



INTERIM REPORT

Six MONTHS ENDED June 30, 2013

(UNAUDITED)

86, 14th Street, Rouyn-Noranda, Quebec J9X 2J1 CANADA
Telephone: (819) 797-5242 Fax: (819) 797-1470
info@chibougamaumines.com www.chibougamaumines.com

STATEMENT CONCERNING THE INTERIM CONDENSED FINANCIAL STATEMENTS

Management has compiled the unaudited interim condensed financial report as of June 30, 2013 and 2012. The statements have not been audited or reviewed by the Corporation's auditors or any other firm of chartered accountants.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three month period and six month period ended June 30, 2013

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Chibougamau Independent Mines Inc.'s. ("CIM", the "Corporation" and "we") results of operations, financial performance and current business environment. This MD&A, which has been prepared as of August 9, 2013 and should be read in conjunction with the audited annual financial statements and the related notes, for the two years ended December 31, 2012 and December 31, 2011.

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HIGHLIGHTS

- On December 31, 2012, a private placement was completed under which (i) 2,181,230 "flow-through" shares were issued at a price of \$0.65 per share (gross proceeds - \$1,417,799); and (ii) 2,400,000 common shares were issued at a price of \$0.50 per share (gross proceeds - \$1,200,000). One-half warrant was issued with each "flow-through" and common share issued under the private placement (Warrants - 2,290,615).
- On January 22, 2013, the Corporation completed its TSXV Form 2B Listing Application and the shares commenced trading on the TSXV on January 25, 2013 under the symbol CBG.
- Since December 31, 2012, the Corporation has spent \$625,065 on drilling and geophysics surveys on the Chibougamau Properties (Bateman Bay Mine - \$60,852; Berrigan (Lac Taché) - \$253,492; Lac Chibougamau Property - \$215,059, Grandroy Mine - \$59,736; Kokko Creek Mine - \$23,850; Other - \$12,076).
- At June 30, 2013, the Corporation had \$792,734 of cash reserved for exploration expenditures (flow-through funds) which must be spent before December 31, 2013.
- Another round of diamond drilling is planned for later in the year to expand the Berrigan zone of mineralization. Drilling results from the earlier drilling are currently being reviewed in conjunction with the Corporation's compilation of historical data of the property.

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.

EXPLORATION ACTIVITIES AND MINING PROPERTIES

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

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

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

OVERVIEW

Chibougamau Mining Camp and Technical Activities

In 2010, Globex through claim staking acquired a significant number of properties in the Chibougamau Mining Camp which includes five former copper/gold mines, the interpreted down dip extension of three former copper/gold mines, one unmined historical copper/gold deposit, one historical zinc/gold/silver deposit in respect of which two technical reports compliant with NI 43-101 regulations were prepared, a new historical iron-titanium deposit and a large package of partially-outlined gold/copper zones and isolated gold intersections as well as volcanogenic massive sulphide targets.

At that time, management concluded that the best way to "unlock" the value of the Chibougamau assets and to position Globex shareholders to participate directly in future growth opportunities as these gold and base metal properties were explored and advanced towards production, was to establish a separate company and "spin out"

the assets. This approach had the advantage of rewarding shareholders and positioning the Company for future financing.

A NI 43-101 compliant technical report initially dated May 17, 2011 and amended and restated on August 15, 2012 and October 30, 2012 and revised on November 26, 2012, entitled “Technical Review (NI 43-101 compliant) & Evaluation of the Exploration Potential on the Berrigan Gold-Zinc-Silver Project McKenzie Township Chibougamau, Abitibi Mining District, Province of Quebec”, was prepared for CIM and Globex by Claude P. Larouche, *ing.*; OIQ (Quebec), an independent consultant, for the Berrigan Lake (Taché) Property. A copy of this report is available under CIM’s profile on SEDAR at www.sedar.com

During the winter of 2012, a series of deep-penetrating, induced polarization test surveys over the known mineralization and inferred potential lateral and vertical extensions of the S-2/S-3 Zones were undertaken along with conventional complimentary magnetometer and horizontal loop electromagnetic (HEM) surveys. The IP survey method was shown to be effective in outlining the known test targets and indicated that the mineralization may extend to depth. Given the success of this orientation work, additional similar surveys were undertaken during the first Quarter of 2013 and were expanded to include the Tommy Zones, the Bateman Bay Zone, the Grandroy south Zone and Kokko Creek Zone. In early February, an eight (8) hole diamond drill program totaling 1,809m was completed over the Berrigan Zn/Au/Ag deposit to; a) confirm the grade and type of mineralization and b) gather data needed to plan a subsequent, more comprehensive, drill program later this year to facilitate an NI 43-101 compliant resource calculation on this deposit.

A NI 43-101 compliant technical report initially dated August 16, 2012 and amended and restated on October 30, 2012 and revised on November 27, 2012 and December 17, 2012, entitled “Technical Review (NI 43-101 compliant) and Evaluation of the Exploration Potential of the ‘Lac Chibougamau’ Mining Properties in McKenzie, Roy, Obalski and Lemoine Townships, Abitibi Mining District, Province of Quebec NTS 32G-16”, was prepared for CIM and Globex by Claude P. Larouche, *ing.*; OIQ (Quebec), an independent consultant, for the Lac Chibougamau Properties. A copy of this report is available under CIM’s profile on SEDAR at www.sedar.com.

Plan of Arrangement and Transferred Assets

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

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

Under the Arrangement, each Globex shareholder at the Effective Date was entitled to redeem one old Globex share for one New Globex Common Share and one common share of CIM which resulted in the issuance of 27,896,018 CIM common shares. The CIM shares began trading on the TSX Venture Exchange on January 25, 2013, under the symbol CBG.

Short-term Exploration focus and activities

CIM is focused on reviving production in the Chibougamau gold-copper mining camp. It has established short-term objectives of defining NI 43-101- compliant resources and reserves on selected target properties beginning with the Berrigan Au, Ag, and Zn mine and advancing high quality target areas for drilling.

As stated in our February 4 and April 17, 2013 press releases to shareholders, Chibougamau Independent Mines initiated diamond drilling on February 1, 2013 on the Berrigan zinc-gold-silver zone and subsequently completed 8 drill holes in the area of the deposit’s ramp portal. This drilling confirmed the presence of wide zones of

disseminated pyrite with localized pyrrhotite and stringer sphalerite. Assaying of this drill core indicates that while numerous short to intermediate length intersections of higher grade mineralization were intersected, the more interesting economic model of a lower cost, open pitable, larger tonnage polymetallic deposit may be a better target. It was observed that the distribution of gold seems to be tied to the presence of sphalerite and that the silver content forms an extensive halo around the principal gold/zinc mineralized sections. The result of this work confirms the presence of a significant body of gold and zinc mineralization that has historically been commented upon by various companies. Another round of diamond drilling is planned for later in the year to expand the Berrigan zone of mineralization. Drilling results are currently being reviewed in conjunction with the Company's compilation of historical data of the property.

A program of line cutting and combined geophysics has started on selected, high priority areas on a number of other Chibougamau area properties. Most of this work was carried out on portions of Lake Chibougamau and Lake Dore and consisted of magnetometer, electromagnetic, various induced polarization and resistivity surveys. The Company is very pleased with the quality and number of anomalies which have been generated and is contemplating diamond drilling some of these targets later in the year.

The 2013 summer exploration period has focused on further defining exploration targets of merit by conducting "boots on the ground" mapping, bedrock sampling and prospecting, in addition to re-assessing the drilling and exploration results of previous operators. To that end, a second campaign of line cutting and induced polarization surveys in the western half of the mining camp has been initiated to search for bulk mineralization to depth and under cover. A diamond drill rig is anticipated to be mobilized onto the project by mid-August. The objectives of this work will be, in addition to expanding the known mineralization on the Berrigan Mine site, to test a new interpreted orientation to a high grade copper zone (No. 3 Zone) on the Bateman Bay project, test the potential of the vanadium bearing magnetite horizon on the Mount Sorcier project in addition to conducting the mineral assessment of several other targets throughout the Chibougamau mining camp.

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, President and CEO, 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:

	2013			2012			2011	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total expenses	199,970	210,247	40,547	22,000	1,360	-	546	-
Other income (expenses)	48,621	(48,602)	-	-	--	-	-	-
Income (loss) ⁽¹⁾	(167,303)	(321,622)	(40,547)	(22,000)	(1,360)	-	(546)	-
Income (loss) per common share								
- Basic and diluted	\$ (0.01)	\$ (0.01)	\$ (0.46)	\$ (0.24)	\$ (0.01)	\$ -	\$ (0.55)	\$ -

Note:

- (1) On September 24, 2012, the 1,000 shares which had been issued in December 2010 were cancelled as part of the implementation of the Plan of Arrangement. On December 29, 2012, 27,896,018 CIM shares were issued in connection with the Globex Plan of Arrangement and on December 31, 2012, 4,581,230 shares were issued in connection with the private placement. The income (loss) per share has been calculated on the basis of the weighted average shares outstanding in the respective periods.

The loss in the second quarter ended June 30, 2013 of \$167,303 compares to the loss of \$321,622 in the first quarter ended March 31, 2013. The loss in the second quarter of 2013 was lower than in the first quarter of 2013 as the Transfer Agent and Legal fees incurred to finalize the listing on the TSXV were not repeated in Q2 2013.

In the fourth quarter of 2012, the total expenses were \$40,547 as compared to \$22,000 in the third quarter. The increase in the fourth quarter of \$18,547 reflects Officers and Directors insurance of \$11,950 as well as other administrative expenses.

In 2011, CIM was inactive and the differences in the quarterly expenses relate to variations in the timing of legal expenses incurred in the respective quarters.

RESULTS OF OPERATIONS FOR THE THREE MONTH AND SIX MONTH PERIOD ENDED JUNE 30, 2013.

Total expenses (Three month period June 30, 2013 - \$199,970; June 30, 2012 – \$1,360; Six month period June 30, 2013 -\$410,217; June 30, 2012 - \$1,360)).

In the second quarter of 2013, the total expenses were \$199,971 compared to \$1,360 in 2012. The following paragraphs provide an overview of the nature of the expense incurred in the second quarter of 2013:

Administration

- During the second quarter of 2013, the administration expenses of \$13,660 reflect translation costs, office supplies and computer services as well as \$7,942 of accrued Part Xii.6 tax related to flow-through expenses.
- During the six month period ended June 30, 2013, the administration expenses totaled \$23,915 (June 30, 2012 – nil).

Transfer Agent and filing fees

- During the second quarter of 2013, transfer agent fees and filing fees of \$14,740 (June 2012 - nil) mainly represent fees associated with the Corporation's Annual Meeting.
- During the six month period ended June 30, 2013, the transfer agent and filing fees totaled \$56,572 (June 30, 2012 – nil) which included initial listing fees, annual filing fees and expenses associated with the Corporation's Annual meeting.

Legal

- The legal expenses of \$17,120 during the second quarter of 2013 (June 30, 2012 – nil) represent costs incurred to prepare the initial annual meeting materials as well as final expenses related to the 2012 Spin-Out with Globex Mining Enterprises Inc.
- During the six month period ended June 30, 2013, the legal expenses totaled \$58,410 as compared to \$1,360 in the comparable period in 2012, representing an increase of \$57,050. In 2012, the Corporation was inactive which explains the increase. The 2013 amount includes final expenses related to securing the Company's listing which was finalized in the first quarter of 2013 as well as expenses related to the Corporation's Annual Meeting which was held on June 17, 2013.

Other professional

- During the second quarter of 2013, the other professional fees of \$126,000 (June 30, 2012 – nil) which were paid to Globex under the Management Services Agreement.
- During the six month period ended June 30, 2013, the other professional fees totaled \$239,370 (June 30, 2012 - nil). These expenses represent management services paid to Globex of \$252,000 and adjustments to prior year share issuance costs of \$12,630.

Other income (expenses) (Three month period June 30, 2013 - \$48,621; June 30, 2012 – nil; Six month period June 30, 2013 – nil; June 30, 2012 - nil).

- Other income (expenses) reflects the increase (decrease) in the fair value of investments transferred from Globex to CIM as well as interest income.
- During the second quarter of 2013, an increase of \$48,602 was recorded related to an increase in the equity investments received from Globex. The increase fully offsets, the decrease recorded in the first quarter of 2013,

Provision for Income and mining taxes (Three month period June 30, 2013 - \$15,954; June 30, 2013 – nil; Six month period June 30, 2013 - \$78,727; June 30, 2012 - nil).

- During the second quarter of 2013, a provision for deferred income and mining taxes of \$15,954 (June 30, 2012 - nil) was recorded which resulted in a year to date provision for the six month period ended June 30, 2013 of \$78,727 (2012 – nil). The provision relates to qualified Canadian exploration expenditures renounced to subscribers.

FINANCIAL POSITION – JUNE 30, 2013

Total assets

At June 30, 2013, the total assets were \$8,681,782 which represented a decrease of \$856,981 from the balance of \$9,538,763 at December 31, 2012. The change mainly reflects the impact of the loss in the period and the settlement of the \$484,204 due to Globex at December 31, 2012.

Liabilities

At June 30, 2013, CIM had total current liabilities of \$91,310 (December 31, 2012 - \$538,093). The reduction is mainly a result of the settlement of the \$484,204 due to Globex at December 31, 2012.

The Other Liabilities of \$182,938 (December 31, 2012 - \$327,184 represent the excess of funds over the fair market value of “flow-through” shares issued in the December 31, 2012 under the private placement.

Deferred tax liabilities

Deferred tax liabilities were reported as \$222,973 compared to nil at December 31, 2012. These liabilities represents management’s best estimate of future taxes that will be payable if income is earned, based on substantially enacted legislation as well as current operating plans and tax strategies. They reflect the Canadian Eligible Exploration Expenditures which have been renounced to shareholders under flow-through share arrangements and therefore not available as a reduction in taxable income.

Owners' equity

Owners' equity of the Corporation, consists of Common Shares, Warrants, and the Deficit which totaled \$8,184,560 at June 30, 2013 (December 31, 2012 - \$8,673,486). The reduction reflects the loss of \$488,926 in the six month period ended June 30, 2013.

Common Shares

At June 30, 2013, the Corporation had 32,477,248 common shares outstanding which is unchanged from December 31, 2012.

Warrants

At June 30, 2013, there were 2,290,615 warrants outstanding which is unchanged from December 31, 2012.

Liquidity, working capital and cash flow

At June 30, 2013, the Corporation had cash and cash equivalents as well as a cash reserved for exploration which totaled \$1,135,262 (December 31, 2012 - \$2,532,054).

The Corporation had working capital (based on current assets minus current liabilities) of \$1,186,232 at June 30, 2013 (December 31, 2012 - \$2,571,495).

During the six month period ended June 30, 2013, \$410,198 (June 30, 2012 – \$1,360) was used in operating activities and \$11,529 (June 30, 2012 – (\$1,360)) was used in non-cash operating working capital items. During this period, \$350,000 (June 30, 2012 – nil) was invested in properties and \$625,065 (June 30, 2012 - nil) was invested in exploration expenses.

These operating and investing activities resulted in a net decrease in the six month period ended June 30, 2013 of \$1,396,792 (June 30, 2012 - nil).

CIM does not have any long-term debt or similar contractual commitments.

FINANCIAL INSTRUMENTS

Capital risk management

The Corporation manages its common shares, stock options, warrants 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. In order to maximize ongoing exploration efforts, CIM does not pay dividends.

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

Financial risk management objectives

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

(a) Credit Risk

The Corporation had cash and cash equivalents as well as cash reserved for exploration which totaled \$1,135,262 at June 30, 2013 (December 31, 2012 - \$2,532,054). These funds are subject to a combination of the \$100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation ("CDIC"), a federal Crown Corporation.

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

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

	June 30, 2013	December 31, 2012
Cash and cash equivalents	\$ 342,528	\$ 1,114,255
Cash reserved for exploration	792,734	1,417,799
Investments	72,903	-
Taxes recoverable ⁽¹⁾	66,743	1,625
Dividend receivable	-	575,909
	\$ 1,274,908	\$ 3,109,588

1) Taxes recoverable of \$66,743 (December 31, 2012 - \$1,625) represent G.S.T. and Q.S.T. recoverable and therefore are not subject to credit risks.

(b) Liquidity Risk

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

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

(c) Equity market risk

Equity market risk is defined as the potential adverse impact on the Corporation's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Corporation closely monitors the general trends in the stock markets and individual equity movements, and determines the appropriate course of action to be taken. The Corporation currently holds investments which were transferred from Globex under the Plan of Arrangement. Based on the balances at June 30, 2013, a 10% increase or decrease would impact Income and Loss by approximately \$7,300.

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

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

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets

for identical assets or liabilities.

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

June 30, 2013				Total Financial Assets at fair value
	Level 1	Level 2	Level 3	
Financial assets				
Equity investments	\$ 72,903	\$ -	\$ -	\$ 72,903
	\$ 72,903	\$ -	\$ -	\$ 72,903

OUTSTANDING SHARE DATA

At June 30, 2013 and December 31, 2012, the Corporation had 32,477,248 common shares outstanding. In addition at both June 30, 2013 and December 31, 2012, 1,137,900 stock options and 2,290,615 warrants were outstanding for fully diluted common share capital of 35,905,763.

On August 9, 2012, the Corporation's Board of Directors approved the grant of 600,000 common share stock options in favour of three independent directors, 100,000 in favour of an officer of the Corporation, as well as 25,000 in favour of an employee. The options were issued at an exercise price of \$0.10 per share, vest immediately and will expire on August 8, 2018. As a result of these option grants, the Corporation has 1,862,900 options outstanding on August 9, 2013.

RISKS AND UNCERTAINTIES

(a) Financing Risk

The development of the Corporation's properties is dependent upon its ability to obtain financing through private placement financing, public financing or other means. There is no assurance that the Corporation will be successful in obtaining the necessary financing.

The Corporation will be partly financed by the issuance of flow-through shares. Management will undertake its best efforts to ensure that eligible expenditures are incurred; however, there are no guarantees that the funds spent by CIM will qualify as Canadian Eligible Exploration Expenses as defined in the Income Tax Act, even if CIM takes all of the necessary measures to mitigate this risk.

(b) Cash Flow

The Corporation's properties are currently being assessed for exploration and as a result, the Corporation has no source of operating cash flow. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Corporation will require new capital to continue to operate its business and to continue exploration on its mineral properties, and there is no assurance that capital will be available when needed.

(c) Exploration and Development Risks

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

(d) Title Matters

The 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 comprising the claims may be in doubt. Such claims have not been converted to lease and tenure, and are, accordingly, subject to annual compliance with assessment work requirement. Other parties may dispute the Company's title to its mining properties. While the Company has diligently investigated title to all mineral claims and, to the best of its knowledge, title to all properties is in good standing; this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers or land claims and title may be affected by undetected defects.

(e) Government Legislation and Taxation

Flow-through financing, combined with provincial tax credits for exploring in Quebec are important sources of risk capital for financing exploration programs. Any material changes in these programs could adversely affect the Corporation's operations.

After several months of deliberations and uncertainty, in May 2013, the Quebec Government announced changes to the mining tax regime. These changes include increases to mine royalties and taxes on profits and they could adversely affect the profitability of any potential mining operations. The Quebec government has also proposed changes to the Mining Act including; changes in regards to the rights of municipalities to oversee mining activities, increased obligations for mining rights holders in a bid to create further responsibility and transparency, environmental and economic consideration; and increased powers of the Minister. These changes will make it more difficult and more expensive to maintain mineral titles.

RELATED PARTY INFORMATION

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

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 2013.

The Management services charges of \$126,000 (2012 – Nil) for the three months and six month \$252,000 (2012 – Nil) periods ended June 30, 2012 represents Globex's estimate of the specific costs related to performing these services plus a mark-up in accordance with the Management Services Agreement.

	Three months ended		Six months-ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Management services	\$ 126,000	\$ -	\$ 252,000	\$ -
Adjustments to prior year share issuance costs	-	-	(12,630)	-
	\$ 126,000	\$ -	\$ 239,370	\$ -

Property Acquisitions

On May 9, 2013, the Corporation acquired three major blocks of claims from Globex for a cash payment of \$350,000 and a 2% Gross Metal Royalty. The claim blocks are located in the Chibougamau Mining Camp ((a) Grandroy orebody and (b) Berrigan deposit). These claims were acquired by Globex after the spin-out and therefore had not been included in the Plan of Arrangement. These properties were acquired based on the fair market value derived from properties of similar size and exploration stage.

Director and Management Compensation

None of the Directors or Management received any remuneration or benefits during either the three month or six month periods ended June 30, 2013 or June 30, 2012.

During the three month period end June 30, 2013, Ray Zalnieriunas an independent director, provided geological consulting services to the Corporation and earned fees totalling \$10,980 (June 30, 2012 - nil) and Sam Bosum, an independent director, through his corporation, Native Exploration Services earned \$7,360 for line cutting services.

During the six month period ended June 30, 2013, Ray Zalnieriunas earned fees totalling \$17,534 (June 30, 2012 - nil) and Sam Bosum earned \$7,360 (June 30, 2012 – nil). These charges represented the fair market value for similar services.

Due to Globex Mining Enterprises Inc.

	June 30, 2013	December 31, 2012
	\$ 27	\$ 484,204

OUTLOOK

CIM believes that it is well positioned with a combination of first-class assets as well as the human and corporate resources necessary to continue the exploration and development of the Chibougamau Mining Camp Properties.

In our forward planning for the remainder of 2013 and into 2014, we have recognized that the economic uncertainties and market challenges may somewhat impede the speed at which these plans can be executed as it is likely that additional financing will be required in order to undertake a large drilling program on many of our high priority targets and to expand known zones of economic mineralization.

ADDITIONAL INFORMATION

This analysis should be read in conjunction with the comparative financial statements for the year ended December 31, 2012 and the year ended December 31, 2011 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 2012 and/or 2011 MD&A, please send your request to:

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

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The financial statements and other financial information contained in this MD&A are the responsibility of CIM's management and have been approved by the Board of Directors on August 9, 2013.

CHIBOUGAMAU INDEPENDENT MINES INC.

Interim Condensed Statements of Loss and Comprehensive Loss

(Unaudited - In Canadian dollars)

	Notes	Three month period ended		Six month period ended	
		June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
Continuing operations					
Expenses					
Administration	18	\$ 13,660	\$ -	\$ 23,915	\$ -
Transfer agent and filing fees		14,740	-	56,572	-
Legal		17,120	1,360	58,410	1,360
Audit and accounting		28,450	-	31,950	-
Other professional	10	126,000	-	239,370	-
		199,970	1,360	410,217	1,360
Loss from operations		(199,970)	(1,360)	(410,217)	(1,360)
Other income (expenses)					
Interest income		19	-	19	-
Increase (decrease) in fair value of financial assets		48,602	-	-	-
		48,621	-	19	-
Loss before taxes		(151,349)	(1,360)	(410,198)	(1,360)
Provision for income and mining taxes	12	15,954	-	78,727	-
Loss and comprehensive loss for the period		\$ (167,303)	\$ (1,360)	\$ (488,925)	\$ (1,360)
Loss per common share					
Basic and diluted	13	\$ (0.01)	\$ (1.36)	\$ (0.02)	\$ (1.36)
Weighted average number of common shares outstanding					
		32,477,248	1,000	32,477,248	1,000
Shares outstanding at end of period					
		32,477,248	1,000	32,477,248	1,000

The accompanying notes are an integral part of these financial statements

CHIBOUGAMAU INDEPENDENT MINES INC.
Interim Condensed Statements of Cash Flows
(Unaudited - In Canadian dollars)

		Six month period ended	
	Notes	2013	June 30,
			2012
Operating activities			
Loss and comprehensive loss for the period		\$ (488,925)	\$ (1,360)
Adjustments for:			
Disposal of mineral properties for shares		-	-
Decrease in fair value of financial assets		-	-
Deferred income and mining taxes		78,727	-
		(410,198)	(1,360)
Changes in non-cash operating working capital items	14	(11,529)	1,360
		(421,727)	-
Financing activities			
		-	-
Investing activities			
Acquisition of properties, plant and equipment	8	(350,000)	-
Deferred exploration expenses	9	(625,065)	-
		(975,065)	-
Net increase (decrease) in cash and cash equivalents		(1,396,792)	-
Cash and cash equivalents, beginning of period		2,532,054	10
Cash and cash equivalents, end of period		\$ 1,135,262	\$ 10
Cash and cash equivalents		\$ 342,528	\$ 10
Cash reserved for exploration		792,734	-
		\$ 1,135,262	\$ 10
Supplementary cash flows information (note 14)			

The accompanying notes are an integral part of these financial statements

CHIBOUGAMAU INDEPENDENT MINES INC.**Interim Condensed Statements of Financial Position**

(Unaudited - In Canadian dollars)

	Notes	June 30, 2013	December 31, 2012
Assets			
Current assets			
Cash and cash equivalents	4	\$ 342,528	\$ 1,114,255
Cash reserved for exploration	5	792,734	1,417,799
Investments	6	72,903	-
Taxes recoverable		66,743	1,625
Dividend receivable	7	-	575,909
Prepaid expenses and deposits		2,634	-
		1,277,542	3,109,588
Mineral properties	8	6,779,175	6,429,175
Deferred exploration expenses	9	625,065	-
		\$ 8,681,782	\$ 9,538,763
Liabilities			
Current liabilities			
Payables and accruals		\$ 91,283	\$ 53,889
Due to Globex Mining Enterprises Inc.	10	27	484,204
Current income tax		-	-
		91,310	538,093
Other liabilities	11	182,938	327,184
Deferred tax liabilities	12	222,973	-
Owners' equity			
Common shares	15	8,554,690	8,554,690
Warrants	15	183,249	183,249
Deficit		(553,378)	(64,453)
		8,184,561	8,673,486
		\$ 8,681,782	\$ 9,538,763

The accompanying notes are an integral part of these financial statements

Approved by the board

"Jack Stoch"

Jack Stoch, Director

"Dianne Stoch"

Dianne Stoch, Director

CHIBOUGAMAU INDEPENDENT MINES INC.
Interim Condensed Statements of Equity
(Unaudited - In Canadian dollars)

	Notes	Six months ended June 30, 2013	2012	Year-ended December 31, 2012
Common shares				
Beginning of period	\$	8,554,690	\$ 10	\$ 10
Shares cancelled		-	-	(10)
Fair value of shares issued under private placements		-	-	2,290,615
Shares issued for Globex Butterfly Shares		-	-	7,005,084
Fair value of warrants		-	-	(183,249)
Share issuance and re-organization costs		-	-	(557,760)
End of period	\$	8,554,690	\$ 10	\$ 8,554,690
Warrants				
Beginning of period	\$	183,249	\$ -	\$ -
Issued under private placement		-	-	183,249
End of period	\$	183,249	\$ -	\$ 183,249
Deficit				
Beginning of period	\$	(64,453)	\$ (546)	\$ (546)
Loss attributable to shareholders		(488,925)	(1,360)	(63,907)
End of period	\$	(553,378)	\$ (1,906)	\$ (64,453)
Total Equity	\$	8,184,561	\$ (1,896)	\$ 8,673,486

The accompanying notes are an integral part of these financial statements

CHIBOUGAMAU INDEPENDENT MINES INC.
Interim Condensed Statements of Exploration
(Unaudited - In Canadian dollars)

	Three month period ended		Six month period ended	
		June 30,		June 30,
	2013	2012	2013	2012
Balance, beginning of period	\$ 499,300	\$ -	\$ -	\$ -
Current exploration expenses				
Consulting	23,492	-	23,492	-
Core shack, storage and equipment rental	-	-	3,000	-
Drilling	-	-	165,724	-
Geology	56,075	-	107,210	-
Geophysics	9,660	-	222,190	-
Laboratory analysis and sampling	-	-	24,643	-
Labour	1,471	-	17,558	-
Line cutting	7,360	-	23,140	-
Mining property tax and permits	-	-	907	-
Prospecting and surveying	3,650	-	4,753	-
Reports, maps and supplies	22,981	-	30,832	-
Transport and road access	1,076	-	1,616	-
Deferred exploration expenses during the period	125,765	-	625,065	-
Balance, end of period	\$ 625,065	\$ -	\$ 625,065	-

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

Notes to the Interim Condensed Financial Statements Periods ended June 30, 2013 and 2012.

1. General business description

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

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

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

Under the Arrangement, each Globex shareholder at the Effective Date was entitled to receive one New Globex Common Share and one common share of CIM which resulted in the issuance of 27,896,018 common shares. The CIM shares began trading on the TSX Venture Exchange on January 25, 2013, under the symbol CBG.

CIM is a natural resources exploration and development corporation located in Chibougamau, Quebec. It holds ten exploration properties that were transferred from Globex as of December 29, 2012. It is focused on reviving production in the Chibougamau gold-copper mining camp. It has established short-term objectives of defining NI 43-101-compliant resources and reserves on selected target properties beginning with the Berrigan Au, Ag, and Zn mine and advancing high quality target areas for drilling.

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

2. Basis of presentation and going concern

These interim condensed financial statements were prepared on a going concern basis, under the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value through the income statement. 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 assumptions.

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." They do not include all the information required in annual financial statements in accordance with IFRS. These interim condensed financial statements should be read in conjunction with the audited financial statements and have not been modified.

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

The Corporation's Board of Directors approved these interim condensed financial statements for the periods ended June 30, 2013 and June 30, 2012 on August 9, 2013.

3. Significant accounting policies

(a) Summary of accounting policies applied

These interim condensed financial statements have been prepared using the same accounting policies and methods of computation as the annual financial statements of the Corporation for the year ended December 31, 2012 with the exception that the Corporation has adopted IFRS 13 - *Fair value measurement* which is effective for annual periods on or after January 1, 2013.

IFRS 13 - *Fair Value Measurement*, defines fair value, sets out a single framework for measuring fair value which is applicable to all IFRSs that require or permit fair value measurements or disclosures about fair value measurements. IFRS 13 requires that when using a valuation technique to measure fair value, the use of relevant observable inputs should be maximized while unobservable inputs should be minimized. The Corporation has applied IFRS 13 on a prospective basis, commencing January 1, 2013. The adoption of IFRS 13 did not have an impact on the Corporation's interim condensed financial statements.

A note with respect to deferred exploration and evaluation expenses has also been added as the Corporation incurred exploration expenses during the first six months of 2013.

The disclosure contained in these interim condensed financial statements does not include all of the requirements in IAS 1 "Presentation of Financial Statements." Accordingly, the interim condensed financial statements should be read in conjunction with the corporation's financial statements for the year ended December 31, 2012.

Deferred exploration and evaluation expenses

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

General exploration costs not related to specific properties and general exploration administrative expenses are charged to the consolidated statement of income and comprehensive income (loss) in the year in which they are incurred.

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

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

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

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

IFRS 9 - *Financial Instruments* – The amendments to IFRS 9 is the first of a multi-phase project to replace IAS 39 - *Financial Instruments: Recognition and Measurement* in its entirety. It simplifies the measurement and classification for financial assets by reducing the number of measurement categories and removing complex rule-driven embedded derivative guidance in IAS 39, *Financial Instruments: Recognition and Measurement*. The new standard also provides for a fair value option in the designation of a non-derivative financial instrument and its related classification and measurement. IFRS 9 is effective for periods beginning January 1, 2015 with early adoption permitted. Management does not expect to early adopt this standard.

4. Cash and cash equivalents

	June 30, 2013	December 31, 2012
Bank balances	\$ 342,528	\$ 1,114,255

5. Cash reserved for exploration

	June 30, 2013	December 31, 2012
Bank balances	\$ 792,734	\$ 1,417,799

The Corporation raises flow-through funds for exploration under a subscription agreement which requires the Corporation to incur prescribed resource expenditures which are not available for current operating purposes and therefore are reported as Cash reserve for exploration. If the Corporation does not incur the resource expenditures, then it will be required to indemnify these shareholders for any tax and other costs payable by them as a result of the Corporation not making the required resource expenditures.

6. Investments

	June 30, 2013	December 31, 2012
Balance, beginning of period	\$ -	\$ -
Fair market value of investments transferred (note 7)	72,903	-
Decrease in fair value of financial assets	-	-
Balances, end of period	\$ 72,903	\$ -

7. Dividend receivable

	June 30, 2013	December 31, 2012
Cash and near cash	\$ -	\$ 503,006
Investments	-	72,903
	\$ -	\$ 575,909

Cash and near cash receivable under the Plan of Arrangement as described in note 1.

8. Mineral Properties

Property	December 31, 2012	Additions 2013	Sales and write-offs 2013	June 30, 2013
Bateman Bay Mine	\$ 1,220,000	\$ -	\$ -	\$ 1,220,000
Berrigan South and Lake (Taché) Berrigan Lake (Taché) (see also note 16)	1,885,150	350,000	-	2,235,150
Chibougamau Lake Property	3,070,000	-	-	3,070,000
Grandroy Mine	53,250	-	-	53,250
Kokko Creek Mine	63,000	-	-	63,000
Copper Cliff Property	18,375	-	-	18,375
Quebec Chibougamau Goldfields Mine	63,500	-	-	63,500
Sulphur Converting Property	52,000	-	-	52,000
Virginia Property	3,900	-	-	3,900
	\$ 6,429,175	\$ 350,000	\$ -	\$ 6,779,175

Pursuant to the Arrangement, on December 29, 2012, the properties were transferred from Globex based on the fair market value.

Property Acquisitions

On May 9, 2013, the Corporation acquired three major blocks of claims from Globex for a cash payment of \$350,000 and a 2% Gross Metal Royalty. Further details are outlined in note 10.

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

9. Deferred exploration expenses

Property	December 31, 2012	Additions 2013	Sales and write-offs 2013	June 30, 2013
Bateman Bay Mine	\$ -	\$ 60,852	\$ -	\$ 60,852
Berrigan South and Lake (Taché) Berrigan Lake (Taché)	-	253,492	-	253,492
Chibougamau Lake Property	-	215,059	-	215,059
Grandroy Mine	-	59,736	-	59,736
Kokko Creek Mine	-	23,850	-	23,850
Other	-	12,076	-	12,076
	\$ -	\$ 625,065	\$ -	\$ 625,065

10. Related Party Information

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

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 2013.

The Management services charges of \$126,000 (2012 – Nil) for the three months and six month \$252,000 (2012 – Nil) periods ended June 30, 2012 represents Globex's estimate of the specific costs related to performing these services plus a mark-up in accordance with the Management Services Agreement.

	Three months ended June 30,		Six months-ended June 30,	
	2013	2012	2013	2012
Management services	\$ 126,000	\$ -	\$ 252,000	\$ -
Adjustments to prior year share issuance costs	-	-	(12,630)	-
	\$ 126,000	\$ -	\$ 239,370	\$ -

Property Acquisitions

On May 9, 2013, the Corporation acquired three major blocks of claims from Globex for a cash payment of \$350,000 and a 2% Gross Metal Royalty. The claim blocks are located in the Chibougamau Mining Camp ((a) Grandroy orebody and (b) Berrigan deposit). These claims were acquired by Globex after the spin-out and therefore had not been included in the Plan of Arrangement. These properties were acquired based on the fair market value derived from properties of similar size and exploration stage.

Director and Management Compensation

None of the Directors or Management received any remuneration or benefits during either the three

month or six month periods ended June 30, 2013 or June 30, 2012.

During the three month period ended June 30, 2013, two independent directors, provided geological consulting and line cutting services to the Corporation and earned fees totalling \$18,340 (June 30, 2012 - nil). During the six month period ended June 30, 2013, two independent directors, provided geological consulting and line cutting services and earned fees totalling \$24,894 (June 30, 2012 - nil). These charges represented the fair market value for similar services.

Due to Globex Mining Enterprises Inc.

	June 30, 2013	December 31, 2012
	\$ 27	\$ 484,204

11. Other Liabilities

	June 30, 2013	December 31, 2012
Balance, beginning of period	\$ 327,184	\$ -
Additions during the period ⁽¹⁾	-	327,184
Reduction related to the incurrence of qualified exploration expenditures	(144,246)	-
Balance, end of period	\$ 182,938	\$ 327,184

(1) On December 31, 2012, 2,181,230 "flow-through" shares were issued at \$0.65 per share and 2,400,000 "hard dollar" common shares were issued at \$0.50 per share. The additions of \$327,184 represent the premium on the "flow-through" shares of \$0.15 per share.

12. Income taxes

Income and mining tax expense (recovery)

	Three months ended June 30,		Six months-ended June 30,	
	2013	2012	2013	2012
Deferred tax provision for income and mining duties	\$ 45,186	\$ -	\$ 222,973	\$ -
Recovery of income and mining taxes as a result of the sale of tax benefits (flow-through) shares	(29,232)	-	(144,246)	-
	\$ 15,954	\$ -	\$ 78,727	\$ -

Deferred tax balances

	December 31, 2012	Recognized in income or loss	Other	June 30, 2013
Temporary differences				
Deferred tax assets				
Non-capital losses carry forward	\$ 47,345	\$ 83,288	\$ -	\$ 130,633
Share issue expenses	120,030	(7,502)	-	112,528
Financial assets at FVTPL	-	13,074	-	13,074
	167,375	88,860	-	256,235
Less valuation allowance	(167,375)	(88,860)	-	(256,235)
	-	-	-	-
Deferred tax liabilities				
Mining properties and deferred exploration	-	(78,727)	(144,246)	(222,973)
Deferred tax liabilities	\$ -	\$ (78,727)	\$ (144,246)	\$ (222,973)

13. Income (Loss) per share

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

Basic and diluted income (loss) per share

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

	Three months ended		Six months ended	
	2013	June 30 2012	2013	June 30 2012
Numerator				
Loss for the period	\$ (167,304)	\$ (1,360)	\$ (488,926)	\$ (1,360)
Denominator				
Weighted average number of common shares – basic	32,477,248	1,000	32,477,248	1,000
Effective of dilutive shares				
Stock options (in the money) ⁽¹⁾	-	-	-	-
Loss per share				
Basic and diluted	\$ (0.01)	\$ (1.36)	\$ (0.02)	\$ (1.36)

- 1) The effect of the stock options have not been included the computation of the diluted loss per share as the inclusion would be anti-dilutive.

14. Supplementary cash flows information

Changes in non-cash working capital items

	June 30, 2013	Six months ended June 30, 2012
Taxes recoverable	\$ (65,118)	\$ -
Dividend receivable	575,936	-
Prepaid expenses	(2,634)	-
Investments	(72,903)	-
Payables and accruals	37,394	-
Due to Globex Mining Inc.	(484,204)	1,360
	\$ (11,529)	\$ 1,360

15. Share capital

Authorized:

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

Common: Voting

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

(a) Issued: Common shares

	June 30, 2013		December 31, 2012	
	Number of shares	Capital Stock	Number of shares	Capital Stock
Fully paid common shares				
Balance, beginning of period	32,477,248	\$ 8,554,690	1,000	\$ 10
Cancellation	-	-	(1,000)	(10)
Issued for Globex Butterfly Shares	-	-	27,896,018	7,005,084
Private Placement	-	-	4,581,230	2,290,615
Fair value of warrants	-	-	-	(183,249)
Share issuance and re-organization costs	-	-	-	(557,760)
Balance, end of period	32,477,248	\$ 8,554,690	32,477,248	\$ 8,554,690

(b) Warrants

	June 30, 2013		December 31, 2012	
	Number of warrants	Fair Value	Number of warrants	Fair Value
Balance, beginning of period	2,290,615	\$ 183,249	-	\$ -
Issued in connection with private placement	-	-	2,290,615	183,249
Balance, end of period	2,290,615	\$ 183,249	2,290,615	\$ 183,249

(c) Stock Options

On September 7, 2012, the CIM Directors approved the adoption of the 2012 Stock Option Plan for directors, officers, employees and consultants who share primary responsibility for the

management, growth and protection of the business of the Corporation. The maximum number of shares that can be issued pursuant to the plan is a fixed number of 3,206,470.

Under the Plan of Arrangement, all of the holders of Globex Stock Options at the Effective Date, disposed of their options in consideration of a Globex New Stock Option and a CIM stock option where the Optionee was qualified (Officer, Employee, Consultant, or Director) of the CIM stock option plan. All of the terms with the exception of the strike price remained unchanged. The strike prices for the CIM stock options reflect the original price per share adjusted by the volume-weighted average trading price of the CIM shares during the first five days following listing on the TSXV (January 25, 2013 to January 31, 2013) and the volume weighted average trading price of the Globex New Common shares during the same period.

At June 30, 2013, 1,137,900 options were issued with a weighted average exercise price of \$0.27 per share and a weighted average remaining contractual life of 2.06 years. At that date, in addition to the 1,137,900 options outstanding, 2,068,570 (December 31, 2012 – 2,068,570) options were available to be granted.

Range of Prices	Number of Options Outstanding	Number of Options Outstanding and exercisable	Weighted average remaining contractual Life (years)	Weighted Average exercise price
0.17 - 0.22	480,000	480,000	2.32	\$ 0.18
0.23 - 0.32	450,000	450,000	1.56	0.25
0.33 - 0.38	54,200	54,200	2.49	0.35
0.58 - 0.68	153,700	153,700	2.82	0.60
	1,137,900	1,137,900	2.06	\$ 0.27

16. 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. In order to maximize ongoing exploration efforts, CIM does not pay dividends.

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

Financial risk management objectives

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

(a) Credit Risk

The Corporation had cash and cash equivalents as well as cash reserved for exploration which totaled \$1,135,262 at June 30, 2013 (December 31, 2012 - \$2,532,054). These funds are subject

to a combination of the \$100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation (“CDIC”), a federal Crown Corporation.

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

The maximum exposure to credit risk was:

	June 30, 2013	December 31, 2012
Cash and cash equivalents	\$ 342,528	\$ 1,114,255
Cash reserved for exploration	792,734	1,417,799
Investments	72,903	-
Taxes recoverable ⁽¹⁾	66,743	1,625
Dividend receivable	-	575,909
	\$ 1,274,908	\$ 3,109,588

- 1) Taxes recoverable of \$66,743 (December 31, 2012 - \$1,625) represent G.S.T. and Q.S.T. recoverable and therefore are not subject to credit risks.

(b) Liquidity Risk

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

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

(c) Equity market risk

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

The Corporation currently holds investments which were transferred from Globex under the Plan of Arrangement. Based on the balances at June 30, 2013, a 10% increase or decrease would impact Income and Loss by approximately \$7,300.

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

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

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 -fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 -fair value measurements are those derived from valuation techniques that include

inputs for the asset or liability that are not based on observable data (unobservable inputs).

June 30, 2013	Level 1	Level 2	Level 3	Total Financial Assets at fair value
Financial assets				
Equity investments	\$ 72,903	\$ -	\$ -	\$ 72,903
	\$ 72,903	\$ -	\$ -	\$ 72,903

17. 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.

18. Expenses by nature

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

	Three months ended		Six months-ended	
	2013	June 30, 2012	2013	June 30, 2012
Administration				
Offices supplies & maintenance	\$ 2,427	\$ -	\$ 3,220	\$ -
Shareholder information	661	-	1,829	-
Information technology	-	-	4,566	-
Advertising & Promotion	-	-	2,276	-
Part XII.6 Tax related to Flow-through shares	7,942	-	7,942	-
Other administrative expenses	2,630	-	4,082	-
	\$ 13,660	\$ -	\$ 23,915	\$ -

19. Commitments and Contingencies

- (a) At the period end, the Corporation had no outstanding commitments other than in the normal course of business other than its commitment to incur qualified exploration expenditures to meet its flow-through obligations as described in note 5. At this time, Management anticipates meeting that obligation and as a result, no additional disclosures are required.
- (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 August 9, 2013, management believes to the best of its knowledge that CIM is in conformity with applicable laws and regulations. Restoration costs, if any, will be accrued in the financial statements and reflected in the statement of profit and loss when they can be reasonably estimated at that time.