



CHIBOUGAMAU INDEPENDENT MINES INC.

CODE OF BUSINESS CONDUCT AND ETHICS

1. INTRODUCTION

Chibougamau Independent Mines Inc. ("CBG") has adopted this *Code of Business Conduct and Ethics* (the "**Code**") to assist all employees, officers and directors of CBG (collectively, the "**CBG Representatives**") to maintain the highest standards of ethical conduct in corporate affairs. It is designed to encourage among CBG Representatives a culture of honesty, accountability and fair business practice. The Code is also intended to comply with Canadian securities law requirements.

2. ADMINISTRATION

The board of directors of CBG (the "**Board**") is ultimately responsible for the administration of this Code. CBG Representatives should direct questions concerning this Code to the President and Chief Executive Officer of CBG or the Chairman of the Audit Committee of the Board.

While this Code is designed to provide helpful guidelines, it is not intended to address every situation. Dishonest or unethical conduct or conduct that is illegal will constitute a violation of this Code, regardless of whether such conduct is specifically referenced in this Code. CBG Representatives shall not engage in any activity that adversely affects the reputation or integrity of CBG.

CBG will take such disciplinary or preventive action as it deems appropriate to address any existing or potential violation of this Code that is brought to its attention. Any CBG Representative in a situation that he or she believes may violate or lead to a violation of this Code should follow the reporting procedures described in the section entitled "Reporting of Violations Procedure" below.

Any waivers from this Code will be granted only by the Board or a committee thereof.

3. OVERVIEW

It is CBG's policy to apply high standards of courtesy, professionalism and honesty in its interactions with shareholders, suppliers, co-workers and the community. This Code governs the business-related conduct of all CBG Representatives, including, but not limited to, the Chief Executive Officer, Chief Financial Officer and all other directors, officers and employees.

4. COMPLIANCE WITH LAWS

A variety of laws apply to CBG and its operations. It is CBG's policy to comply with all applicable laws, including employment, discrimination, health, safety, antitrust, securities, banking and environmental laws.

5. CONFLICTS OF INTEREST

CBG Representatives are expected to make or participate in business decisions and actions in the course of their relationship with CBG, based on the best interests of CBG and not based on personal relationships or benefits. A conflict of interest, which can occur or appear to occur in a wide variety of situations, may

compromise a CBG Representative's ability to act ethically.

Generally, a conflict of interest occurs when the personal interest of a CBG Representative, an immediate family member of a CBG Representative, or a person with whom a CBG Representative has a close personal relationship, interferes, or has the potential to interfere, with the interests or business of CBG.

Any CBG Representative who becomes aware of a conflict or potential conflict should bring it to the attention of the President and Chief Executive Officer or the Chairman of the Audit Committee. Transactions as defined in applicable securities regulations between related parties will not be conflicts of interest under this Code if they are reviewed and approved in accordance with the requirements of those regulations.

6. CORPORATE OPPORTUNITIES

CBG Representatives must not appropriate for themselves the benefit of any business venture, opportunity or potential opportunity he or she learns about in the course of his or her employment or office with CBG. A CBG Representative must not use CBG's proprietary information or position for personal gain or compete against CBG, either directly or indirectly. CBG Representatives owe a duty to CBG to advance its legitimate interests when the opportunity to do so arises.

No CBG Representative may acquire securities of another party if ownership of the securities would be likely to affect adversely either the person's ability to exercise independent professional judgment on behalf of CBG or the quality of such person's work. CBG Representatives must at all times follow CBG's other policies concerning the trading of securities.

7. BRIBERY AND OTHER IMPROPER PAYMENTS

No CBG Representative may, directly or indirectly, give, offer, demand, solicit or accept a bribe to or from anyone in the course of conducting business on behalf of CBG, including in order to obtain or retain business, or for any other advantage. Improper payments include, without limitation, any gift other than a nominal gift, gratuity, reward, advantage or benefit of any kind, whether monetary or non-monetary. For greater certainty, a third-party intermediary, such as an agent or family member, cannot be used to further any bribe or improper payment or otherwise violate the spirit of this Code.

CBG may make corporate contributions to political parties or committees or to individual politicians only in accordance with applicable law. All such payments must be authorized by the Board of Directors.

8. PUBLIC DISCLOSURES

CBG has an obligation under applicable securities laws to make full, fair, accurate, timely and understandable disclosures in its financial records and statements, in reports and documents that it files with or submits to securities regulatory authorities, and in its public communications.

With respect to this obligation, each CBG Representative in performing his or her duties shall act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing one's independent judgment to be subordinated, in order to ensure that to the best of his or her knowledge CBG's books, records, accounts and financial statements are maintained accurately and in reasonable detail, appropriately reflect CBG's transactions, are honestly and accurately reflected in its publicly-available reports and communications, and conform to applicable legal requirements and CBG's system of internal controls.

9. SHAREHOLDER, MEDIA AND COMMUNITY RELATIONS

CBG values good relations with its shareholders. It always attempts to respond to their inquiries and

requests as quickly as possible. All requests from investors or shareholders for information concerning CBG and its business should be forwarded to the President and Chief Executive Officer, who is the sole person authorized to speak for and on behalf of the Company.

Media interaction is the responsibility of the President and Chief Executive Officer, who must ensure the timely and informed communication of relevant information. As such, the President and Chief Executive Officer must demonstrate high standards of integrity and transparency, while refraining from unauthorized disclosure of proprietary or non-public information.

CBG Representatives should make the President and Chief Executive Officer aware of any relevant issue of local or national interest that relates to CBG's business of which the President and Chief Executive Officer may not be aware.

10. HANDLING OF CONFIDENTIAL INFORMATION

In addition to the general restrictions regarding material non-public information, CBG Representatives should observe the confidentiality of information that they acquire by virtue of their relationship with CBG, including information concerning CBG, its properties, the acquisition and sale of properties, option agreements, joint ventures, and exploration programs, budgets and results, except where disclosure is approved by an executive officer of CBG or otherwise legally mandated. In addition, CBG Representatives must safeguard CBG's proprietary information. Proprietary information includes, among other things, business methods, analytical tools, software programs, source and object codes, trade secrets, ideas, techniques, inventions (whether patentable or not) and information relating thereto. It also includes information relating to terms of compensation for CBG Representatives.

11. USE OF CORPORATION ASSETS

CBG assets, including facilities, funds, materials, supplies, time, information, intellectual property, software, corporate opportunities and other assets owned or leased by CBG, or that are otherwise in CBG's possession, may be used only for CBG's legitimate business purposes. CBG assets are not to be misappropriated, loaned to others, donated, sold or used for personal use, except for any activities that have been approved in writing by the President and Chief Executive Officer in advance, or for personal usage that is minor in amount and reasonable. CBG Representatives are to report any theft or suspected theft to the President and Chief Executive Officer or the Chairman of the Audit Committee.

12. FAIR DEALING

Each CBG Representative should deal fairly and in good faith with other CBG Representatives, security holders, suppliers, customers, regulators and competitors. No CBG Representative may take unfair advantage of anyone through manipulation, concealment, misrepresentation, inappropriate threats, fraud, abuse of confidential information or any other intentional unfair-dealing practice.

13. HEALTH AND SAFETY

CBG makes great efforts to provide each CBG Representative with a safe and healthy work environment. While every attempt is made to meet and exceed the health and safety requirements for each jurisdiction, it is each CBG Representative's responsibility to help in this effort by following all safety and health rules and practices and promptly reporting accidents, injuries and unsafe equipment, practices and conditions.

14. DISCRIMINATION AND HARASSMENT

CBG is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate illegal discrimination or harassment of any kind.

15. REPORTING OF VIOLATIONS PROCEDURE

CBG Representatives who observe, learn of or otherwise in good faith suspect a violation of this Code must report the violation to the President and Chief Executive Officer or the Chairman of the Audit Committee.

16. COMPLIANCE

All CBG Representatives have a responsibility to understand and follow this Code. In addition, all CBG Representatives are expected to perform their work with honesty and integrity in all areas not specifically addressed in this Code. CBG will discipline any CBG Representative who violates this Code or related policies.

Records of all violations of this Code and the disciplinary action taken will be maintained by CBG and will be placed in the CBG Representatives' personnel files, to the extent applicable.

CBG will notify and cooperate with the police or other governmental authorities regarding acts of CBG Representatives involving violations of law. In addition, certain violations may result in CBG bringing suit against employees or former employees to defend its rights vigorously.

17. COMMUNICATIONS

CBG strongly encourages dialogue among CBG Representatives to make everyone aware of situations that give rise to ethical questions and to articulate acceptable ways of handling those situations.

18. SUPPLEMENTARY NATURE

This Code supplements any contractual obligation any person may have under the terms of any agreement with CBG. This Code is not intended to create any contract (express or implied) with any person, including, without limitation, any employment or consulting contract, or to constitute any promise that a person's employment or consulting arrangement will not be terminated except for cause.

19. REVIEW OF CODE

All new employees or contractors will be asked to review and indicate that they have understood the Code. (see Appendix 1)

On an annual basis, the Code will be reviewed by the Board of Directors and amendments will be made as required.

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ACKNOWLEDGEMENT FORM 1

I, _____, acknowledge that I have received, read and understood the Chibougamau Independent Mines Inc. Code of Business Conduct and Ethics (the "Code"). I will adhere in all respects to the standards described in the Code. I further confirm my understanding that any violation of the Code will subject me to appropriate disciplinary action, which may include reprimand, suspension without pay, demotion or discharge. Execution of this acknowledgment form does not constitute a waiver of any other rights I may have by law or contract.

Name (please print): _____

Position: _____

Date: _____

Signature: _____

Please complete this form and return it to the Corporate Secretary.