, 2016 - $1,101,922). The increase of $130,345 reflects the increase in common shares and warrants of $71,995 as a result of exercises in the first three months of 2017 and income of $58,350 earned in the three-month period ended March 31, 2017.

Common Shares

At December 31, 2016, the Corporation had 37,228,542 and following the exercise of 979,900 agents' options and 230,000 warrants on March 2, 2017, the Corporation had 38,438,442 common shares outstanding at March 31, 2017. The number of shares outstanding at May 15, 2017 has remained unchanged.

Warrants

At December 31, 2016, 7,845,000 warrants were outstanding. On March 2, 2017, 230,000 warrants were exercised at $0.10 per warrant which resulted in 7,615,000 warrants outstanding at March 31, 2017. The number of warrants outstanding at May 15, 2017 has remained unchanged.

Agents' Options

In connection with the private placement which closed on June 24, 2016, CIM granted agents' options to various securities dealers entitling the holders to acquire up to 1,019,400 additional units, each comprised of one common share and one-half of a common share purchase warrant, and up to 364,000 additional common shares of CIM. The agents' options may be exercised at a price of $0.05 per unit or share as the case may be, for a period of two years. Under these arrangements, 1,893,100 shares could be issued.

On March 2, 979,900 Agents' Options have been exercised at an exercise price of $0.05 per share which resulted in 913,200 Agent's Options outstanding at March 31, 2017.

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.

At March 31, 2017, 1,587,500 (December 31, 2016 - 1,587,500) stock options were issued with a weighted average exercise price of $0.12 per share and a weighted average remaining contractual life of 3.33 years. In addition to the 1,587,500 options outstanding, 2,135,350 (December 31, 2016 – 2,135,350) options were available to be granted at March 31, 2017.

Outstanding share data

Based on the common shares, warrants, stock options, and agent's options outstanding at March 31, 2017, CIM had fully diluted common shares of 48,554,142 at December 31, 2016 - 48,554,142 and the total has remained unchanged at May 15, 2017.

Liquidity, working capital, cash flow and capital resources

At March 31, 2017, the Corporation had cash and cash equivalents of $459,995 (December 31, 2016 - $388,912).

Working Capital

The Corporation had working capital (based on current assets minus current liabilities) of $883,879 at March 31, 2017 compared to $748,783 at December 31, 2016.

Cash Flow

During the three-month period ended March 31, 2017, $55,983 was generated from operating activities whereas in the three-month period ended March 31, 2016, $18,213 was used in operating activities and in the three-month period ended March 31, 2017, $59,162 (March 31, 2016 - $11,402) was used in changes in non-cash operating working capital items resulting in operating activities for the three months ended March 31, 2017 using $3,179 (March 31, 2016 - $29,615).

During the three-month period ended March 31, 2017, financing activities generated $124,159 (March 31, 2016 - $4,685). In 2017, these financing activities consisted of Related party payables – Globex Mining Enterprises Inc. of $52,164 (March 31, 2016 - $4,685), proceeds from exercised agents' options of $48,995 (March 31, 2016 – Nil) and proceeds from exercised warrants of $23,000 (March 31, 2016 - Nil).

During the first quarter of 2017, the investing activities totaled $49,897 (March 31, 2016 – proceeds of $1,078). In 2017, $63,280 (March 31, 2016 - $747) was spent on deferred exploration expenses and $1,221 of deferred exploration expenses were recovered as a result of Mont Sorcier and proceeds of $12,162 were generated from the sale of investments.

These operating, financing and investing activities resulted in a net increase in the cash and cash equivalents of $71,083 during the three-month period ended March 31, 2017 as compared to a net decrease of $23,852 in the comparable period in 2016.

Capital Resources

On June 24, 2016, the Corporation issued 15,690,000 Units ("units") of the Corporation under a private placement. Each unit was comprised of one (1) common share in the capital stock and one-half (1/2) of a common share purchase warrant of the Corporation at a price of $0.05 per unit, for gross proceeds of $784,500. On the same date, the Corporation issued 5,000,000 post-consolidation common shares on a flow-through basis at a price of $0.05 per FT share which generated gross proceeds of $250,000.

In connection with the option arrangement with Vanadium One Energy Corp. as outlined on page 6 of this MD&A, CIM received $150,000 on March 1, 2017.

Based on the current cash position and exploration strategy, the Corporation will likely not need additional capital resources to carry out its exploration and development plans for the next twelve months.

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 overall strategy remains unchanged from 2016.

The Corporation's investment policy is to invest its short-term excess cash in low risk, highly-liquid short-term interest-bearing investments with maturities, selected to match 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.

Based on the current cash position and exploration strategy, the Corporation will likely not 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 fair value of the Corporation's cash and cash equivalents, payable and accruals 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 market quotes.

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 which totaled $459,995 at March 31, 2017 (December 31, 2016 - $388,912). 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.

The maximum exposure to credit risk was:

	March 31, 2017	December 31, 2016
	$	$
Cash and cash equivalents	**459,995**	**388,912**
Investments	**367,211**	**362,360**
Taxes receivable	**34,459**	**36,788**
	861,665	**788,060**

(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 including net option arrangements and sales of properties 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 $367,211 (December 31, 2016 - $362,360) and as a result, a 10% increase or decrease would impact income and loss by $36,721 (December 31, 2016 - $36,236).

(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).

March 31, 2017	Level 1	Level 2	Level 3	Total Financial Assets at fair Value
	$	$	$	$
Financial assets				
Cash and cash equivalents	-	459,995	-	459,995
Investments	-	367,211	-	367,211
Taxes receivable	-	-	34,459	34,459
Total financial assets	-	827,206	34,459	861,665

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, 2016	Level 1	Level 2	Level 3	Total Financial Assets at fair Value
	$	$	$	$
Financial assets				
Cash and cash equivalents	-	388,912	-	388,912
Investments	-	362,360	-	362,360
Taxes receivable	-	-	36,788	36,788
Total financial assets	-	751,272	36,788	788,060

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, income 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 significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied (Note 5) to the audited financial statements as at and for the year ended December 31, 2016.

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. It is also subject to risks related to other factors, such as metal prices and financial market conditions. The main risks which the Corporation is exposed to is as follows:

(a) Financing Risk

The Corporation must periodically obtain new funds in order to pursue its activities. While it has always succeeded in doing so to date, there can be no assurance that it will continue to do so in the 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) Financial Market Risk

Under its current business model as a project generator, Globex acquires properties and attempts to option or sell properties to other junior mining companies or producers. In order for Junior Mining companies to satisfy their obligations with Globex under their option arrangements, in many cases, they must raise funds in the equity markets which currently are very challenging.

(c) Volatility of Stock Price and Limited Liquidity

The CIM shares trade on the TSX Venture Exchange under the symbol CBG, on the Stuttgart exchange under the symbol CLL, as well as on the OTC Markets (USA) under the symbol CMAUF.

CIM's common shares have experienced significant volatility in price and trading volume over the last several years. There can be no assurance of adequate liquidity in the future for CIM's common shares.

(d) Permits and licences

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

(e) Government Laws and Regulations

The Corporation's operations and exploration activities are subject to the laws and regulations of federal, provincial, and local governments in the jurisdictions in which the Corporation operates. These laws and regulations are extensive and govern prospecting, exploration, development, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, environmental protection, mine safety and other matters. Compliance with such laws and regulations increases the costs of planning, designing, drilling, developing, constructing, operating, closing, reclaiming and rehabilitating mines and other facilities. New laws, regulations or taxes, amendments to current laws, regulations or taxes governing operations and activities of mining corporations or more stringent implementation or interpretation thereof could have a material adverse impact on the Corporation, cause a reduction in levels of production and delay or prevent the development of new mining properties.

The Canadian mining industry is subject to federal and provincial environmental protection legislation. This legislation sets high standards on the mining industry in order to reduce or eliminate the effects of waste generated by extraction and processing operations and subsequently emitted into the air or water. Compliance with applicable environmental legislation and review processes, as well as the obtaining of permits, particularly for the use of the land, permits for the use of water, and similar authorizations from various governmental bodies increases the costs of planning, designing, drilling, as well as exploration and operating activities.

Some of the Corporation's operations are subject to reclamation, site restoration and closure requirements. Costs related to ongoing site restoration programs are expensed when incurred. It is possible that the Corporation's estimates of its ultimate reclamation liability could change as a result of possible changes in laws and regulations and changes in cost estimates.

Failure to comply with applicable laws and regulations may result in enforcement actions thereunder, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

(f) Aboriginal rights and duty to consult

The Corporation operates and does exploration on properties, which are subject to Aboriginal rights or titles. The Corporation, under its Corporate Social Responsibility program, and local laws and regulations, consults with First Nations about any impact of its activities on such rights, titles or claims, which may cause delays in making decisions or project start-ups. Further, there is no assurance of favourable outcomes of these consultations. The Corporation may have to face adverse consequences such as significant expenses on account of lawsuits and loss of reputation.

(g) Environmental Risks

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. Compliance costs are expected to rise.

(h) 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 provincial governments are currently working to convert mining claims to a map designated cells which should mitigate this risk.

(i) Metal Prices

Even if the exploration programs of the Corporation are successful, some factors out of the Corporation's control may affect the marketing of the minerals found. World-wide supply and demand for metals determines metal prices which are affected by many factors including international, economic and political trends, inflation expectations, exchange rate fluctuations, interest rates, global and regional consumption levels, speculative activities and worldwide production levels. The effects of these factors cannot be precisely predicted.

(j) Key Personnel

The management of the Corporation rests on some key personnel and mostly on its President and Chief Executive Officer. The loss of the President and Chief Executive Officer could have a negative impact on the development and the success of its operations.

Related party information

(a) Related party payables

	March 31, 2017	December 31, 2016
	$	$
Globex Mining Enterprises Inc.	**69,715**	17,551

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 GJSL 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.

Management services fees of $24,696 (March 31, 2016 - $2,500) for the three-month period ended March 31, 2017 represents Globex's estimate of the specific costs related to performing these services in accordance with the Management Services Agreement.

The increase reflects more corporate and year-end reporting as well as exploration activities as a result of the funds generated in the June 2016 financing and the proceeds from the sale/optioning of the Buckell Lake and Mont Sorcier properties.

(c) Management and Director Compensation

During the three months ended March 31, 2017 and March 31, 2016, no compensation was periods paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Corporation (Management personnel includes President and CEO, Executive Vice-President, Vice-President Operations and Chief Financial Officer, Treasurer and Corporate Secretary).

Outlook

As we indicated in our 2016 Annual MD&A, we recognized that favourable attitudes towards the successful completion of financings in the junior mining sector emerged in the early part of the year.

We were extremely pleased to complete our private placements in June 2016, which provided the funding that was needed to significantly advance our understanding of Berrigan and Bateman Bay properties. Limited exploration activities which have been undertaken confirmed our initial enthusiasm and we expect to continue to gain additional information which will focus our subsequent exploration efforts.

The Optioning of the Mont Sorcier property to Vendome Resources Corp in the fourth quarter of 2016 represented a significant achievement and the proceeds from this arrangement will provide significant funding towards the Corporation in achieving its corporate objectives in 2017.

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 our Chibougamau Mining Camp Properties.

In our forward planning for the remainder of 2017, we recognized that economic uncertainties and market challenges are factors that need to be considered.

Additional information

This analysis should be read in conjunction with the comparative financial statements for the year ended December 31, 2016 and the year ended December 31, 2015 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 2017 and/or 2016 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 May 15, 2017.

CHIBOUGAMAU INDEPENDENT MINES INC.

Interim Condensed Statements of Income (loss) and Comprehensive Income (loss)

(Unaudited - In Canadian dollars)

	Notes	Three months ended March 31, 2017	2016
		$	$
Continuing operations			
Revenues	11	**148,779**	-
Expenses			
Administration	12	**8,601**	3,492
Transfer agent and filing fees		**11,639**	7,121
Legal		**1,099**	-
Audit and accounting		**6,000**	5,100
Project finder's fees		**15,000**	-
Investor relations		**26,666**	-
Management services	15 (b)	**24,696**	2,500
Amortization of financing costs		**-**	3,102
Interest expense on long-term loan		**-**	3,264
Impairment of mineral properties and deferred exploration expenses	7	**579**	(1,436)
		94,280	23,143
Income (loss) from operations		**54,499**	(23,143)
Other income (expenses)			
Interest income		**828**	-
Gain on sale of investments		**12,162**	-
Increase (decrease) in fair value of financial assets		**4,851**	(9,720)
Other income		**77**	-
		17,918	(9,720)
Income (loss) before taxes		**72,417**	(32,863)
Income and mining tax	10	**14,067**	-
Income (loss) and comprehensive income (loss) for the period		**58,350**	(32,863)
Income (loss) per common share			
Basic and diluted	13	**0.00**	(0.00)
Weighted average number of common shares outstanding		**37,618,315**	16,238,542
Shares outstanding at end of period		**38,438,442**	16,238,542

The accompanying notes are an integral part of these interim condensed financial statements

CHIBOUGAMAU INDEPENDENT MINES INC.

Interim Condensed Statements of Cash Flows

(Unaudited - In Canadian dollars)

	Notes	**Three months ended March 31, 2017**	2016
		$	$
Operating activities			
Income (loss) and comprehensive income (loss) for the period		**58,350**	(32,863)
Adjustments for:			
Decrease (increase) in fair value of financial assets		**(4,851)**	9,720
Gain on sale of investments		**(12,162)**	-
Impairment of mineral properties and deferred exploration expenses	7	**579**	(1,436)
Amortization of financing costs		**-**	3,102
Interest expense		**-**	3,264
Deferred income and mining taxes	10	**14,067**	-
		55,983	(18,213)
Changes in non-cash operating working capital items	16	**(59,162)**	(11,402)
		(3,179)	(29,615)
Financing activities			
Related party payable - Globex Mining Enterprises Inc.		**52,164**	4,685
Proceed from exercised agents' options	14	**48,995**	-
Proceed from exercised warrants	14	**23,000**	-
		124,159	4,685
Investing activities			
Deferred exploration expenses	7	**(63,280)**	(747)
Quebec refundable tax credit	7	**-**	2,183
Mineral properties acquisitions	6	**-**	(358)
Recovery of deferred exploration expenses	7	**1,221**	-
Proceeds from sale of investments		**12,162**	-
		(49,897)	1,078
Net increase (decrease) in cash and cash equivalents		**71,083**	(23,852)
Cash and cash equivalents, beginning of period		**388,912**	55,447
Cash and cash equivalents, end of period		**459,995**	31,595
Cash and cash equivalents		**459,995**	31,595
		459,995	31,595

Supplementary cash flow information (note 16)

The accompanying notes are an integral part of these interim condensed financial statements

CHIBOUGAMAU INDEPENDENT MINES INC.

Interim Condensed Statements of Financial Position

(Unaudited - In Canadian dollars)

	Notes	**March 31, 2017**	December 31, 2016
		$	$
Assets			
Current assets			
Cash and cash equivalents	4	**459,995**	388,912
Investments	5	**367,211**	362,360
Taxes receivable		**34,459**	36,788
Prepaid and deposits		**55,956**	10,595
		917,621	798,655
Mineral properties	6	**173,357**	173,357
Deferred exploration expenses	7	**342,038**	280,558
		1,433,016	1,252,570
Liabilities			
Current liabilities			
Payables and accruals	8	**33,742**	49,872
		33,742	49,872
Related party payable - Globex Mining Enterprises Inc.	15 (a)	**69,715**	17,551
Deferred income tax	10	**97,292**	83,225
Owners' equity			
Common shares	14 (a)	**9,054,298**	8,975,255
Warrants	14 (b)	**233,377**	240,425
Contributed surplus - equity settled reserve		**518,387**	518,387
Deficit		**(8,573,795)**	(8,632,145)
		1,232,267	1,101,922
		1,433,016	1,252,570

The accompanying notes are an integral part of these interim condensed 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	Three months ended March 31, 2017	2016	Year ended December 31, 2016
		$	$	$
Common shares				
Beginning of period		**8,975,255**	8,554,690	8,554,690
Fair value of shares issued under private placement		**-**	-	784,500
Fair value of flow-through shares issued under private		**-**	-	100,000
Fair value of warrants		**-**	-	(240,425)
Shares issued to a finder		**-**	-	15,000
Issued on exercised agents' options	14 (a)	**48,995**	-	-
Issued on exercised warrants	14 (a)	**30,048**	-	-
Share issuance costs - commissions, legal and other		**-**	-	(112,910)
Share issuance costs - fair value of agents' options		**-**	-	(125,600)
End of period		**9,054,298**	8,554,690	8,975,255
Warrants				
Beginning of period	14 (b)	**240,425**	21,369	21,369
Issued in connection with private placement		**-**	-	240,425
Exercised during the period	14 (b)	**(7,048)**	-	-
Expired during the period		**-**	-	(21,369)
End of period		**233,377**	21,369	240,425
Contributed surplus - equity settled reserve				
Beginning of period		**518,387**	273,388	273,388
Share-based compensation and payments		**-**	-	98,030
Share issuance costs - fair value of agents' options		**-**	-	125,600
Expired during the period		**-**	-	21,369
End of period		**518,387**	273,388	518,387
Deficit				
Beginning of period		**(8,632,145)**	(8,740,964)	(8,740,964)
Income (loss) and comprehensive income (loss) for the period		**58,350**	(32,863)	108,819
End of period		**(8,573,795)**	(8,773,827)	(8,632,145)
Total Equity		**1,232,267**	75,620	1,101,922

The accompanying notes are an integral part of these interim condensed financial statements

Notes to the Interim Condensed Financial Statements
Periods ended March 31, 2017 and 2016
(Unaudited - In Canadian dollars)

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, developing and ultimately reviving production in the Chibougamau gold-copper mining camp of Quebec.

Under a Plan of Arrangement, effective December 29, 2012, ten properties were transferred from Globex to CIM subject to a 3% "Gross Metal Royalty" in favour of Globex. On October 3, 2016, Globex announced that the 3% Gross Metal Royalty on a number of claims related to the Mont Sorcier project had been reduced to 1%, but extended to claims acquired by CIM in 2016 and therefore applicable to the entire historical mineral deposit.

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, on the Stuttgart exchange under the symbol CLL, as well as on the OTC Markets (USA) under the symbol CMAUF.

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 statement of income (loss) and comprehensive income (loss). All financial information is presented in Canadian dollars.

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 preparation of interim condensed financial statements in accordance with IAS 34, requires the use of certain critical accounting judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied (Note 5) in the financial statements as at and for the year ended December 31, 2016.

Approval of Interim condensed financial statements

The Corporation's Board of Directors approved these interim condensed financial statements for the periods ended March 31, 2017 and March 31, 2016 on May 15, 2017.

3. Summary of significant accounting policies

These interim condensed financial statements have been prepared using the same accounting policies and methods of computation as compared with the most recent annual financial statements (Note 4) of the Corporation's audited financial statements for the year ended December 31, 2016 with the exception of the International Financial Reporting Standards adopted as described below.

The disclosure contained in these interim condensed financial statements does 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 financial statements for the year ended December 31, 2016.

(a) International Financial Reporting Standards adopted

In preparing these interim condensed financial statements for the three-period ended March 31, 2017 and as at March 31, 2017, the Corporation has adopted the amendments to *IAS 7 Statement of Cash Flow* which related to the disclosure of changes in liabilities arising from financing activities. The adoption of these standards has not resulted in any material changes in these interim condensed financial statements or reported results.

(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.

3. Summary of significant accounting policies (continued)

IFRS 2 Share based payment (amendments published in June 2016)

On June 20, 2016, the IASB published final amendments to IFRS 2 that clarify the classification and measurement of share-based payment transactions.

These amendments deal with variations in the final settlement arrangements including; (a) accounting for cash-settled share-based payment transactions that include a performance condition, (b) classification of share-based payment transactions with net settlement features, as well as (c) accounting for modifications of share-based payment transactions from cash-settled to equity.

These changes are effective for annual periods beginning on or after January 1, 2018. Management is in the process of evaluating the impacts of these changes on the Corporation.

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.

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 currently effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted. This new standard may result in revenue recognition timing differences. Management is in the process of evaluating the impacts of this standard and it has recognized that under this standard it will need to consider at the outset all forms of payments of each contract and the likelihood that all of the obligations will be met.

4. Cash and cash equivalents

	March 31, 2017	December 31, 2016
	$	$
Bank balances	**459,995**	388,912

5. Investments

	March 31, 2017 $	December 31, 2016 $
Investments (i) (ii)	**367,211**	362,360

(i) On January 13, 2017, Vendome Resources Corp. ("Vendome") announced that it had changed its name to Vanadium One Energy Corp (Vanadium"). At March 31, 2017, the fair market value of $367,211 represents 97,108 Mag Copper Limited ("Mag Copper") shares valued at $9,711 ($0.10 per share) as well as 2,750,000 Vanadium shares valued at $357,500 ($0.13 per share). CIM held 14.0% of Vanadium's outstanding common shares at March 31, 2017. CIM does not have Board of Director's membership of Vanadium.

On January 30, 2017, CIM sold 174,000 Mag Copper shares for gross proceeds of $4,350 and on February 2, 2017, Mag Copper completed a five for one share consolidation. On February 6, 2017, CIM sold 62,500 Mag Copper shares for gross proceeds of $7,812.

(ii) At December 31, 2016, the fair market value of $362,360 represents 972,040 Mag Copper shares valued at $4,860 ($0.005 per share) as well as 2,750,000 Vanadium shares valued at $357,500 ($0.13 per share). These shares were received on November 21, 2016 in connection with a property transaction at which time they were issued at a deemed price of $0.175 per share, for a total deemed value of $481,250. As a result of the transaction, CIM held 15.6% of Vanadium outstanding common shares and at December 31, 2016, the 2,750,000 shares which CIM held represented 14.0% of the shares outstanding. CIM, does not have Board of Director's membership of Vanadium. .

6. Mineral properties

	December 31, 2016 $	Additions 2017 $	Recoveries 2017 $	Impairment 2017 $	March 31, 2017 $
Bateman Bay	31,741	-	-	-	**31,741**
Berrigan South and Berrigan Mine	53,075	-	-	-	**53,075**
Lac Chibougamau	81,396	-	-	-	**81,396**
Kokko Creek	3,171	-	-	-	**3,171**
Lac Simon	656	-	-	-	**656**
Mont Sorcier (Sulphur Converting Property and Magnetite Bay) (i)	-	-	-	-	-
Nepton	3,318	-	-	-	**3,318**
	173,357	-	-	-	**173,357**

Properties which have been fully impaired in previous periods are not reported.

(i) On October 14, 2016, CIM finalized an option agreement with Vanadium which will result in it acquiring an undivided beneficial 100% right, title and interest in the Mont Sorcier property (57 claims located in Roy Township, 18 km east of the Town of Chibougamau). Under the agreement, Vanadium agreed to:

- issue 2,750,000 Vanadium common shares to CIM,
- pay $150,000 in cash after completing a financing for minimum gross proceeds of $500,000 (payment was made on March 1, 2017),
- incur exploration expenses of $1 million within 24 months, as well as
- accept a 2% Gross Metal Royalty (GMR) on all mineral production from the Mont Sorcier property.

On November 21, 2016, CIM received 2,750,000 Vanadium shares valued at $481,250 and mineral property costs of $3,770 and deferred exploration costs of $4,428 on this property were offset against the gross revenues resulting in net option income in 2016 of $473,052.

7. Deferred exploration expenses

	December 31, 2016	**Additions 2017**	**Recoveries 2017**	**Impairment 2017**	**March 31, 2017**
	$	**$**	**$**	**$**	**$**
Bateman Bay	**79,758**	**17,837**	**-**	**-**	**97,595**
Berrigan South and Berrigan Mine	**179,962**	**36,971**	**-**	**-**	**216,933**
Copper Cliff Extension	**845**	**-**	**-**	**-**	**845**
Lac Chibougamau	**4,247**	**836**	**-**	**-**	**5,083**
Lac Elaine	**443**	**-**	**-**	**-**	**443**
Grandroy	**2,424**	**4,507**	**-**	**-**	**6,931**
Kokko Creek	**2,930**	**593**	**-**	**-**	**3,523**
Lac Antoinette	**443**	**642**	**-**	**-**	**1,085**
Mont Sorcier (Sulphur Converting Property and Magnetite Bay)	**94**	**1,127**	**(1,221)**		**-**
Malouf	**119**	**188**	**-**	**-**	**307**
Nepton	**9,001**	**-**	**-**	**-**	**9,001**
Virginia Option	**292**	**-**	**-**	**-**	**292**
General exploration	**-**	**579**	**-**	**(579)**	**-**
Quebec refundable tax credit	**-**	**-**	**-**	**-**	**-**
	280,558	**63,280**	**(1,221)**	**(579)**	**342,038**

The impairment provision of $579 for the three-month period ended March 31, 2017 (March 31, 2016 – recovery of $1,436) reflects the expensing of general exploration costs.

Deferred exploration expenses by expenditure type:

	March 31, 2017	December 31, 2016
	$	$
Balance, beginning of period	**280,558**	-
Current exploration expenses		
Core shack, storage and equipment rental	**6,000**	1,500
Drilling	**-**	155,644
Geology	**-**	16,473
Geophysics	**10,955**	-
Laboratory analysis and sampling	**-**	18,192
Labour	**40,341**	78,444
Mining property tax and permits	**4,657**	6,378
Prospecting and surveying	**-**	2,640
Reports, maps and supplies	**15**	2,782
Transport and road access	**1,312**	7,257
Quebec refundable tax credit	**-**	(2,868)
Total current exploration expenses	**63,280**	286,442
Impairment provisions	**(579)**	(1,456)
Option revenue offset	**(1,221)**	(4,428)
Balance, end of period	**342,038**	280,558

8. Payables and accruals

	March 31, 2017	December 31, 2016
	$	$
Payables and accruals	**33,742**	49,872

9. Other liabilities

	March 31, 2017	December 31, 2016
	$	$
Balance, beginning of period	**-**	-
Additions during the period	**-**	150,000
Reduction related to qualified exploration expenditures	**-**	(150,000)
Balance, end of period	**-**	-

The Other Liabilities represents the excess of the proceeds received from flow-through share financings over the fair value of the shares issued. The reduction reflects the qualified expenditures incurred in the period.

10. Deferred income tax

Income and mining taxes

	March 31, 2017	March 31, 2016
	$	$
Provision for deferred income taxes	**14,067**	-

Deferred tax balances

	January 1, 2017	**Recognized in income or loss**	**March 31, 2017**
	$	**$**	**$**
Temporary differences			
Deferred tax assets			
Non-capital losses carry forward	404,209	**(19,673)**	**384,536**
Share issue expenses	24,298	**(1,857)**	**22,441**
Financial asset at FVTPL	25,796	**(2,638)**	**23,158**
	454,303	**(24,168)**	**430,135**
Deferred tax liabilities			
Mining properties and deferred exploration expenses	(83,225)	**(14,067)**	**(97,292)**
Less valuation allowance	(454,303)	**24,168**	**(430,135)**
Deferred tax liabilities	(83,225)	**(14,067)**	**(97,292)**

11. Revenues

	March 31, 2017 $	March 31, 2016 $
Net option income - Mont Sorcier property	**148,779**	-
	148,779	-

On March 1, 2017, a cash payment of $150,000 from Vanadium was received which has been offset by recovered deferred exploration costs of $1,221 resulting in net option income of $148,779.

12. Expenses by nature

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

	March 31, 2017 $	March 31, 2016 $
Shareholder information	**1,059**	-
Information technology	**3,800**	1,215
Advertising and promotion	**629**	-
Insurance	**2,303**	2,303
Other	**810**	(26)
	8,601	3,492

13. Income (loss) per common share

Basic income (loss) per common share is calculated by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted income (loss) per common share is calculated by dividing the net income (loss) applicable to common shares by the weighted average number of common shares outstanding during the period, plus the effects of dilutive common share equivalents such as warrants and stock options.

Diluted net income (loss) per share is calculated using the treasury method, where the exercise of options is assumed to be at the beginning of the period 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.

13. Income (loss) per common share (continued)

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 March 31, 2017		2016
Numerator				
Income (loss) for the period	**$**	**58,350**	$	(32,863)
Denominator				
Weighted average number of common shares - basic and diluted		**37,618,315**		16,238,542
Effect of dilutive shares				
Stock options (in the money) [(i), (ii)]		**173,208**		-
Weighted average number of common shares - diluted		**37,791,523**		16,238,542
Income (loss) per share				
Basic	**$**	**0.00**	$	(0.00)
Diluted	**$**	**0.00**	$	(0.00)

(i) At March 31, 2016, no stock options were included in the diluted income (loss) per share as they were anti-dilutive.
(ii) At March 31, 2017, 173,208 incremental shares from unexercised options ''in the money'' (option strike price less than stock price at period end) were included in the weighted average fully diluted share calculation.

14. 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 Shares: Voting

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

14. Share capital (continued)

a) Changes in capital stock

Fully paid common shares	**March 31, 2017** Number of shares	Capital Stock $	December 31, 2016 Number of Shares	Capital Stock $
Balance, beginning of period	**37,228,542**	**8,975,255**	16,238,542	8,554,690
Issued on exercised of agents' options (i)	**979,900**	**48,995**	-	-
Issued on exercised of warrants (ii)	**230,000**	**30,048**	-	-
Private placements				
Common shares (iii)	-	-	15,690,000	784,500
Flow-through shares (iv)	-	-	5,000,000	100,000
Fair value of warrants	-	-	-	(240,425)
Shares issued to a finder (v)	-	-	300,000	15,000
Share issuance costs (vi)	-	-	-	(238,510)
Balance, end of period	**38,438,442**	**9,054,298**	37,228,542	8,975,255

(i) On March 2, 2017, 979,900 agents' options were exercised at an exercise price of \$0.05 per share which resulted in which resulted in 913,200 Agent's Options outstanding at March 31, 2017.

(ii) On March 2, 2017, 230,000 warrants with a fair value per share of \$0.030647 were exercised at an exercise price of \$0.10 per share.

(iii) On June 24, 2016, the Corporation issued 15,690,000 post-consolidation Units ("units") of the Corporation under a private placement. Each unit is comprised of one (1) common share in the capital stock and one-half (1/2) of a common share purchase warrant of the Corporation at a price of \$0.05 per unit, for gross proceeds of \$784,500. Each full warrant entitles the holder to acquire one additional post consolidation common share of CIM at a price of \$0.10 for a period of 18 months (December 24, 2017). The ascribed value of the half warrants is \$240,425 (\$0.03 per warrant).

In the event that the closing price of the shares on the TSXV is at least \$0.15 for a period of not less than twenty (20) consecutive trading days at any time subsequent to four months after the Closing date (June 24, 2016), the warrants will expire, at the sole discretion of the Issuer, on the 30th day after the date on which the Issuer issues a press release announcing the new expiry date of the warrants and provides written notice of such expiry date.

(iv) On June 24, 2016, the Corporation issued 5,000,000 post-consolidation Flow-through common shares ("FT") at a price of \$0.05 per FT share. The fair market value of the FT shares was based on the closing price of the units as described above minus the value of the warrants which resulted in an ascribed value of \$0.02 per share. The excess of the issue price of the FT shares and the fair value which totalled \$150,000 (\$0.03 per share) has been reflected in Other Liabilities.

(v) On June 27, 2016, 300,000 common shares were issued to a finder at a deemed price of \$0.05 per share. In addition, the finder was paid a cash sales commission of \$10,000. These are reflected as Project finder's fees in the Statements of Income (loss) and Comprehensive Income (loss).

Share Issuance costs

(vi) In connection with the private placement, CIM incurred cash share issuance costs of \$112,910 (sales commissions to various securities dealers of \$69,170, legal fees of \$26,177 and other expenses of \$17,563). No tax affect was recorded on the share issuance costs as a full valuation allowance was provided against the deferred tax assets.

14. Share capital (continued)

In addition, CIM granted Agents' Options to securities dealers entitling them to acquire up to 1,019,400 additional Units (each Unit consists of one common share and one-half of a common share purchase warrant ("Broker Warrant"), and up to 364,000 additional common shares of CIM. The Agents' Options may be exercised at a price of $0.05 per unit or share as the case may be, for a period of two years. Under these arrangements, 1,893,100 shares may be issued. The fair value of the options or warrants has been estimated using the Black Scholes Model at $0.07 per share for a total of $125,600. The Agent's Options are not included in CIM's 2012 Stock Option Plan.

b) Warrants

	March 31, 2017		December 31, 2016	
	Number of warrants	**Fair value $**	Number of Warrants	Fair value $
Balance, beginning of period	**7,845,000**	**240,425**	500,000	21,369
Issued in connection with private placement (ii)	**-**	**-**	7,845,000	240,425
Exercised, March 2, 2017 (iii)	**(230,000)**	**(7,048)**	-	-
Expired (i)	**-**	**-**	(500,000)	(21,369)
Balance, end of period	**7,615,000**	**233,377**	7,845,000	240,425

(i) On December 14, 2014, 500,000 post share consolidation non-transferrable common share purchase warrants were issued to Jack Stoch Geoconsultant Services Limited (GJSL) in connection with a loan which entitles GJSL to purchase one common share of CIM at a price of $0.10 per share until December 15, 2016. These warrants expired on that date.

(ii) On June 24, 2016, 7,845,000 warrants were issued in connection with a private placement. Each warrant entitles the holder to acquire one additional common share of Globex at a price of $0.10 for a period of 18 months. These warrants expire on December 24, 2017. The fair value of each warrant has been estimated at $0.03 per warrant, which resulted in a fair value of $240,425 for the 7,845,000 warrants.

In the event that the closing price of the shares on the TSXV is at least $0.15 for a period of not less than twenty (20) consecutive trading days at any time subsequent to four months after the Closing date (June 24, 2016), the warrants will expire, at the sole discretion of the Issuer, on the 30th day after the date on which the Issuer issues a press release announcing the new expiry date of the warrants and provides written notice of such expiry date.

(iii) On March 2, 2017, 230,000 warrants with a fair value per share of $0.030647 were exercised at an exercise price of $0.10 per share.

Warrants Outstanding,
March 31, 2017

Issue Date	**Expiry Date**	**Number of Warrants**	**Exercise Price**
June 24, 2016	December 24,2017	7,615,000	$0.10 per share

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.

14. Share capital (continued)

The key terms of the plan are as follows:

(i) The original maximum number of shares that could be issued pursuant to the plan was a fixed number of 1,603,235 after reflecting the impact of the share consolidation in June 2016. On October 11, 2016, the TSXV approved an amendment which increased the number of shares issuable to 3,722,850 which resulted in 2,120,750 options available for future grant.

(ii) 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.

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

At March 31, 2017, 1,587,500 (December 31, 2016 - 1,587,500) stock options were issued with a weighted average exercise price of $0.12 per share and a weighted average remaining contractual life of 3.33 years. In addition to the 1,587,500 options outstanding, 2,135,350 (December 31, 2016 – 2,135,350) options were available to be granted at March 31, 2017.

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

		March 31, 2017		December 31, 2016
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
		$		$
Balance - beginning of period	**1,587,500**	**0.12**	667,700	0.07
Expired	-	-	(80,200)	1.09
Granted - Contractor [(i)]	-	-	300,000	0.14
Granted - Directors and employees [(ii)]	-	-	700,000	0.07
Balance - end of period	**1,587,500**	**0.12**	1,587,500	0.12
Options exercisable	**1,587,500**	**0.12**	1,587,500	0.12

(i) On September 22, 2016, 300,000 options which vested immediately and expire on September 22, 2021 were granted at a strike price of $0.135 per share.

(ii) On June 27, 2016, 700,000 stock options which vested immediately and expire on June 27, 2021 were granted at a strike price of $0.07 per share.

14. Share capital (continued)

The following table summarizes information regarding the stock options outstanding and exercisable as at March 31, 2017:

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	700,000	700,000	4.24	0.07
0.09 - 0.15	512,500	512,500	3.54	0.13
0.17 - 0.22	362,500	362,500	1.36	0.20
0.38 - 0.59	12,500	12,500	0.26	0.44
	1,587,500	1,587,500	3.33	0.12

Share-based compensation

The Corporation uses the Black-Scholes model to estimate the fair value 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.

During the three-month periods-ended March 31, 2017 and March 31, 2016, no expense related to stock-based compensation costs and payments were recorded and presented separately in the interim condensed statement of income (loss) and comprehensive income (loss).

15. Related party information

a) Related party payables

	March 31, 2017	December 31, 2016
	$	$
Globex Mining Enterprises Inc.	**69,715**	17,551

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 Geonconsultant Services Limited (GJSL) 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.

15. Related party information (continued)

Management services fees of $24,696 (March 31, 2016 - $2,500) for the three-month period ended March 31, 2017 represents Globex’s estimate of the specific costs related to performing these services in accordance with the Management Services Agreement.

c) Management and Director Compensation

During the three months ended March 31, 2017 and March 31, 2016, no compensation was periods paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Corporation (Management personnel includes President and CEO, Executive Vice-President, Vice-President Operations and Chief Financial Officer, Treasurer and Corporate Secretary).

16. Supplementary cash flows information

Changes in non-cash working capital items

	March 31, 2017	March 31, 2016
	$	$
Taxes receivable	**2,329**	(345)
Prepaid and deposits	**(45,361)**	(1,136)
Payables and accruals	**(16,130)**	(9,921)
	(59,162)	(11,402)

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 overall strategy remains unchanged from 2016.

The Corporation’s investment policy is to invest its short-term excess cash in low risk, highly-liquid short-term interest-bearing investments with maturities, selected to match 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.

17. Financial instruments (continued)

Based on the current cash position and exploration strategy, the Corporation will likely not 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 fair value of the Corporation's cash and cash equivalents, payable and accruals 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 market quotes.

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 as well as cash reserved for exploration which totaled $459,995 at March 31, 2017 (December 31, 2016 - $388,912). 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.

The maximum exposure to credit risk was:

	March 31, 2017	December 31, 2016
	$	$
Cash and cash equivalents	**459,995**	388,912
Investments	**367,211**	362,360
Taxes receivable	**34,459**	36,788
	861,665	788,060

(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.

17. Financial instruments (continued)

The Corporation currently holds equity investments with a fair market value of $367,211 (December 31, 2016 - $362,360) and as a result of a 10% increase or decrease would impact income and loss by $36,721 (December 31, 2016 - $36,236).

(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 market data (unobservable inputs).

March 31, 2017	Level 1	Level 2	Level 3	Total Financial Assets at fair Value
	$	$	$	$
Financial assets				
Cash and cash equivalents	-	459,995	-	459,995
Investments	-	367,211	-	367,211
Taxes receivable	-	-	34,459	34,459
Total financial assets	-	827,206	34,459	861,665

There were no transfers between level 1 and level 2 during the years. The level 2 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, 2016	Level 1	Level 2	Level 3	Total Financial Assets at fair Value
	$	$	$	$
Financial assets				
Cash and cash equivalents	-	388,912	-	388,912
Investments	-	362,360	-	362,360
Taxes receivable	-	-	36,788	36,788
Total financial assets	-	751,272	36,788	788,060

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. Commitments and contingencies

a) At 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 the period-end, management believes to the best of its knowledge that CIM is in conformity with all applicable laws and regulations. Restoration costs, if any, will be accrued in the interim condensed financial statements and reflected in the interim condensed statement of income and comprehensive income (loss), if and when they can be reasonably estimated.