



**CONDENSED INTERIM FINANCIAL STATEMENTS OF
CHIBOUGAMAU INDEPENDENT MINES INC.
FOR THE THREE AND SIX MONTHS ENDED
JUNE 30, 2020
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

NOTICE TO READER

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

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

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Expenses				
Administration (note 9)	\$ 4,416	\$ 3,768	\$ 9,791	\$ 10,124
Exploration and evaluation expenditures (note 10)	11,127	212,109	320,826	336,333
Management services (note 13)	12,676	10,748	31,275	30,875
Professional fees and outside services (note 9)	9,188	11,513	15,457	17,619
Share-based compensation (note 12)	-	116,505	-	116,505
Transfer agent and filing fees	6,140	7,149	11,225	19,737
	43,547	361,792	388,574	531,193
Loss from operations	(43,547)	(361,792)	(388,574)	(531,193)
Other income (expense)				
Increase (decrease) in fair value of investments	3,598	(14,390)	21,586	(10,793)
Interest income	170	1,844	1,793	2,558
	3,768	(12,546)	23,379	(8,235)
Loss before taxes	(39,779)	(374,338)	(365,195)	(539,428)
Income taxes				
Income tax recovery	(3,720)	(61,499)	(141,774)	(100,189)
Loss and comprehensive loss for the period	\$ (36,059)	\$ (312,839)	\$ (223,421)	\$ (439,239)
Basic and diluted loss per share (note 11)	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	46,695,042	43,637,901	46,695,042	42,794,697

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

CHIBOUGAMAU INDEPENDENT MINES INC.

Condensed Interim Statements of Cash Flows

(Expressed in Canadian Dollars)

(Unaudited)

	Six months ended June 30,	
	2020	2019
Operating activities:		
Loss and comprehensive loss for the period	\$ (223,421)	\$ (439,239)
Adjustments for:		
(Decrease) increase in fair value of investments	(21,586)	10,793
Income tax recovery	(141,774)	(100,189)
Share-based compensation (note 12)	-	116,505
	(386,781)	(412,130)
Change in non-cash working capital items (note 14)	(9,283)	58,912
Net cash and cash equivalents used in operating activities	(396,064)	(353,218)
Financing activities:		
Related party payable - Globex Mining Enterprises Inc. (note 13)	7,981	60,936
Issuance of common shares (note 12)	-	1,065,735
Share issuance costs	-	(14,506)
Proceeds from loan payable (note 8)	40,000	-
Net cash and cash equivalents provided by financing activities	47,981	1,112,165
Net change in cash and cash equivalents	(348,083)	758,947
Cash and cash equivalents, beginning of period	540,035	410,418
Cash and cash equivalents, end of period	\$ 191,952	\$ 1,169,365

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

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

	As at June 30, 2020	As December 31, 2019
ASSETS		
Current assets		
Cash and cash equivalents (note 4)	\$ 191,952	\$ 540,035
Investments (note 5)	61,159	39,573
Taxes receivable	1,550	9,056
Prepaid and deposits	14,493	15,738
Total assets	\$ 269,154	\$ 604,402
LIABILITIES AND EQUITY		
Current liabilities		
Payables and accruals (note 6)	\$ 9,434	\$ 27,468
Related party payable - Globex Mining Enterprises Inc. (note 13(a))	7,981	-
Flow-through liability (note 7)	50,549	192,323
Total current liabilities	67,964	219,791
Non-current liabilities		
Loan payable (note 8)	40,000	-
Total liabilities	107,964	219,791
Shareholders' equity		
Common shares (note 12(a))	10,076,408	10,076,408
Contributed surplus - equity settled reserve	777,049	777,049
Deficit	(10,692,267)	(10,468,846)
Total equity	161,190	384,611
Total liabilities and equity	\$ 269,154	\$ 604,402

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

General business description (note 1)

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

Equity attributable to shareholders

	Common shares	Contributed surplus - equity settled reserve	Deficit	Total
Balance, December 31, 2018	\$ 9,333,058	\$ 660,544	\$ (9,563,380)	\$ 430,222
Fair value of flow-through shares issued under private placement	757,856	-	-	757,856
Share issuance costs	(14,506)	-	-	(14,506)
Share-based compensation	-	116,505	-	116,505
Loss and comprehensive loss	-	-	(439,239)	(439,239)
Balance, June 30, 2019	\$ 10,076,408	\$ 777,049	\$ (10,002,619)	\$ 850,838
Balance, December 31, 2019	\$ 10,076,408	\$ 777,049	\$ (10,468,846)	\$ 384,611
Loss and comprehensive loss	-	-	(223,421)	(223,421)
Balance, June 30, 2020	\$ 10,076,408	\$ 777,049	\$ (10,692,267)	\$ 161,190

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

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

1. General Business Description

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

On September 10, 2012, Globex and CIM entered into an Arrangement which resulted in the reorganization of the Corporation's capital and the receipt of cash and cash equivalents, certain investments held by Globex as well as the transfer of ten properties from Globex to CIM. Under a Plan of Arrangement, effective December 29, 2012, ten properties were transferred from Globex to CIM subject to a 3% Gross Metal Royalty ("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. It is not possible for the Corporation to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Corporation's business or ability to raise funds.

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 financial statements as at and for the year ended December 31, 2019.

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

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, 2019. All financial information is presented in Canadian dollars.

Since its incorporation, the Corporation has accumulated a deficit of \$10,692,267 (December 31, 2019 - \$10,468,846) and during the six months ended June 30, 2020, incurred a net loss and comprehensive loss of \$223,421 and cash used in operations of \$396,064. 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 28, 2020.

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

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, 2019 with the exception of the IFRS adopted as described below.

The disclosure contained in these unaudited condensed interim financial statements does not include all the requirements in IAS 1 - Presentation of Financial Statements. Accordingly, these unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2019.

(a) IFRS adopted

IFRS 3, Business Combinations (IFRS 3")

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The adoption of the amendments had no impact on the Corporation's unaudited condensed interim financial statements.

IAS 1, Presentation of Financial Statements ("IAS 1")

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Corporation's unaudited condensed interim financial statements.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Corporation's unaudited condensed interim financial statements.

4. Cash and Cash Equivalents

	June 30, 2020	December 31, 2019
Bank balances	\$ 87,492	\$ 11,377
Short-term deposit	104,460	528,658
	\$ 191,952	\$ 540,035

As of June 30, 2020, the Corporation was committed to incurring approximately \$175,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2020 arising from the flow-through offerings. Refer to note 15.

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

5. Investments

June 30, 2020

	Number of shares	Cost	Unrealized loss	Fair value
Vanadium One Energy Corp. ("Vanadium")	719,500	\$ 125,912	\$ (64,753)	\$ 61,159

December 31, 2019

	Number of shares	Cost	Unrealized loss	Fair value
Vanadium	719,500	\$ 125,912	\$ (86,339)	\$ 39,573

6. Payables and Accruals

	June 30, 2020	December 31, 2019
Payables and accruals	\$ 9,434	\$ 27,468

Included in payables and accruals is \$1,000 payable to the Chief Financial Officer ("CFO") and Corporate Secretary (December 31, 2019 - \$5,500). See note 13 for further details.

7. Flow-Through Liability

	June 30, 2020	December 31, 2019
Balance, beginning of period	\$ 192,323	\$ 74,628
Additions during the period (i)	-	307,879
Reduction related to qualified exploration expenditures (ii)(iii)	(141,774)	(190,184)
Balance, end of period	\$ 50,549	\$ 192,323

(i) The flow-through liability represents the excess of the proceeds received from flow-through shares over the fair value of the shares issued. Further details are provided in note 12(a)(i).

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

(ii) For the year ended December 31, 2019, the Company satisfied \$190,184 of the commitment by incurring eligible expenditures of approximately \$639,000 and as a result the flow-through liability has been reduced to \$192,323.

(iii) For the six months ended June 30, 2020, the Company satisfied \$141,774 of the commitment by incurring eligible expenditures of approximately \$491,000 and as a result the flow-through liability has been reduced to \$50,549.

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

8. Loan Payable

During the period, the Corporation applied for the COVID-19 Relief Line of Credit as part of the Government-sponsored Canada Emergency Business Account (CEBA). The credit limit of \$40,000 has an interest rate of 0% until December 31, 2020. On January 1, 2021, the operating line of credit will be converted to a 2-year 0% interest term loan, to be repaid by December 31, 2022 of which \$10,000 of the loan will be forgiven if \$30,000 is repaid in full on or before December 31, 2022. If on December 31, 2022 the loan is not repaid, the Corporation can exercise the option for a 3-year term extension at an interest rate of 5% on the balance over the term extension period. The Corporation expects to pay the loan prior to December 31, 2022.

9. Expenses by Nature

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Administration				
Insurance	\$ 2,480	\$ 2,302	\$ 4,960	\$ 4,605
Office supplies and maintenance	763	265	1,604	273
Other	74	96	929	4,141
Shareholder information	1,099	1,105	2,298	1,105
	\$ 4,416	\$ 3,768	\$ 9,791	\$ 10,124
Professional fees and outside services				
Audit and accounting fees	\$ 4,977	\$ 5,250	\$ 10,953	\$ 8,600
Legal fees	3,921	3,326	3,921	5,346
Other professional fees	290	2,937	583	3,673
	\$ 9,188	\$ 11,513	\$ 15,457	\$ 17,619

10. Exploration and Evaluation Expenditures

Exploration and evaluation expenses by project	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Bateman Bay	\$ 2,519	\$ 155,094	\$ 293,025	\$ 216,098
Berrigan South and Berrigan Mine	28	2,757	28	4,213
Copper Cliff Extension	-	9,306	5,575	9,306
Grandroy	3,905	25,693	7,134	86,249
Jaculet	-	-	2,180	-
Kokko Creek	-	4,481	-	4,481
Lac Chibougamau	-	1,163	-	1,163
Lac David Sud	1,497	-	4,308	-
Lac Simon	39	235	39	235
Mont Sorcier (Sulphur Converting Property and Magnetite Bay)	289	224	289	274
Quebec Chibougamau Goldfields	-	2,479	-	2,479
General exploration	2,850	10,677	8,248	11,835
Exploration and evaluation expenditures	\$ 11,127	\$ 212,109	\$ 320,826	\$ 336,333

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

10. Exploration and Evaluation Expenditures (Continued)

Exploration expenses by expenditure type	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Consulting fees	\$ -	\$ -	\$ 1,727	\$ -
Core shack, storage and equipment rental	347	4,723	10,750	8,113
Drilling	-	109,899	139,454	213,222
Geophysics	-	-	57,904	-
Laboratory analysis and sampling	-	4,468	2,467	4,468
Labour	10,488	75,857	80,413	92,128
Line cutting	-	-	4,000	-
Mineral claims acquisition	-	235	-	650
Mining property tax and permits	202	106	1,918	106
Reports, maps and supplies	-	503	2,846	1,328
Transport and road access	90	16,318	19,347	16,318
	\$ 11,127	\$ 212,109	\$ 320,826	\$ 336,333

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

11. Loss Per Common Share

The calculation of basic and diluted loss per share for the three and six months ended June 30, 2020 was based on the loss attributable to common shareholders of \$36,059 and \$223,421, respectively (three and six months ended June 30, 2019 - \$312,839 and \$439,239, respectively) and the weighted average number of common shares outstanding of 46,695,042 and 46,695,042, respectively (three and six months ended June 30, 2019 - 43,637,901 and 42,794,697, respectively). Diluted loss per share did not include the effect of stock options as they are anti-dilutive.

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

Fully paid common shares	June 30, 2020		December 31, 2019	
	Number of shares	Capital stock	Number of shares	Capital stock
Balance, beginning of period	46,695,042	\$ 10,076,408	41,958,442	\$ 9,333,058
Private placements - Flow-through shares (i)	-	-	4,736,600	757,856
Share issuance costs	-	-	-	(14,506)
Balance, end of period	46,695,042	\$ 10,076,408	46,695,042	\$ 10,076,408

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

12. Share Capital (Continued)

a) Changes in capital stock (continued)

(i) On May 29, 2019, the Corporation issued 4,736,600 Flow-through common shares ("FT") at a price of \$0.225 per FT share for gross proceeds of \$1,065,735. The fair market value of the FT shares was \$757,856 (\$0.16 per share) based on the TSXV closing price of the Corporation's common shares on May 29, 2019. The \$307,879 difference between the gross proceeds and the fair value of the shares at issuance has been reflected in flow-through liability.

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, 2020		December 31, 2019	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of period	1,675,000	\$ 0.13	1,212,500	\$ 0.09
Expired	-	-	(212,500)	0.12
Granted to employees (i)	-	-	675,000	0.18
Balance, end of period	1,675,000	\$ 0.13	1,675,000	\$ 0.13
Options exercisable	1,675,000	\$ 0.13	1,675,000	\$ 0.13

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

The following table summarizes information regarding the stock options outstanding and exercisable as at June 30, 2020:

Range of prices	Number of options outstanding	Number of options exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
\$0.05 - \$0.08	700,000	700,000	0.99	\$ 0.07
\$0.09 - \$0.15	300,000	300,000	1.23	0.14
\$0.17 - \$0.22	675,000	675,000	3.98	0.18
	1,675,000	1,675,000	2.24	\$ 0.13

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

13. Related Party Information

a) Related party payables

	June 30, 2020	December 31, 2019
Globex	\$ 7,981	\$ -

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,	
	2020	2019	2020	2019
Globex Management Services (i)	\$ 2,112	\$ -	\$ 4,177	\$ 845
Management compensation (ii)(c)	10,564	10,748	27,098	30,030
	\$ 12,676	\$ 10,748	\$ 31,275	\$ 30,875

(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, 2020, the balance due to CFO and Corporate Secretary is \$1,000 (December 31, 2019 - \$5,500) which is included in payables and accruals due under normal credit terms.

No other related party transactions had been incurred during the six months ended June 30, 2020 and 2019.

c) Management compensation

The total compensation for the respective periods paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Corporation (management personnel includes President and CEO, Vice-President Operations as well as CFO, Treasurer and Corporate Secretary) are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Management compensation				
Management services (i)	\$ 10,564	\$ 10,748	\$ 27,098	\$ 30,030

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

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

CHIBOUGAMAU INDEPENDENT MINES INC.

Notes to the Condensed Interim Financial Statements

June 30, 2020

(Expressed in Canadian Dollars)

(Unaudited)

14. Supplementary Cash Flows Information

Changes in non-cash working capital items

	June 30, 2020	June 30, 2019
Taxes receivable	\$ 7,506	\$ (36,554)
Prepaid and deposits	1,245	4,680
Payables and accruals	(18,034)	90,786
	\$ (9,283)	\$ 58,912

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 notes 7 and 12 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, 2020, the Corporation was committed to incurring approximately \$175,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2020 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.