



**CONDENSED INTERIM FINANCIAL STATEMENTS OF  
CHIBOUGAMAU INDEPENDENT MINES INC.  
FOR THE THREE AND SIX MONTHS ENDED  
JUNE 30, 2022  
(EXPRESSED IN CANADIAN DOLLARS)  
(UNAUDITED)**

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**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		Six months ended	
	June 30,		June 30,	
	2022	2021	2022	2021
<b>Expenses</b>				
Administration (note 9)	\$ 4,997	\$ 6,828	\$ 10,263	\$ 12,810
Exploration and evaluation expenditures (note 10)	48,759	125,230	98,279	218,429
Management services (note 13)	18,813	19,679	35,526	39,443
Professional fees and outside services (note 9)	10,255	10,033	16,339	15,846
Transfer agent and filing fees	4,032	7,199	5,800	15,392
	<b>86,856</b>	<b>168,969</b>	<b>166,207</b>	<b>301,920</b>
<b>Loss from operations</b>	<b>(86,856)</b>	<b>(168,969)</b>	<b>(166,207)</b>	<b>(301,920)</b>
<b>Other (loss) income</b>				
(Decrease) increase in fair value of investments	(49,315)	57,562	(42,270)	71,951
Interest income	256	206	442	389
Other income	-	2,932	-	5,951
	<b>(49,059)</b>	<b>60,700</b>	<b>(41,828)</b>	<b>78,291</b>
<b>Loss before taxes</b>	<b>(135,915)</b>	<b>(108,269)</b>	<b>(208,035)</b>	<b>(223,629)</b>
<b>Income taxes</b>				
Income tax recovery	(5,345)	(19,130)	(18,534)	(46,054)
<b>Loss and comprehensive loss for the period</b>	<b>\$ (130,570)</b>	<b>\$ (89,139)</b>	<b>\$ (189,501)</b>	<b>\$ (177,575)</b>
<b>Basic and diluted loss per share (note 11)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<b>Weighted average number of common shares outstanding - basic and diluted</b>	<b>53,576,570</b>	<b>53,300,393</b>	<b>53,576,570</b>	<b>53,188,018</b>

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

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## CHIBOUGAMAU INDEPENDENT MINES INC.

### Condensed Interim Statements of Cash Flows

(Expressed in Canadian Dollars)

(Unaudited)

	Six months ended June 30,	
	2022	2021
<b>Operating activities:</b>		
Loss and comprehensive loss for the period	\$ (189,501)	\$ (177,575)
Adjustments for:		
Decrease (increase) in fair value of investments	42,270	(71,951)
Income tax recovery	(18,534)	(46,054)
Interest income accrued	(442)	-
Government grant revenue	-	(2,176)
Interest expense accrued	-	1,837
	(166,207)	(295,919)
Change in non-cash working capital items (note 14)	(71,029)	(36,358)
<b>Net cash and cash equivalents used in operating activities</b>	<b>(237,236)</b>	<b>(332,277)</b>
<b>Financing activities:</b>		
Related party payable - Globex Mining Enterprises Inc. (note 13)	(11,034)	14,128
Proceeds from exercised options (note 12)	-	35,000
<b>Net cash and cash equivalents (used in) provided by financing activities</b>	<b>(11,034)</b>	<b>49,128</b>
<b>Net change in cash and cash equivalents</b>	<b>(248,270)</b>	<b>(283,149)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>779,255</b>	<b>1,169,138</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 530,985</b>	<b>\$ 885,989</b>

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

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

	<b>As at June 30, 2022</b>	<b>As December 31, 2021</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents (note 4)	\$ 530,985	\$ 779,255
Short-term deposit (note 5)	103,648	103,206
Investments (note 6)	84,540	126,810
Accounts receivable	4,319	4,157
Prepaid and deposits	16,748	25,254
<b>Total assets</b>	<b>\$ 740,240</b>	<b>\$ 1,038,682</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Payables and accruals (note 7)	\$ 75,830	\$ 155,203
Related party payable - Globex Mining Enterprises Inc. (note 13(a))	5,806	16,840
Flow-through liability (note 8)	82,204	100,738
<b>Total liabilities</b>	<b>163,840</b>	<b>272,781</b>
<b>Shareholders' equity</b>		
Common shares (note 12(a))	11,063,176	11,063,176
Contributed surplus - equity settled reserve	749,851	749,851
Deficit	(11,236,627)	(11,047,126)
<b>Total equity</b>	<b>576,400</b>	<b>765,901</b>
<b>Total liabilities and equity</b>	<b>\$ 740,240</b>	<b>\$ 1,038,682</b>

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

General business description and going concern (notes 1 and 2)

Commitments and contingencies (note 15)

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

**Equity attributable to shareholders**

	<b>Common shares</b>	<b>Contributed surplus - equity settled reserve</b>	<b>Deficit</b>	<b>Total</b>
<b>Balance, December 31, 2020</b>	<b>\$ 10,983,617</b>	<b>\$ 777,049</b>	<b>\$ (10,720,194)</b>	<b>\$ 1,040,472</b>
Issued on exercised options	79,559	(44,559)	-	35,000
Loss and comprehensive loss	-	-	(177,575)	(177,575)
<b>Balance, June 30, 2021</b>	<b>\$ 11,063,176</b>	<b>\$ 732,490</b>	<b>\$ (10,897,769)</b>	<b>\$ 897,897</b>
<b>Balance, December 31, 2021</b>	<b>\$ 11,063,176</b>	<b>\$ 749,851</b>	<b>\$ (11,047,126)</b>	<b>\$ 765,901</b>
Loss and comprehensive loss	-	-	(189,501)	(189,501)
<b>Balance, June 30, 2022</b>	<b>\$ 11,063,176</b>	<b>\$ 749,851</b>	<b>\$ (11,236,627)</b>	<b>\$ 576,400</b>

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

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# CHIBOUGAMAU INDEPENDENT MINES INC.

## Notes to the Condensed Interim Financial Statements

June 30, 2022

(Expressed in Canadian Dollars)

(Unaudited)

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### 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 ("GMR") in favour of Globex. On October 3, 2016, Globex announced that the 3% GMR 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.

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The duration and full financial effect of the COVID-19 pandemic is unknown at this time, as are the measures taken by governments, companies and others to attempt to reduce the spread of COVID-19. Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 may materially and adversely affect the Corporation's operations, financial results and condition in future periods are also subject to significant uncertainty, including potential restrictions on exploration and development sites access and supply chains disruptions that could delay the exploration and development plans of the properties of the Corporation.

### 2. Basis of Presentation

#### Statement of Compliance

The Corporation applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretation issued by the IFRS Interpretation Committee. These unaudited condensed interim financial statements have been prepared by management in accordance with IAS 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

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 audited financial statements as at and for the year ended December 31, 2021.

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# CHIBOUGAMAU INDEPENDENT MINES INC.

## Notes to the Condensed Interim Financial Statements

June 30, 2022

(Expressed in Canadian Dollars)

(Unaudited)

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### 2. Basis of Presentation (Continued)

#### Basis of Presentation and Going Concern

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, 2021. All financial information is presented in Canadian dollars.

Since its incorporation, the Corporation has accumulated a deficit of \$11,236,627 (December 31, 2021 - \$11,047,126) and during the six months ended June 30, 2022, incurred a net loss and comprehensive loss of \$189,501 and cash used in operations of \$237,236. 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 above factors indicate a material uncertainty that casts significant doubt as to the Corporation's ability to continue as a going concern.

CIM is in the exploration stage and is subject to the risks and challenges particular to companies at this stage. There is no assurance that CIM's projects will be successful. As a result, there is uncertainty regarding CIM's ability to continue to operate as a going concern. The Corporation's continuing operations are dependent on the ability to secure adequate financing, the discovery of economically-recoverable mineral reserves, securing and maintaining title or beneficial interests in the mining properties and on future profitable production or proceeds from the disposition of mineral property interests.

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.

#### Approval of Financial Statements

The Corporation's Board of Directors approved these unaudited condensed interim financial statements on August 25, 2022.

### 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, 2021.

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, 2021.

# CHIBOUGAMAU INDEPENDENT MINES INC.

## Notes to the Condensed Interim Financial Statements

June 30, 2022

(Expressed in Canadian Dollars)

(Unaudited)

### 4. Cash and Cash Equivalents

	June 30, 2022	December 31, 2021
Bank balances	\$ 530,985	\$ 779,255

As of June 30, 2022, the Corporation was committed to incurring approximately \$765,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2022 arising from the flow-through offerings.

### 5. Short-term Deposit

	As at June 30, 2022	As at December 31, 2021
GIC (i)	\$ 30,997	\$ 30,759
Mutual funds	72,651	72,447
	\$ 103,648	\$ 103,206

(i) On June 2, 2020, the Corporation purchased a \$30,000 guaranteed investment certificate ("GIC") with a maturity date of December 2, 2022 and an interest rate of 1.60%.

### 6. Investments

#### June 30, 2022

	Number of shares	Cost	Unrealized loss	Fair value
Voyager Metals Inc. ("Voyager")	704,500	\$ 123,288	\$ (38,748)	\$ 84,540

#### December 31, 2021

	Number of shares	Cost	Unrealized gain	Fair value
Voyager	704,500	\$ 123,288	\$ 3,522	\$ 126,810

### 7. Payables and Accruals

	June 30, 2022	December 31, 2021
Payables and accruals	\$ 25,704	\$ 55,203
Refundable deposit	50,126	100,000
	\$ 75,830	\$ 155,203

Included in payables and accruals is \$1,000 payable to the Chief Financial Officer ("CFO") and Corporate Secretary (December 31, 2021 - \$7,255). See note 13 for further details.



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# CHIBOUGAMAU INDEPENDENT MINES INC.

## Notes to the Condensed Interim Financial Statements

June 30, 2022

(Expressed in Canadian Dollars)

(Unaudited)

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### 8. Flow-Through Liability

	June 30, 2022	December 31, 2021
Balance, beginning of period	\$ 100,738	\$ 150,928
Reduction related to qualified exploration expenditures	(18,534)	(50,190)
Balance, end of period	\$ 82,204	\$ 100,738

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(i) The flow-through liability represents the excess of the proceeds received from flow-through shares over the fair value of the shares issued.

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, 2022 (note 15).

### 9. Expenses by Nature

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
<b>Administration</b>				
Insurance	\$ 4,042	\$ 2,975	\$ 8,084	\$ 5,951
Office supplies and maintenance	-	2,021	480	2,539
Other	280	1,155	349	2,444
Shareholder information	675	677	1,350	1,876
	\$ 4,997	\$ 6,828	\$ 10,263	\$ 12,810
<b>Professional fees and outside services</b>				
Audit and accounting fees	\$ 9,045	\$ 7,023	\$ 14,670	\$ 12,295
Legal fees	1,210	3,010	1,669	3,551
	\$ 10,255	\$ 10,033	\$ 16,339	\$ 15,846

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# CHIBOUGAMAU INDEPENDENT MINES INC.

## Notes to the Condensed Interim Financial Statements

June 30, 2022

(Expressed in Canadian Dollars)

(Unaudited)

### 10. Exploration and Evaluation Expenditures

Exploration and evaluation expenses by project	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Bateman Bay	\$ 2,470	\$ 10,746	\$ 2,470	\$ 41,705
Berrigan South and Berrigan Mine	25,005	34,412	52,687	46,401
Copper Cliff Extension	723	4,228	723	6,083
Grandroy	1,558	7,859	2,703	14,436
Gwillim	7,908	-	20,424	-
Kokko Creek	147	6,764	147	8,234
Lac Antoinette	1,786	5,347	1,933	7,963
Lac Chibougamau	1,912	26,526	3,084	45,124
Lac David Sud	536	-	536	174
Lac Elaine	3,427	11,082	6,066	18,506
Lac Simon	434	-	434	-
Mont Sorcier (Sulphur Converting Property and Magnetite Bay)	-	-	-	574
Quebec Chibougamau Goldfields	-	2,844	-	4,288
Virginia Option	-	1,324	-	1,324
General exploration	2,853	14,098	7,072	23,617
<b>Exploration and evaluation expenditures</b>	<b>\$ 48,759</b>	<b>\$ 125,230</b>	<b>\$ 98,279</b>	<b>\$ 218,429</b>

Exploration expenses by expenditure type	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Consulting fees	\$ 27,093	\$ -	\$ 49,373	\$ 3,192
Geology	11,250	-	11,250	-
Geophysics	-	48,271	-	96,543
Labour	7,750	76,467	29,971	118,202
Mining property tax and permits	-	492	2,885	492
Reports, maps and supplies	2,327	-	3,799	-
Transport and road access	339	-	1,001	-
	<b>\$ 48,759</b>	<b>\$ 125,230</b>	<b>\$ 98,279</b>	<b>\$ 218,429</b>

### 11. Loss Per Common Share

The calculation of basic and diluted loss per share for the three and six months ended June 30, 2022 was based on the loss attributable to common shareholders of \$130,570 and \$189,501, respectively (three and six months ended June 30, 2021 - \$89,139 and \$177,575, respectively) and the weighted average number of common shares outstanding of 53,576,570 and 53,576,570, respectively (three and six months ended June 30, 2021 - 53,300,393 and 53,188,018, respectively). Diluted loss per share did not include the effect of stock options as they are anti-dilutive.

# CHIBOUGAMAU INDEPENDENT MINES INC.

## Notes to the Condensed Interim Financial Statements

June 30, 2022

(Expressed in Canadian Dollars)

(Unaudited)

### 12. 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

	June 30, 2022		December 31, 2021	
Fully paid common shares	Number of shares	Capital stock	Number of shares	Capital stock
Balance, beginning of period	53,576,570	\$ 11,063,176	53,076,570	\$ 10,983,617
Issued on exercise of options (i)	-	-	500,000	79,559
Balance, end of period	53,576,570	\$ 11,063,176	53,576,570	\$ 11,063,176

(i) During the year ended December 31, 2021, 500,000 options were exercised at an exercise price of \$0.07 per share. The original fair value estimated on grant of the options totaled \$44,559.

#### 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, 2022		December 31, 2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning and end of period	775,000	\$ 0.19	1,675,000	\$ 0.13
Exercised (note 12(a)(i))	-	-	(500,000)	0.07
Expired	-	-	(500,000)	0.11
Granted (i)	-	-	100,000	0.23
Balance, end of period	775,000	\$ 0.19	775,000	\$ 0.19
Options exercisable	775,000	\$ 0.19	775,000	\$ 0.19

(i) On November 25, 2021, 100,000 stock options with a fair value per share of \$0.1736 were granted to a director at an exercise price of \$0.225 per share. CIM's shares closed at \$0.225 per share on the day before. The fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 105.64%; risk-free interest rate of 1.56%; and an expected average life of 5 years.

# CHIBOUGAMAU INDEPENDENT MINES INC.

## Notes to the Condensed Interim Financial Statements

June 30, 2022

(Expressed in Canadian Dollars)

(Unaudited)

### 12. Share Capital (Continued)

#### b) Stock options (continued)

The following table summarizes information regarding the stock options outstanding and exercisable as at June 30, 2022:

Exercise prices	Number of options outstanding	Number of options exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
\$0.180	675,000	675,000	1.98	\$ 0.18
\$0.225	100,000	100,000	4.41	0.23
	775,000	775,000	2.29	\$ 0.19

### 13. Related Party Information

#### a) Related party payables

	June 30, 2022	December 31, 2021
Globex	\$ 5,806	\$ 16,840

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, a company controlled by the President and CEO, 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,	
	2022	2021	2022	2021
Globex Management Services (i)	\$ 2,872	\$ 2,421	\$ 5,744	\$ 4,842
Management compensation (ii)	15,941	17,258	29,782	34,601
	\$ 18,813	\$ 19,679	\$ 35,526	\$ 39,443

(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, 2022, the balance due to CFO and Corporate Secretary is \$1,000 (December 31, 2021 - \$7,255) 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, 2022 and 2021.

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

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# CHIBOUGAMAU INDEPENDENT MINES INC.

## Notes to the Condensed Interim Financial Statements

June 30, 2022

(Expressed in Canadian Dollars)

(Unaudited)

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### 14. Supplementary Cash Flows Information

#### Changes in non-cash working capital items

	Six months ended June 30,	
	2022	2021
Accounts receivable	\$ (162)	\$ (8,389)
Prepaid and deposits	8,506	6,885
Payables and accruals	(79,373)	(34,854)
	<u>\$ (71,029)</u>	<u>\$ (36,358)</u>

### 15. Commitments and Contingencies

At period-end, the Corporation has a commitment to incur qualified exploration expenditures to meet its flow-through obligations as described in note 8 and has no other outstanding commitments outside the normal course of the business. Pursuant to the terms of flow-through share agreement, the Corporation is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of June 30, 2022, the Corporation was committed to incurring approximately \$765,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2022 arising from the flow-through offerings.

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.