



**CONDENSED INTERIM FINANCIAL STATEMENTS OF
CHIBOUGAMAU INDEPENDENT MINES INC.
FOR THE THREE AND SIX MONTHS ENDED
JUNE 30, 2019
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of Chibougamau Independent Mines Inc. (the "Corporation") have been prepared by, and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Corporation's auditors.

CHIBOUGAMAU INDEPENDENT MINES INC.**Condensed Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)**

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Expenses				
Administration (note 8)	\$ 3,768	\$ 2,532	\$ 10,124	\$ 5,687
Professional fees and outside services (note 8)	11,513	9,037	17,619	17,442
Transfer agent and filing fees	7,149	4,433	19,737	15,721
Management services (note 12)	10,748	17,168	30,875	38,872
Share-based compensation and payments (note 11)	116,505	-	116,505	-
Exploration and evaluation expenditures (note 9)	212,109	17,506	336,333	43,826
	361,792	50,676	531,193	121,548
Loss from operations	(361,792)	(50,676)	(531,193)	(121,548)
Other income (expenses)				
Interest income	1,844	449	2,558	1,435
(Decrease) increase in fair value of investments	(14,390)	50,733	(10,793)	14,495
	(12,546)	51,182	(8,235)	15,930
(Loss) income before taxes	(374,338)	506	(539,428)	(105,618)
Income taxes				
Income tax recovery	(61,499)	-	(100,189)	-
(Loss) income and comprehensive (loss) income for the period	\$ (312,839)	\$ 506	\$ (439,239)	\$ (105,618)
Basic and diluted loss per share (note 10)	\$ (0.01)	\$ 0.00	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	43,637,901	38,473,456	42,794,697	38,455,876

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

CHIBOUGAMAU INDEPENDENT MINES INC.**Condensed Interim Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

	Six months ended June 30,	
	2019	2018
Operating activities:		
Loss and comprehensive loss for the period	\$ (439,239)	\$ (105,618)
Adjustments for:		
Decrease (increase) in fair value of investments	10,793	(14,495)
Income tax recovery	(100,189)	-
Share-based compensation and payments (note 11)	116,505	-
	(412,130)	(120,113)
Change in non-cash working capital items (note 13)	58,912	55,561
Net cash and cash equivalents used in operating activities	(353,218)	(64,552)
Financing activities:		
Related party payable - Globex Mining Enterprises Inc. (note 12)	60,936	(2,151)
Issuance of common shares (note 11)	1,065,735	-
Proceeds from exercised agents' options (note 11)	-	19,750
Share issuance costs	(14,506)	-
Net cash and cash equivalents provided by financing activities	1,112,165	17,599
Net change in cash and cash equivalents	758,947	(46,953)
Cash and cash equivalents, beginning of period	410,418	264,774
Cash and cash equivalents, end of period	\$ 1,169,365	\$ 217,821
Cash and cash equivalents	\$ 192,006	\$ 217,821
Cash and cash equivalents reserved for exploration	977,359	-
	\$ 1,169,365	\$ 217,821

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

CHIBOUGAMAU INDEPENDENT MINES INC.**Condensed Interim Statements of Financial Position****(Expressed in Canadian Dollars)****(Unaudited)**

	As at June 30, 2019	As December 31, 2018
ASSETS		
Current assets		
Cash and cash equivalents (note 4)	\$ 192,006	\$ 171,608
Cash and cash equivalents reserved for exploration (note 11(a)(ii)(iii))	977,359	238,810
Investments (note 5)	75,548	86,341
Taxes receivable	57,195	20,641
Prepaid and deposits	10,483	15,163
Total assets	\$ 1,312,591	\$ 532,563
LIABILITIES AND EQUITY		
Current liabilities		
Payables and accruals (note 6)	\$ 117,056	\$ 26,270
Related party payable - Globex Mining Enterprises Inc. (note 12(a))	62,379	1,443
Other liabilities (note 7)	282,318	74,628
Total liabilities	461,753	102,341
Shareholders' equity		
Common shares (note 11(a))	10,076,408	9,333,058
Contributed surplus - equity settled reserve	777,049	660,544
Deficit	(10,002,619)	(9,563,380)
Total equity	850,838	430,222
Total liabilities and equity	\$ 1,312,591	\$ 532,563

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

General business description (note 1)

CHIBOUGAMAU INDEPENDENT MINES INC.**Condensed Interim Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars)****(Unaudited)**

Equity attributable to shareholders

	Common shares	Contributed surplus - equity settled reserve	Deficit	Total
Balance, December 31, 2017	\$ 9,119,311	\$ 686,751	\$ (9,368,581)	\$ 437,481
Issued on exercised agents' options	45,957	(26,207)	-	19,750
Loss and comprehensive loss	-	-	(105,618)	(105,618)
Balance, June 30, 2018	\$ 9,165,268	\$ 660,544	\$ (9,474,199)	\$ 351,613
Balance, December 31, 2018	\$ 9,333,058	\$ 660,544	\$ (9,563,380)	\$ 430,222
Fair value of flow-through shares issued under private placement	757,856	-	-	757,856
Shares issuance costs	(14,506)	-	-	(14,506)
Share-based compensation	-	116,505	-	116,505
Loss and comprehensive loss	-	-	(439,239)	(439,239)
Balance, June 30, 2019	\$ 10,076,408	\$ 777,049	\$ (10,002,619)	\$ 850,838

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

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian Dollars)

(Unaudited)

1. General Business Description

Chibougamau Independent Mines Inc. (the "Corporation", "CIM") was incorporated under the Canada Business Corporations Act on December 13, 2010, as a wholly-owned subsidiary of Globex Mining Enterprises Inc. ("Globex") with the intention of acquiring and developing properties located in the Chibougamau Mining District of Québec. It is focused on reviving production in the Chibougamau gold-copper 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.

The CIM shares trade on the TSX Venture Exchange ("TSXV") under the symbol CBG, on the Stuttgart and Frankfurt exchanges under the symbol CLL1, as well as on the OTC Markets (USA) under the symbol CMAUF.

2. Basis of Presentation

Basis of Presentation

These unaudited condensed interim financial statements were prepared on a going concern basis, under the historical cost basis, except for certain assets that are measured at fair value through profit and loss as indicated in note 3 of the Corporation's audited financial statements for the year ended December 31, 2018. All financial information is presented in Canadian dollars.

These unaudited condensed interim 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.

These unaudited condensed interim 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. Management did not take these adjustments into account as it believes in the validity of the going concern assumption.

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian Dollars)

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2. Basis of Presentation (Continued)

Statement of Compliance

These unaudited condensed interim financial statements have been prepared by Management in accordance with IAS 34 - Interim Financial Reporting.

The preparation of unaudited condensed interim financial statements in accordance with IAS 34, requires the use of certain critical judgments, estimates and assumptions that effect the applications 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 in the financial statements as at and for the year ended December 31, 2018.

Approval of Financial Statements

The Corporation's Board of Directors approved these unaudited condensed interim financial statements on August 23, 2019.

3. Summary of Significant Accounting Policies

These unaudited condensed interim financial statements have been prepared using the same accounting policies and methods of computation as compared with the most recent annual financial statements (note 3) of the Corporation's audited financial statements for the year ended December 31, 2018 with the exception of the International Financial Reporting Standards ("IFRS") adopted as described below.

The disclosure contained in these unaudited condensed interim financial statements does not include all the requirements in IAS 1 - Presentation of Financial Statements. Accordingly, these unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2018.

(a) IFRS adopted

IAS 28, Investments in Associates and Joint Ventures ("IAS 28")

In October 2017, the IASB issued amendments to IAS 28.

The amendments to IAS 28 clarify that companies account for long-term interests in an associate or joint venture to which the equity method is not applied using IFRS 9, Financial Instruments and does not anticipate any material impact from applying this amendment due to the immaterial nature and lack of achieving of these investments.

These amendments to IAS 28 are effective for annual periods beginning on or after January 1, 2019. At January 1, 2019, the Corporation adopted this standard and there was no material impact on the Corporation's unaudited condensed interim financial statements.

IFRIC 23, Uncertainty Over Income Tax Treatments

Issued by the IASB in June 2017 and provides guidance as to when it is appropriate to recognize a current tax asset when the taxation authority requires an entity to make an immediate payment related to an amount in dispute. This interpretation applies for annual reporting periods beginning on or after January 1, 2019. At January 1, 2019, the Corporation adopted this standard and there was no material impact on the Corporation's unaudited condensed interim financial statements.

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian Dollars)

(Unaudited)

4. Cash and Cash Equivalents

	June 30, 2019	December 31, 2018
Bank balances	\$ 192,006	\$ 171,608
Short-term deposit	-	-
	\$ 192,006	\$ 171,608

5. Investments

June 30, 2019

	Number of shares	Cost	Unrealized loss	Fair value
Vanadium One Energy Corp.	719,500	\$ 125,912	\$ (50,364)	\$ 75,548

December 31, 2018

	Number of shares	Cost	Unrealized loss	Fair value
Vanadium One Energy Corp.	719,500	\$ 125,912	\$ (39,571)	\$ 86,341

6. Payables and Accruals

	June 30, 2019	December 31, 2018
Payables and accruals	\$ 117,056	\$ 26,270

7. Other Liabilities

	June 30, 2019	December 31, 2018
Balance, beginning of period	\$ 74,628	\$ -
Additions during the period (i)	307,879	78,125
Reduction related to qualified exploration expenditures	(100,189)	(3,497)
Balance, end of period	\$ 282,318	\$ 74,628

(i) The other liabilities represent the excess of the proceeds received from flow-through shares over the fair value of the shares issued. Further details are provided in note 11(a)(ii)(iii).

This liability is not settled through cash payments. Instead, this balance is amortized against qualifying flow-through expenditures which are required to be incurred before December 31, 2020.

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian Dollars)

(Unaudited)

8. Expenses by Nature

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Administration				
Office supplies and maintenance	\$ 265	\$ -	\$ 273	\$ 188
Shareholder information	1,105	102	1,105	102
Advertising and promotion	-	-	-	480
Insurance	2,302	2,302	4,605	4,605
Other	96	128	4,141	312
	\$ 3,768	\$ 2,532	\$ 10,124	\$ 5,687

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Professional fees and outside services				
Legal fees	\$ 3,326	\$ 6,537	\$ 5,346	\$ 6,866
Audit and accounting fees	5,250	2,500	8,600	5,000
Other professional fees	2,937	-	3,673	5,576
	\$ 11,513	\$ 9,037	\$ 17,619	\$ 17,442

9. Exploration and Evaluation Expenditures

Exploration and evaluation expenses by project	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Bateman Bay	\$ 155,094	\$ 2,571	\$ 216,098	\$ 9,641
Berrigan South and Berrigan Mine	2,757	3,510	4,213	8,973
Copper Cliff Extension	9,306	-	9,306	3,808
Grandroy	25,693	1,473	86,249	2,645
Kokko Creek	4,481	292	4,481	1,977
Lac Chibougamau	1,163	665	1,163	10,341
Lac Élane	-	-	-	705
Lac Simon	235	7,239	235	9,982
Malouf	-	128	-	1,337
Mont Sorcier (Sulphur Converting Property and Magnetite Bay)	224	-	274	-
Nepton	-	646	-	6,059
Quebec Chibougamau Goldfields	2,479	-	2,479	1,480
General exploration	10,677	982	11,835	1,445
Quebec refundable tax credit	-	-	-	(14,567)
Exploration and evaluation expenditures	\$ 212,109	\$ 17,506	\$ 336,333	\$ 43,826

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian Dollars)

(Unaudited)

9. Exploration and Evaluation Expenditures (Continued)

Exploration expenses by expenditure type	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Core shack, storage and equipment rental	\$ 4,723	\$ 2,190	\$ 8,113	\$ 4,380
Drilling	109,899	-	213,222	-
Geology	-	-	-	150
Geophysics	-	-	-	700
Laboratory analysis and sampling	4,468	-	4,468	33
Labour	75,857	12,712	92,128	45,054
Mineral claims acquisition	235	-	650	36
Mining property tax and permits	106	1,450	106	4,979
Reports, maps and supplies	503	445	1,328	929
Transport and road access	16,318	709	16,318	2,132
Quebec refundable tax credit	-	-	-	(14,567)
	\$ 212,109	\$ 17,506	\$ 336,333	\$ 43,826

During the six months ended June 30, 2019, Vanadium One Energy Corp. has earned 100% interest in the Corporation's Mont Sorcier Iron/Titanium/Vanadium property by meeting the one million dollar exploration expenditure requirement and paying CIM the cash and shares per the contract. CIM retains a GMR on the Mont Sorcier property.

10. Loss (Income) Per Common Share

The calculation of basic and diluted loss per share for the three and six months ended June 30, 2019 was based on the loss (income) attributable to common shareholders of \$312,839 and \$439,239, respectively (three and six months ended June 30, 2018 - \$(506) and \$105,618, respectively) and the weighted average number of common shares outstanding of 43,637,901 and 42,794,697, respectively (three and six months ended June 30, 2018 - 38,473,456 and 38,455,876, respectively). Diluted loss per share did not include the effect of stock options as they are anti-dilutive.

11. 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.

a) Changes in capital stock

Fully paid common shares	June 30, 2019		December 31, 2018	
	Number of shares	Capital stock	Number of shares	Capital stock
Balance, beginning of period	41,958,442	\$ 9,333,058	38,438,442	\$ 9,119,311
Issued on exercise of agents' options (i)	-	-	395,000	45,957
Private placements - Flow-through shares (ii)(iii)	4,736,600	757,856	3,125,000	171,875
Share issuance costs	-	(14,506)	-	(4,085)
Balance, end of period	46,695,042	\$ 10,076,408	41,958,442	\$ 9,333,058

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian Dollars)

(Unaudited)

11. Share Capital (Continued)

a) Changes in capital stock (continued)

(i) On June 22, 2018, 395,000 agents' options were exercised at an exercise price of \$0.05 per share. The value of the exercised options totalled \$26,207.

(ii) On September 28, 2018, the Corporation issued 3,125,000 Flow-through common shares ("FT") at a price of \$0.08 per FT share. The fair market value of the FT shares was based on the closing price of the Corporation's common shares which resulted in an ascribed value of \$0.055 per share. The excess of the issue price of the FT shares and the fair value which totalled \$78,125 (\$0.025 per share) has been reflected in other liabilities.

(iii) On May 29, 2019, the Corporation issued 4,736,600 Flow-through common shares ("FT") at a price of \$0.225 per FT share. The fair market value of the FT shares was based on the closing price of the Corporation's common shares which resulted in an ascribed value of \$0.16 per share. The excess of the issue price of the FT shares and the fair value which totalled \$307,879 (\$0.065 per share) has been reflected in other liabilities. The securities issued are subject to a four-month hold period, expiring on September 30, 2019.

b) Stock options

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

	June 30, 2019		December 31, 2018	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of period	1,212,500	\$ 0.09	1,525,000	\$ 0.12
Expired	(212,500)	0.12	(312,500)	0.20
Granted to employees (i)	675,000	0.18	-	-
Balance, end of period	1,675,000	\$ 0.13	1,212,500	\$ 0.09
Options exercisable	1,675,000	\$ 0.13	1,212,500	\$ 0.09

(i) On June 20, 2019, 675,000 stock options with a fair value per share of \$0.1726 were granted at an exercise price of \$0.18 per share. Globex's shares closed at \$0.18 per share on the day before.

The following table summarizes information regarding the stock options outstanding and exercisable as at June 30, 2019:

Range of prices	Number of options outstanding	Number of options exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
\$0.05 - \$0.08	700,000	700,000	1.99	\$ 0.07
\$0.09 - \$0.15	300,000	300,000	2.23	0.14
\$0.17 - \$0.22	675,000	675,000	4.98	0.18
	1,675,000	1,675,000	3.24	\$ 0.13

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian Dollars)

(Unaudited)

11. Share Capital (Continued)

b) Stock options (continued)

Stock-based compensation

The Corporation uses the fair value method for stock options granted to directors, officers, employees and non-employees. Accordingly, the fair value of the options at the date of grant is charged to operations, with an offsetting credit to contributed surplus, over vesting periods (which can vary from immediate vesting to 5 years).

The Corporation uses the Black-Scholes option pricing model to estimate fair value using the following weighted average assumptions:

	June 30, 2019
Expected dividend yield	Nil
Expected stock price volatility	181.29%
Risk free interest rate	1.33%
Expected life	5 years
Weighted average fair value of granted options	\$0.1726

During the three and six month June 30, 2019, an expense of \$116,505 (three and six months ended June 30, 2018 - \$nil) related to stock-based compensation costs and payments has been recorded and presented separately in the unaudited condensed interim consolidated statements of loss and comprehensive loss.

12. Related Party Information

a) Related party payables

	June 30, 2019	December 31, 2018
Globex	\$ 62,379	\$ 1,443

The Corporation is considered a related party with Globex as management consisting of the President and Director, who hold the same positions with both entities. In addition, the President and Chief Executive Officer ("CEO") holds a large number of common shares of both organizations through Jack Stoch Geoconsultant Services Limited and therefore can significantly influence the operations of both entities. The amount payable bears no interest, is without specific terms of repayment and is unsecured.

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.

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Globex Management Services (i)	\$ -	\$ 2,935	\$ 845	\$ 10,496
Management compensation (ii)	10,748	14,233	30,030	28,376
	\$ 10,748	\$ 17,168	\$ 30,875	\$ 38,872

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian Dollars)

(Unaudited)

12. Related Party Information (Continued)

b) Management services (continued)

(i) Globex management services for the respective periods represents Globex's estimate of the specific costs related to performing these services in accordance with the Management Services Agreement.

(ii) Management compensation represents salaries and other benefits of the President and CEO as well as external services provided by the CFO and the Corporate Secretary. As at June 30, 2019, the balance due to CFO and Corporate Secretary is \$225 (December 31, 2018 - \$4,447) which is included in payables and accruals due under normal credit terms.

No other related party transactions had been incurred during the three and six months ended June 30, 2019 and 2018.

c) Management compensation

The total compensation for the respective 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, Vice-President Operations as well as CFO, Treasurer and Corporate Secretary) are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Management compensation				
Management services (i)	\$ 10,748	\$ 14,233	\$ 30,030	\$ 28,376

(i) It included the salaries and other benefits of the President and CEO as well as the external services provided by the CFO and the Corporate Secretary.

All related party transactions disclosed above were at the agreed amounts that approximate fair value.

13. Supplementary Cash Flows Information

Changes in non-cash working capital items

	June 30, 2019	June 30, 2018
Taxes receivable	\$ (36,554)	\$ 65,621
Prepaid and deposits	4,680	(712)
Payables and accruals	90,786	(9,348)
	\$ 58,912	\$ 55,561

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2019

(Expressed in Canadian Dollars)

(Unaudited)

14. Commitments and Contingencies

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

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 unaudited condensed interim financial statements and reflected in the unaudited condensed interim statement of loss and comprehensive loss, if and when they can be reasonably estimated.