Chibougamau Independent Mines Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

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MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year-end December 31, 2018

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 March 13, 2019, and should be read in conjunction with the audited annual financial statements and the related notes, for the two years ended December 31, 2018 and December 31, 2017.

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Overview - Chibougamau Mining Camp

CIM is a natural resources exploration and development corporation, with properties, located in the area of Chibougamau, Québec. It currently holds twelve exploration properties.

In 2010, Globex Mining Enterprises Inc. ("Globex") acquired a significant number of properties in the Chibougamau 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.

CIM is focused on finding economic mineral deposits and reviving production in the Chibougamau mining camp. It has established a short-term objective of defining NI 43-101 compliant resources on selected target properties.

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.

The overview which follows highlights the Chibougamau Mining Camp. As properties are acquired and subdivided, the overview as presented on the Corporation's web-site (www.chibougamaumines.com) is updated.

Geological Map of Chibougamau Area

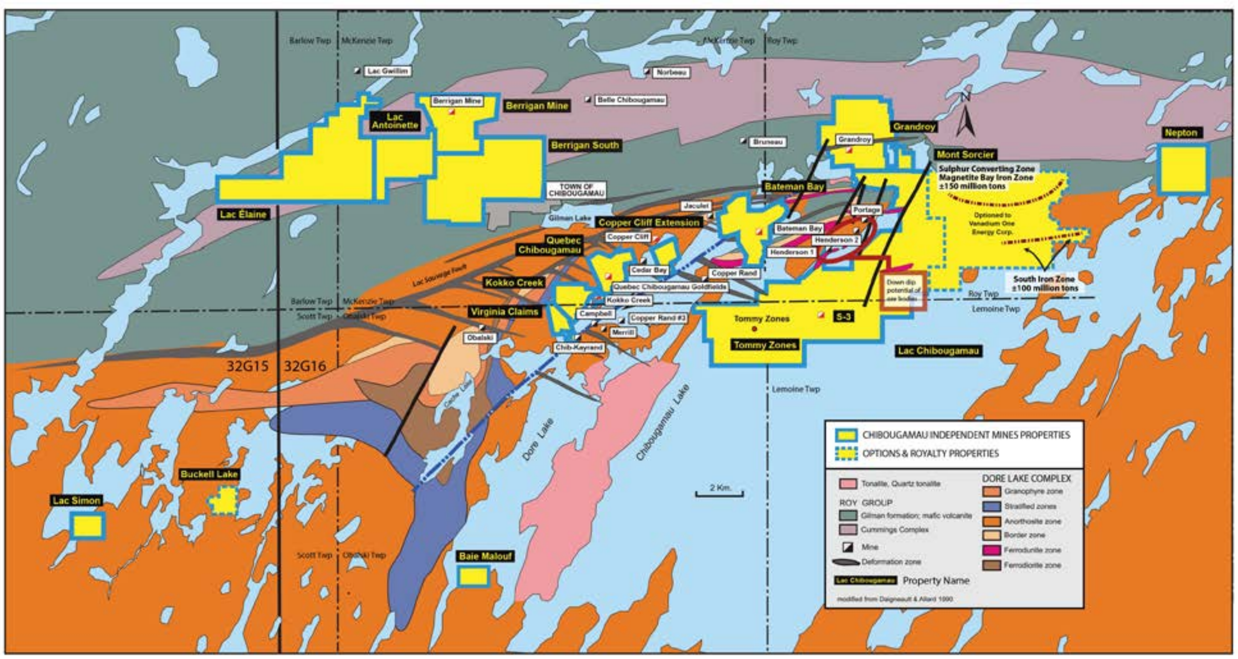

Figure 1

CIM owns half of the Chibougamau mining camp (10,349 hectares (25,572 acres)), which is one of the major mining camps in Quebec. It is principally a copper/gold camp which was explored in the past for copper while most of the gold was ignored when gold was in the US $35 to US $60 per ounce range. As a result, CIM believes that there is significant potential.

The CIM assets include:

- Five former producing copper/gold mines,
- Down/dip of three of the largest copper/gold deposits in the camp,

- Two unmined historical deposits (Berrigan (Au, Ag, Zn) and Bateman Bay (Cu, Au)),
- An unmined historical quarter billion tonne iron/titanium/vanadium body, as well as
- Numerous drill-ready copper/gold zones (known mineralization from historical drilling supported by deep penetration geophysics and indicates potential at depth along strike and identified as a drill target by CIM).

CIM began operations in 2013 and spent $1,434,285 on deferred exploration expenses. In 2014 and 2015, limited exploration expenditures were incurred as sufficient funding was not available.

On June 24, 2016, the Corporation issued 15,690,000 Units (“units”) under a private placement which generated gross proceeds of $784,500. On the same date, the Corporation issued 5,000,000 flow-through shares (‘’FT shares’’) at a price of $0.05 per FT share which generated gross proceeds of $250,000. As a result of completing this financing, in 2016, $291,620 of exploration expenses were incurred including drilling costs of $155,644. These expenditures were mainly directed towards gaining a further understanding of the Bateman Bay and Berrigan South and Berrigan Mine properties.

The optioning of Mont Sorcier Property generated enough funds in the last quarter of 2016 and in the first quarter of 2017 to support exploration activities in 2017 and 2018 (more details on page 9).

Highlights and summary

- On June 22, 2018, 395,000 Agents’ Options were exercised at an exercise price of $0.05 per share for a total cash received of $19,750.

- On August 8, 2018, Vérendrye Capital Corporation (“Vérendrye”) purchased 30,000 common shares of the Corporation on the TSXV at a price of $0.065 per common share, for a total consideration paid of $1,950. Prior to this transaction, Vérandrye and its joint actors had beneficial ownership of, and exercised control or direction over, 3,863,900 common shares, representing approximately 9.95% of the outstanding common shares of the Corporation. As a result of the transaction, Vérandrye and its joint actors have beneficial ownership of, and exercise control or direction over, 3,893,900 common shares, representing approximately 10.0% of the outstanding common shares.

- On August 9, 2018, 312,500 stock options with an exercise price of $0.20 expired unexercised.

- On September 28, 2018, the Corporation issued 3,125,000 Flow-through common shares ("FT") at a price of $0.08 per FT share for gross proceeds of $250,000.

- During the year ended December 31, 2018, the Corporation sold 730,000 Vanadium One Energy Corp. (“Vanadium One”) shares for gross proceeds of $46,345.

- In the year ended December 31, 2018, CIM spent $98,310 on exploration ($83,743, net of Quebec refundable tax credit of $14,567) (December 31, 2017 - $269,559).

- At December 31, 2018, CIM had cash and cash equivalents and cash reserved for exploration of $410,418 (December 31, 2017 -$264,774).

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.

Economic environment and strategy

Early in 2016, we saw both significant volatility in the world financial markets and downward pressures on all commodity prices much of which was a result of the declines in economic growth in a number of important world economies. During the latter part of 2016, there was also a recognition of the rebalancing between supply and demand for a number of commodities including copper and zinc. Following the U.S. election, the stock markets and commodities prices reflected an anticipation of global growth fuelled by solid growth in China and an improved outlook in Europe as well as anticipated tax cuts and infrastructure spending plans in the U.S.

During 2017, we have seen modest economic growth in a number of European economies, China, Canada and the U.S. On the commodities front, at times, we have seen volatility in the nickel and zinc prices reflecting political inputs in producer countries as well as short-term trader activities. There has been a decline in the LME Zinc stocks.

During 2018, there appeared to be consensus that while volatile, the commodity prices would increase over the forecast period as a result of the lack of new production capacity coming on stream. Commodities are priced globally in U.S. currency, so their prices may move in the opposite direction from the U.S. dollar.

During the last three years, many junior mining companies were unable to successfully complete equity financings. However, since February of 2018, we have seen some increased interest in reorganizations and financings in this sector.

Qualified person

All scientific and technical information contained in this MD&A was prepared by the Corporation’s geological staff under the supervision of Pierre Riopel, P. Geo, who is a qualified Person under National Instrument (“NI”) 43-101.

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 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.

Past exploration and future plans

In December 2012, CIM raised $1,417,799 flow-through funds which financed the 2013 exploration expenditures of $1,434,285 incurred on the various properties with the bulk of the expenditures concentrated on Bateman Bay, Berrigan South and Berrigan Mine, Lac Chibougamau, Lac Élaine (Berrigan West) and Mont Sorcier properties.

Late in 2013, Management had hoped to raise significant exploration funds, but concluded that a financing at that time would be too dilutive and therefore not in the best interests of the shareholders. In addition, we explored various opportunities to Option or Joint Venture a number of properties.

Following the completion of the June 2016, financing, in the third quarter, an exploration team reviewed the results of the exploration work completed in 2013 and undertook a site investigation. This review resulted in the identification of several new structural features and mineralization on the Berrigan Property and the new interpretation extended the potential copper mineralization encountered in the 2013 drill program on the Bateman-Jaculet property.

During the subsequent fiscal periods, the exploration expenditures, excluding Quebec tax credits, have been as follows:

- Twelve-month period ended, December 31, 2014 - $43,314,
- Twelve-month period ended, December 31, 2015 - $4,795,
- Twelve-month period ended, December 31, 2016 - $291,620,
- Twelve-month period ended, December 31, 2017 - $269,559.

On January 18, 2017, CIM issued a press release indicating that the recent drilling on the Bateman Bay property had intersected the C3 mineralized zone and the Corporation planned a down-hole electromagnetic survey to better define the strike and depth potential of the copper-gold zone followed by step-out drilling.

Hole BJ-16-15 at a vertical depth of 170 m intersected 3.65 % Cu, 0.88 gpt Au over 6.33 meters and Hole BJ-16-16 at a vertical depth of 260 m, 90 meters below hole BJ-16-15, intersected 3.61 % Cu, 1.72 gpt Au over 12.5 meters. True width is thought to be approximatively 60% of the core length.

On February 1, 2017, CIM issued a press release indicating that all five drill holes completed in the 4th quarter of 2016 on the Berrigan property intersected multiple zinc-gold silver zones at shallow vertical depths of between 51 and 250 meters. Among others, hole BT-16-009 intersected 2.22 % Zn, 7.58 gpt Ag, 1.13 gpt Au over 13.94 m from

194.51 to 208.45 meters and hole BT-16-011 intersected 2.22 % Zn, 6.31 gpt Ag, 0.72 gpt Au over 19.25m from 237.00 to 256.25 meters. True width is thought to be approximatively 70% of the core length.

During the year ended December 31, 2017, $269,559 of exploration expenditures were incurred, excluding Quebec tax credits, with $108,369 being spent on Berrigan South and Berrigan Mine, $87,480 being spend on Bateman Bay, $21,170 being spent on Grandroy, $14,772 being spent on Nepton, $13,662 being spent on Lac Chibougamau and the remaining $24,106 was spent on the other properties.

In the year ended December 31, 2018, CIM spent $98,310 on exploration with $22,313 on Bateman Bay, $18,755 on the Berrigan South and Berrigan mine, $16,356 being spent on Chibougamau Lake, $10,146 on Lac Simon, $6,444 on Nepton, $4,069 on Copper Cliff Extension with the remainder of $20,227 being spent on the other properties. The Corporation recorded a resource tax credit of $14,567 (related to 2017 exploration expenses), which results in a net exploration and evaluation expense of $83,743 in the year ended December 31, 2018.

Further details related to the exploration expenditures for each of the properties are outlined in Note 12 to the audited annual financial statements for the year ended December 31, 2018.

Berrigan: Activities during the first quarter of 2017 included finalizing logs for drilling done in November 2016, completing descriptions of core and compiling assays received. During this period, we continued our compilations by verifying all data in the database and ensuring that the location of drill collars are accurate. In addition, we created cross-sections, plan views and longitudinal sections to help conduct structural analysis of the property.

During the second quarter of 2017, we continued our compilations and created cross-sections, plan views and longitudinal sections to support our proposed exploration program for later this summer. The proposed work includes; geological mapping, structural analysis, channel and grab sampling. Two drill holes totaling 700 meters are proposed on Berrigan main zone.

During the third quarter of 2017, geological mapping, structural analysis, channel and grab sampling were completed on the main zone.

On September 6, 2017 and October 2, 2017, CIM issued two press releases indicating results of channel sampling which returned up to 19.71 g/t Au, 289.2 g/t Ag, 16.79% Zn and 17.75% Pb over a channel length of 1.1 metre (sample E25070).

The East Zone was mapped to a 1/50 scale and was sampled (15 grab samples). The outcrop is comprised of a semi-massive mineralized horizon (Sphalerite-Pyrite-Pyrrhotite-Galena) with an average width of 1.5 m in a serpentinized-carbonatized-pyroxenite, containing fair amounts of pyrite-pyrrhotite and sphalerite within the sheared areas.

This mineralized horizon is dislocated in metric blocks along a shear corridor oriented N 250-260° and dipping 60 to 70° N. The mineralized horizon as well as the shear zone were sampled (14 grabs), six samples yielded values greater than 1.9% Zn and up to 7% Zn and the samples were also anomalous in gold (> 150 ppb) up to 8.14 g / t Au (sample E25010). On the South Berrigan showing, several historic trenches were excavated on mineralized shears on the northern edge of Berrigan Lake.

Some of these trenches were visited and sampled (10 grab samples). The type of mineralization is identical to the one observed on the Eastern Zone, disseminated to semi-massive pyrrhotite-pyrite-chalcopyrite-galena within shear zones oriented N070-N080° to N040°. Five samples returned values between 1% Zn and 8.24% Zn and 50% of the samples returned gold values >100 ppb, with sample #E25020 being 1.1 g/t Au.

The two showings are embodied within ENE-WSW shear zones located in a corridor exhibiting an average width of

60 m and a lateral extension of at least 750 m. Within this corridor, several mineralized showings are exposed by historical trenches. A 4 kilometers Induced Polarization survey is proposed on this shear corridor.

During the fourth quarter of 2017 most of work done consisted of digitalizing the geological-channel sampling map and writing the report for the fall 2016 drilling that was conducted on Berrigan's Main Zone.

In 2018, a program of two drill holes totaling 700 metres was planned to verify the vertical extension of the two sheared zones N030° et N340° which were mapped and channel sampled in August and September 2017. This drilling program was postponed.

Bateman Bay: In February 2017, a PULSE-EM downhole survey was conducted in drill hole BJ-13-012. Drill hole BJ-16-016 was primarily selected to do the survey since it was the deepest mineralized intersection from the 2013 and 2016 drilling and had returned 3.6% Cu, 11.9 g/t Ag, 1.72 g/t Au over a core length of 12.5 meters. Unfortunately drill hole BJ-16-016 was blocked at a depth of 110 metres; for this reason drill hole BJ-13-012 instead was surveyed. The survey revealed the presence of two weak anomalies. The first one located at a downhole depth of 160 meters (100 meters vertical depth) seems to reflect the mineralization intersected in the 2013 drill holes (50 meters vertical depth), where the best intersection returned 3.1% Cu, 41.5 g/t Ag, and 0.72 g/t Au over a core length of 40.5 meters (BJ-13-010).

The second anomaly (weaker) located at a downhole depth of 240 metres (150 metres vertical depth) does not appear to correlate with known mineralization.

Activities in the second quarter of 2017 included completing the database; geology, assays, mineralization, as well as deviation tests. We plan on continuing the structural analysis of the property in order to better define drill targets.

In order to test the southeast extension of the C-3 mineralized zone, we propose to drill 3 holes (BJ-18-A, BJ-18-B and BJ-18-C) which are located respectively some 50, 100 and 150 meters east-southeast of drill hole BJ-16-016. The proposed holes would be drilled from the shore and not on Doré Lake and would total approximately 1,300 meters.

We also propose 5 drill holes totalling 1,615 metres: two of 715 metres for testing Aeroquest anomalies (Chibougamau Independent Mines Inc., 2008 survey), deep IP anomalous axis (Chibougamau Independent Mines Inc., 2013 survey) and deep extensions of the best auriferous historical intercepts and three holes of 900 metres to complete resources estimations of the west Bateman Bay extension. All of the proposal drill holes are collared on Doré Lake.

In September 2017, CIM stripped the up dip surface extension of the C-3 mineralized zone intercepted in drill holes. This stripped area of approximately 1000 m2 was mapped and channels sampled. 33 samples were collected. A first composite returned 422 ppb Au, 31.0 g/t Ag and 3.61% Cu over a channel length of 3.90 meters, a second zone returned 396 ppb Au, 11.0 g/t Ag and 2.53% Cu over a composite channel length of 3.05 meters. A grab sample returned 2.64 g/t Au, 0.2 g/t Ag and 24.0% Cu in a strongly oxidised zone (gossan).

The northern part of the stripped area shows a siderite shear zone of an average width of 2 m, continuous over about a 40m strike length with mineralized quartz veins (up to 3% disseminated pyrite). This shear zone also affects the pillowed basalts which are rich in pyrrhotite (up to 20-25%), pyrite (up to 10-15%) and chalcopyrite (up to 30%) stringers and veins (width up to 5 cm).

During the fourth quarter, the work performed on the Bateman Bay property consisted of finalizing the mapping: sample descriptions, drafting a final version of a map using a mapping software and preparing tables of assays for press releases. During this period the technical report for the drilling that was done in the fall of 2016 was written and submitted as assessment work.

A program of two drill holes totaling 1290 metres was planned, during summer 2018, to verify the eastern lateral extension (over 123 m) of the same zone that was intersected in hole BJ-16-16 (1.85 g/t Au; 13.0 g/t Ag, 4.0% Cu; 6.98 g/t Au Eq over 11.00 m). The first proposed drill hole will verify the mineralized zone at a vertical depth of 286 metres and the second hole will test it at a vertical depth of 338 metres. This drilling program with some adjustment is now planned for March and/or April 2019.

Grandroy: During the first and the second quarter of 2017, we continued our compilation work by verifying IP results (Chibougamau Independent Mines Inc., 2013 survey) which led us to suggest 3 drill holes totalling 650 meters.

On August 5, 2017, structural analysis of the Grandroy open pit walls showed that mineralization is controlled by NE-SW conjugate fault corridors. A borehole of 350 m is proposed to verify the depth extension of these fault corridors under the open pit and, also to verify the lateral extension (65 m to the NE) of the intercept (0.88 g / t Au; 2.66% Cu over 11.73 m) returned in the historical hole S-001.

A short drilling program of 485 metres was planned, during summer 2018, to verify the same zones that were intersected in hole S-001. The first drill hole will go underneath the underground workings and test the richest and widest magnetite enriched zone (something that was never attempted). The second drill hole would intersect the same mineralized zones as hole #1 but the collar would be located some 50 metres ESE of drill hole S-001. This drilling program is now planned for at the latest, spring of 2019. If this phase of drilling is successful, step out drilling to the southwest and to the northeast would then be the next exploration targets. A mag survey is planned to the east of the pit to confirm the continuation of the magnetite rich horizons and the possible associated copper-gold mineralization.

Nepton: On August 10th, 2017, the Chevrette showing was mapped and grab sampled. The northeastern portion of the stripped outcrop is occupied by a strongly oxidized-mineralized zone (gossan) measuring 50 m in length and 4 m in width. The zone is oriented northeast to southwest and is located within the Doré Lake anorthosite that is weakly sheared in the southwest portion of the outcrop but increases in strength in the northeastern portion of the outcrop, in the vicinity of mineralized zone. 17 grab samples were collected, and the best results were obtained in the gossan area of the mineralized zone and returned anomalous values of well over 100 ppb Au and between 1.66% Cu and 8.36% Cu.

On October 2nd and 3rd 2017 geological mapping was conducted on the Twin Zone showing. 19 grab samples were collected within sheared and mineralized zones located in the Doré Lake anorthosite. The best results returned 1.16 g/t Au and 4.87% Cu within a strongly sheared-oxidized-gossan zone. The shear is oriented N225° (SW) and dips 63° to the northwest. The sample contains approximately 20% malachite (sample # E25224). Further work is required on this property starting with a thorough-in depth compilation of all historical available data.

During the first quarter of 2018, the work performed on Nepton property consisted of finalizing detailed mapping. The technical report for the channel sampling done during the fourth quarter of 2017 was written and submitted as assessment work.

The exploration expenditures for each of the properties are outlined in Note 12 to the annual audited financial statements for the year ended December 31, 2018.

Optioned and royalty property - Mont Sorcier Property

On October 3, 2016, CIM announced that it had optioned its Mont Sorcier Vanadium-Iron-Titanium project in Roy Township, Quebec, 18 km east of the Town of Chibougamau to Vanadium. On October 14, 2016, a final agreement was concluded. Under the agreement, Vanadium One agreed to:

- issue 2,750,000 Vanadium One common shares to CIM (shares issued on November 21, 2016 at a deemed price of $0.175 per share),
- pay $150,000 in cash after completing a financing for minimum gross proceeds of $500,000 (payment was made on March 1, 2017),
- incur exploration expenses of $1 million within 24 months, as well as
- accept a 2% GMR on all mineral production from the Mont Sorcier property.

On the same time, Globex also 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.

During the first six months of 2017, Vanadium One completed a private placement on February 27, 2017 which raised aggregate proceeds of $1,010,000 and added two new Directors with experience specifically related to developing projects of this size and type as well as specific experience gained from working on various iron-titanium-vanadium projects. Further details are provided in various press releases issued by Vanadium One.

On July 27, 2017, Vanadium One announced in a press release that it had commenced its phase 1 drilling campaign on the Mont Sorcier Property which consists of a minimum of 1,000 meters for 10 short drill holes. The press release further outlines plans for phase 2 drilling on the property.

On November 14, 2017, Vanadium One announced the results from seven drill holes on the South Zone. Wide zones of iron and vanadium values were intersected.

On April 5, 2018, Vanadium One shipped 728 core samples from 8 NQ drill holes for assay.

On June 27, 2018, Vanadium One announced additional positive drill results from the Mont Sorcier property. All drill holes in the phase 2A program intersected wide significant continuous mineralization.

A phase 2B South Zone drill program of 2000m in 10 drill holes averaging 200m per hole was announced on July 17, 2018. Subsequently it was announced on October 24, 2018 that the drill program was being expanded by an additional 2000m and on November 12, 2018 it was reported that an additional 792 core samples were sent for assay.

Vanadium One has reported to Chibougamau that it has met the $1 million exploration expenditure requirement per the agreement to earn its interest in the property.

On February 7, 2019, Vanadium One reported assay results from the first 8 hole of its 2018 fall drill program. Significant continuous mineralization was intersected in every hole, with Hole MSN-18-02 returning 244 metres grading 60.5% Fe and 0.63% V_2O_5. Within the mineralized 1,037 metres of core the average content of V_2O_5 in magnetite concentrate is 0.53% with an average content of 62.3 % Fe.

No option income was recorded in the year ended December 31, 2018 (December 31, 2017 - $150,000).

New and revised International Financial Reporting Standards

International Financial Reporting Standards adopted

In preparing the annual audited financial statements for the year ended December 31, 2018, the Corporation has adopted the following new standards or amendments.

IFRS 9 Financial Instruments ("IFRS 9") (replacement of IAS 39):

Effective January 1, 2018, the Corporation adopted IFRS 9. In July 2014, the IASB issued the final publication of the IFRS 9 standard, which supersedes lAS 39, Financial Instruments: Recognition and Measurement (''lAS 39''). IFRS 9 includes revised guidance on the classification and measurement of financial instruments, new guidance for measuring impairment on financial assets, and new hedge accounting guidance. The Corporation has adopted IFRS 9 on a retrospective basis, however, this guidance had no impact to the Corporation's annual audited financial statements.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income (''FVTOCI'') and fair value through profit and loss (''FVTPL'').

The new hedge accounting guidance had no impact on the Corporation's annual audited financial statements.

Below is a summary showing the classification and measurement bases of our financial instruments as at January 1, 2018 as a result of adopting IFRS 9 (along with comparison to lAS 39).

Classification	IAS 39	IFRS 9
Cash and cash equivalents	Loans and receivables	FVTPL
Cash reserved for exploration	Loans and receivables	FVTPL
Investments	FVTPL	FVTPL
Payables and accruals	Other financial liabilities	Amortized cost
Related party payable	Other financial liabilities	Amortized cost

As a result of the adoption of IFRS 9, the accounting policy for financial instruments as disclosed in the Corporation's December 31, 2017 financial statements has been updated as follows:

Financial assets

Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Corporation determines the classification of its financial assets at initial recognition.

a) Financial assets recorded at FVTPL

Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or FVTOCI. Gains or losses on these items are recognized in profit or loss. The Corporation's cash and cash equivalents, cash reserved for exploration and the investments are classified as financial assets measured at FVTPL.

b) Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at FVTPL: 1) the object of the Corporation's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest". There are currently no financial assets measured at amortized cost.

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or at amortized cost. The Corporation determines the classification of its financial liabilities at initial recognition.

a) Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination. The Corporation's payables and accruals and related party payable do not fall into any of the exemptions and are therefore classified as measured at amortized cost.

b) Financial liabilities recorded at FVTPL

Financial liabilities are classified as fair value through profit or loss if they fall into one of the five categories detailed above. There are currently no financial liabilities measured at amortized cost.

Transaction costs

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition

The Corporation derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Expected credit loss impairment model

IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial application. The adoption of the expected credit loss impairment model had no impact on the Corporation's financial statements.

The Corporation assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Corporation considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Corporation in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Corporation determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

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

At the date of authorization of these financial statements, the IASB and IFRS Interpretations Committee (''IFRIC'') have issued the following new and revised Standards and Interpretations which were not yet effective and which the Corporation has not early adopted.

IAS 28 Investments in Associates and Joint Ventures:

In October 2017, the IASB issued amendments to (''*IAS* 28''):

The amendments to the financial instruments Standard, IFRS 9, allow companies to measure particular pre-payable financial assets with so-called negative compensation at amortised cost or at FVTOCI if a specified condition is met—instead of at FVTPL.

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

These amendments to IAS 28 are effective for annual periods beginning on or after January 1, 2019. Early adoption is permitted. Management does not anticipate the amendment to have an impact on the accounts of the Corporation.

IFRS 16, Leases ("IFRS 16"):

On January 13, 2016, the IASB issued IFRS 16. The new standard is effective for annual periods beginning on or after January 1, 2019. IFRS 16 will replace IAS 17 - Leases ("IAS 17"). This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. IFRS 16 substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. Management early adopted this Standard in the prior year which resulted in no material impact on the financial statements.

IFRIC 23, Uncertainty Over Income Tax Treatments:

Issued by the IASB in June 2017 and provides guidance as to when it is appropriate to recognize a current tax asset when the taxation authority requires an entity to make an immediate payment related to an amount in dispute. This interpretation applies for annual reporting periods beginning on or after January 1, 2019. Management does not anticipate a significant impact on adoption of this interpretation as there are no outstanding disputes with taxation authorities.

Results of Operations - Selected Annual Information

	Year Ended December 31, 2018 ($)	Year Ended December 31, 2017 ($)	Year Ended December 31, 2016 ($)
Sale and net option income	nil	150,000	485,250
Other income (expenses)	19,692	(59,693)	(145,159)
Administrative and compliance expenses	(134,245)	(174,471)	(146,738)
Share-based compensation	nil	nil	(98,030)
Project finder's fees	nil	(15,000)	(25,000)
Interest and financing costs	nil	nil	(18,625)
Exploration and evaluation recovery (expenses)	(83,743)	(194,082)	(291,620)
Total expenses	(217,988)	(456,053)	(580,013)
Loss before taxes	(198,296)	(365,746)	(239,922)
Recovery of income taxes	3,497	nil	(150,000)
Loss and comprehensive loss for the year	(194,799)	(365,746)	(89,922)
Net loss per share - basic	(0.00)	(0.01)	(0.00)
Net loss per share - diluted	(0.00)	(0.01)	(0.00)
	As at December 31, 2018 ($)	**As at December 31, 2017 ($)**	**As at December 31, 2016 ($)**
Total assets	532,563	477,419	798,655
Total non-current financial liabilities	nil	nil	nil
Distribution or cash dividends	nil	nil	nil

Variation in results

In 2018, CIM reported a loss of $194,799 as compared to a loss of $365,746 in 2017. There were no proceeds from the optioning of properties during 2018 (2017 - $150,000).

In 2017, CIM reported a loss of $365,746 as compared to a loss of $89,922 in 2016. The loss in the 2017 year reflects the proceeds from the optioning of properties (2017 - $150,000; 2016 - $485,250).

The increase in the assets from $477,419 at December 31, 2017 to $532,563 at December 31, 2018 mainly represents the cash received from the flow-through private placement completed during the year, which was offset by a decrease in taxes receivable.

The decrease in the assets from $798,655 at December 31, 2016 to $477,419 at December 31, 2017 mainly represents the exploration and evaluation expenses of $194,082 as well as administration and compliances of $174,471 incurred during the year.

Summary of quarterly results

The following table shows selected results by quarter for the last eight quarters:

Three Months Ended	Total Revenue ($)	Profit or Loss			Total Assets ($)
		Total ($)	Basic Loss Per Share ($)	Diluted Loss Per Share ($)	
2017-March 31	150,000	10,937 (1)	0.00	0.00	917,621
2017-June 30	nil	(198,766) (2)	(0.01)	(0.01)	666,915
2017-September 30	nil	(181,596) (3)	(0.00)	(0.00)	489,918
2017-December 31	nil	3,679 (4)	0.00	0.00	477,419
2018-March 31	nil	(106,124) (5)	(0.00)	(0.00)	367,650
2018-June 30	nil	506 (6)	(0.00)	(0.00)	380,052
2018-September 30	nil	(62,398) (7)	(0.00)	(0.00)	567,047
2018-December 31	nil	(26,783) (8)	(0.00)	(0.00)	532,563

CIM is an exploration and development Corporation and generally does not generate revenues. However, in the third quarter of 2016, it generated $4,000 from the sale of the Buckell Lake property while retaining a royalty and in the fourth quarter it optioned its Mont Sorcier property to Vanadium One and on November 21, 2016 received 2,750,000 shares in that Corporation which had a fair market value on receipt of $481,250 ($0.175 per share). On March 1, 2017, a cash payment of $150,000 from Vanadium One was received.

During 2018 and 2017, the total expenses were generally limited to administrative, legal, transfer agent and filing fees as well as audit and accounting fees which are required to maintain the Corporation and meet the TSXV listing requirements.

In the first quarter of 2017, the expenses decreased from $270,316 in the fourth quarter of 2016 to $156,981 mainly as a result of a decrease of $171,132 in exploration and evaluation expenses and offset by increases in project finder's fees of $15,000, investor relations expenses of $26,666 and management services of $24,696.

In the second quarter of 2017, the total expenses were $175,218 as compared to $156,981 in the first quarter mainly as a result of an increase in exploration and evaluation expenditures of $28,299 and offset by project finder's fees of $15,000, which did not repeat in the second and third quarters of 2017.

In the third quarter of 2017, the total expenses were $112,196 as compared to $175,218 in the second quarter of 2017 with the reduction mainly related to a decrease of $31,690 in exploration and evaluation expenses, $9,166 in investor relations, $7,471 in transfer agents and filing fees as well as $6,665 in legal fees.

In the fourth quarter of 2017, the total expenses were $11,658 as compared to $112,196 in the third quarter of 2017 with the reduction mainly related to a decrease of $13,078 in exploration and evaluation expenses and $18,334 in investor relations as well as Quebec tax credits on exploration expenditures of $75,477 (2017 - $Nil).

In the first quarter of 2018, the total expenses were $70,872 as compared to $11,658 in the fourth quarter of 2017 with the increase mainly related to Quebec tax credits on exploration expenditures of $75,477 in the fourth quarter of 2017.

In the second quarter of 2018, the total expenses were $50,676 as compared to $70,872 in the first quarter of 2018 with the decrease mainly related to a decrease of $6,855 in transfer agent and filing fees and a decrease of $23,381 in exploration and evaluation expenses, which was offset by Quebec tax credits on exploration expenditures of $14,567 in the first quarter of 2018.

In the third quarter of 2018, the total expenses were $43,553 as compared to $50,676 in the second quarter of 2018 with the decrease mainly related to a decrease of $4,158 in professional fees and outside services.

In the fourth quarter of 2018, the total expenses were $52,887 as compared to $43,553 in the third quarter of 2018 with the increase mainly related to an increase of $12,970 in exploration expenditures in professional fees and outside services.

Results of operations for the year ended December 31, 2018.

Revenues

During the year ended December 31, 2018, no revenues were recorded as compared to $150,000 in 2017. The revenue in the year ended December 31, 2017 was mainly related to the Vanadium One option agreement signed in 2016.

Under the amended option agreement negotiated in October 2016 related to the Mont Sorcier property, on March 1, 2017, CIM received a cash payment of $150,000 from Vanadium One (more details on page 9).

Total expenses for the year ended December 31, 2018

During the year ended December 31, 2018, the total expenses were $217,988 as compared to $456,053 in the comparable period of 2017. The decrease of $238,065 in the expenses is mainly a result of a decrease in:

- Professional fees and outside services - $105,991,
- Exploration and evaluation expenses - $110,339,
- Administration - $7,564,
- Management services - $14,401.

The following paragraphs provide an overview of the nature of the expense incurred in the year ended December 31, 2018:

Administration

- The nature of the administration expenses is further detailed in Note 11 to the annual audited financial statements. The administration expenses consist of office supplies and maintenance, shareholder information, information technology, advertising and promotion as well as insurance and other.

- During the year ended December 31, 2018, the administration expenses totaled $10,995 as compared to $18,559 in the comparable period of 2017, which represents a decrease of $7,564 mainly related to a decrease in information technology of $3,800, shareholder information of $2,130 and other fees of $1,864.

Professional fees and outside services

- The professional fees and outside services represent a combination of services as detailed in Note 11 to the annual audited financial statements. They consist of legal fees, audit and accounting fees, investor relations and other professional fees.

- During the year ended December 31, 2018, professional fees and outside services totaled $26,964 as compared to $132,955 in the comparable period of 2017. The decrease of $105,991 is mainly related to extra expenses that were incurred in 2017. The Corporation spent $Nil in investor relations efforts during the year ended December 31, 2018 (December 31, 2017 - $72,500).

- During the year ended December 31, 2018, audit and accounting fees totaled $10,000 as compared to $33,550 in the comparable period of 2017. The decrease of $23,550 is mainly related to decrease in audit fees.

- During the year ended December 31, 2018, no project finder's fees were incurred as compared to $15,000 in the comparable period in 2017. In 2017, the project finder's fees relate to finalizing the Mont Sorcier option arrangement and identifying potential projects. These fees are included under other professional fees.

Transfer agent and filing fees

- During the year ended December 31, 2018, the transfer agent and filing fees totaled $24,316 (December 31, 2017 - $24,086).

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 the year ended December 31, 2018, management service fees of $71,970 (December 31, 2017 - $86,371) were incurred. The decrease reflects less corporate and year-end reporting as well as exploration activities.

Other income (expenses)

- The other income (expenses) consist of interest income, loss on sale of investments and increase in fair value of financial assets.

- During the year ended December 31, 2018, the other income totaled $19,692 as compared to expenses of $59,693 in the comparable period in 2017. The difference of $79,385 is mainly related to the loss on the sale of investments of $81,405 (December 31, 2017 – loss of $117,150) and an increase of $98,131 in the carrying value of equity investments (December 31, 2017 – increase of $54,091).

Loss on sale of investments

- During the year ended December 31, 2018, a loss of $81,405 on the sale of investments was recorded (December 31, 2017 – loss of $117,150).

- During 2017, a loss of $63,693 on the sale of 1,300,500 Vanadium One shares (gross proceeds - $163,895) and a loss of $53,457 on the sale of 333,608 Integra Resources Ltd (previously Mag Copper Limited) shares (gross proceeds - $19,446). See Note 8 to the 2017 financial statements for further details.

- During 2018,CIM sold 730,000 Vanadium shares for gross proceeds of $46,345.

Increase in fair value of financial assets

- During the year ended December 31, 2018, the increase of $98,131 (December 31, 2017 – increase of $54,091) relates to an increase in the fair value of the 719,500 Vanadium shares held at December 31, 2018. The increase in fair value of financial assets for the year ended December 31, 2017 of $54,091 represents the change in the carrying value of the Vanadium shares which CIM held at December 31, 2017.

Financial position – December 31, 2018

Total assets

At December 31, 2018, the total assets were $532,563, which represents an increase of $55,144 from $477,419 at December 31, 2017. The change reflects an increase in:

- cash reserved for exploration of $238,810,
- prepaid and deposits of $4,744.

This is offset by a decrease in:

- taxes receivable of $65,625,
- investments of $29,619,
- cash and cash equivalents of $93,166.

Cash and cash equivalents

At December 31, 2018, CIM had cash and cash equivalents and cash reserved for exploration of $410,418 (December 31, 2017 - $264,774).

Liabilities

Payables and accruals

At December 31, 2018, payables and accruals were reported at $26,270 which is comparable to $25,462 at December 31, 2017.

Related party payable – Globex Mining Enterprises Inc.

At December 31, 2018, CIM owed Globex $1,443 (December 31, 2017 - $14,476) which represented unpaid management services and other exploration expenses paid by Globex.

Other liabilities

At December 31, 2018, other liabilities were $74,628 (December 31, 2017 - $Nil) which represent the excess of the proceeds received from the flow-through private placement (completed on September 28, 2018) over the fair value of the shares issued. This liability is not settled through cash payments. Instead, this balance is amortized against qualifying flow-through expenditures which are required to be incurred before December 31, 2019.

Shareholders' equity

Shareholders' equity of the Corporation consists of common shares, warrants, contributed surplus, and the deficit which totaled $430,222 at December 31, 2018 (December 31, 2017 - $437,481). The decrease reflects the net loss of $194,799 for the year ended December 31, 2018 which was offset by the flow-through private placement of $250,000 and the exercise of agents' options of $19,750.

Common Shares

At March 13, 2019, the Corporation had 41,958,442 common shares outstanding.

Warrants

At December 31, 2018, the Corporation had no warrants outstanding.

Agents' Options

At December 31, 2018, the Corporation had nil Agent's Options outstanding.

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.

At December 31, 2018, 1,212,500 stock options were outstanding with a weighted average exercise price of $0.09 per share and a weighted average remaining contractual life of 2.09 years. In addition to the 1,212,500 options outstanding, 1,993,970 options were available to be granted at December 31, 2018.

Outstanding share data

Based on the common shares, warrants, stock options, and agent's options outstanding at December 31, 2018, CIM had fully diluted common shares of 43,170,942 (December 31, 2017 - 40,876,642).

Liquidity, working capital, cash flow and capital resources

At December 31, 2018, the Corporation had cash and cash equivalents and cash reserved for exploration of $410,418 (December 31, 2017 - $264,774).

Working Capital

The Corporation had working capital (based on current assets minus current liabilities) of $430,222 at December 31, 2018 compared to $437,481 at December 31, 2017.

Cash Flow

During the year ended December 31, 2018, $215,022 (December 31, 2017 - $302,687) was used in operating activities and $61,689 was generated in changes in non-cash operating working capital items (December 31, 2017 - $(73,712). In total, the operating activities used $153,333 (December 31, 2017 - $376,399).

During the year ended December 31, 2018, financing activities generated $252,632 (December 31, 2017 - $68,920). During 2018, $250,000 gross proceeds was received from the completion of the flow-through private placement completed and $19,750 proceeds from the exercise of agents' options. During 2017, $48,995 proceeds was received from the exercise of agents' options and $23,000 from the exercise of warrants.

During the year ended December 31, 2018, investing activities generated $46,345 (December 31, 2017 - $183,341) from the sale of investments.

These operating, financing and investing activities resulted in a net increase in the cash and cash equivalents of $145,644 during the year ended December 31, 2018 as compared to a net decrease of $124,138 in the comparable period of 2017.

Capital Resources

On June 24, 2016, the Corporation issued 15,690,000 units of the Corporation under a private placement. Each unit was comprised of one (1) common share in the capital stock and one-half (1/2) of a common share purchase warrant of the Corporation at a price of $0.05 per unit, for gross proceeds of $784,500. On the same date, the Corporation issued 5,000,000 common shares on a flow-through basis at a price of $0.05 per FT share which generated gross proceeds of $250,000.

In connection with the option arrangement with Vanadium One as outlined on page 9 of this MD&A, CIM received $150,000 on March 1, 2017.

On September 28, 2018, the Corporation issued 3,125,000 common shares on a flow-through basis at a price of $0.08 per FT share which generated gross proceeds of $250,000.

In order to retain its existing portfolio of properties, management has estimated that the claims renewal costs for 2019 would be approximately $5,300 and the exploration work commitments necessary to retain the existing portfolio of properties would be approximately $3,500 in 2019.

According the actual capital resources, at December 31, 2018, CIM could sustain its exploration activities in 2019.

Financial instruments

Capital risk management

The Corporation manages its common shares, contributed surplus-equity settled reserve, warrants and 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. The Corporation's overall strategy remains unchanged from 2017.

The Corporation's investment policy is to invest its short-term excess cash in low risk, highly-liquid short-term interest-bearing investments with maturities, selected to match the expected timing of expenditures related to continuing operations. In order to facilitate the management of its capital requirements, the Corporation prepares annual expenditure budgets that are updated as necessary. The annual and updated budgets are approved by the Board of Directors. For capital management purposes, the Corporation has developed two objectives which are as follows:

- Retain cash and cash equivalents as well as accounts receivable which are equal to or greater than the committed exploration expenditures,

- Retain equity investments and debt instruments with a combined fair market value which are greater than twelve months of projected operating and administrative expenditures.

Based on the current cash position and exploration strategy, the Corporation will likely not need additional capital resources to complete or carry out its exploration and development plans for the next twelve months.

The Corporation is not subject to any externally imposed capital requirements.

The fair value of the Corporation's cash and cash equivalents, cash reserved for exploration, payables and accruals and related party payable approximate their carrying value due to the short-term nature. The equity investments have been adjusted to reflect their fair market value at year-end based on market quotes.

Financial risk management objectives

The Corporation's financial instruments are exposed to certain financial risks including; credit risk, liquidity risk, equity market risk, and fair value measurements recognized in the statement of financial position.

(a) Credit risk

The Corporation had cash and cash equivalents as well as cash reserved for exploration which totaled $410,418 at December 31, 2018 (December 31, 2017 - $264,774). These funds are subject to a combination of the $100,000 maximum guarantee per individual institution as provided by the Canadian Deposit Insurance Corporation, 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 Canadian financial institutions.

The maximum exposure to credit risk was:

	December 31, 2018 ($)	December 31, 2017 ($)
Cash and cash equivalents	171,608	264,774
Cash reserved for exploration	238,810	nil
Investments	86,341	115,960
Total	**496,759**	**380,734**

(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 the issuance of units, common shares and flow-through shares, operating cash flows including net option arrangements and sales of properties 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.

Contractual maturities of financial liabilities are as follows: payables and accruals, less than ninety day and related party liabilities, from future free cash flow.

(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 equity investments with a fair market value of $86,341 (December 31, 2017 - $115,960) and as a result of a 10% increase or decrease would impact income and loss by $8,634 (December 31, 2017 - $11,596).

(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).

December 31, 2018	Level 1	Level 2	Level 3	Total financial assets at fair value
Investments	$86,341	$nil	$nil	$86,341
Total	**$86,341**	**$nil**	**$nil**	**$86,341**

December 31, 2017	Level 1	Level 2	Level 3	Total financial assets at fair value
Investments	$115,960	$nil	$nil	$115,960
Total	**$115,960**	**$nil**	**$nil**	**$115,960**

There were no transfers between level 1, level 2 and level 3 during the year.

Investment strategies and oversight

We generally acquire and hold investments with a medium to long term view, on the basis of perceived value and growth opportunities and the ability of management teams to effectively execute business plans. We manage our investment portfolio in-house, relying upon the broad industry knowledge and expertise of management to identify and evaluate investment opportunities and monitor the investee companies on an on-going basis.

Investment performance is monitored via available market data (including continuous disclosure made by the investees that are public companies) and contact with investee management. Monitoring may also include involvement on the Board of Directors of an investee, where the size of the investment or other factors so warrant.

Our exit strategies include mergers or the achievement of other significant milestones for our investee companies but may also involve otherwise timely dispositions of the securities in the secondary market, if and when warranted, and receipt of third-party bids for the securities which are beneficial to us, in the circumstances.

Notwithstanding the foregoing, we may pursue a particular investment or series of investments that may diverge from these strategies from time to time, where suitable opportunities present themselves.

Significant accounting assumptions, judgments and estimates

The preparation of financial statements under the principles of IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about such judgments and estimates is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarized below. Areas of judgment and estimates that have the most significant effect on the amounts recognized in the financial statements are:

Judgments

a) Collectability of option agreements

Collectability of considerations to be received on option agreements entered into third parties on the Corporation's properties, involves judgment regarding the probability that the optionees will be able to meet their spending commitments and pay the considerations specified in the agreement.

Since there is significant uncertainty as to whether the optionee will be able to make all the required payments in the contract, the Corporation only recognizes revenue as the option payments are due. The optionee can avoid payments prior to them becoming due, but not after.

Estimates

a) Option Income

Under Option arrangements, CIM is entitled to cash payments and/or shares in the Optionee company, and as a result at each period end, the Corporation must determine the amounts receivable under the agreement as well as consider the collectability of the amounts.

b) Fair value of investments

CIM attempts to determine the fair value of the shares on receipt based on published price quotations in an active market. However, in some cases, when received, the shares may not be traded in an active market and as a result CIM must use a valuation technique to determine the fair market value. In some cases, as a result of the strategic nature or volume of trading in the market, the quoted price may also not be representative of the price that these shares could be sold to a willing arm's length party. These valuation issues could also impact the fair value measurement of financial assets at each period end.

c) Share-based compensation and warrants

The estimate of share-based compensation and warrants requires the selection of an appropriate valuation model and consideration of the inputs necessary for the model chosen.

The Corporation has made estimates of the volatility of its own shares, the probable life of options and warrants granted, interest rates, and the time of exercise of those options. The Corporation uses the Black-Scholes option pricing model to calculate the fair value of the share-based compensation.

d) Deferred income tax balances

The Corporation uses the asset and liability method in accounting for deferred income taxes. Under this method, deferred income taxes are recognized for the future income tax. In preparing these estimates, management is required to interpret, substantially enacted legislation as well as economic and business conditions along with management's tax and corporate plans which may impact taxable income in future periods.

e) Refundable tax credits and mining duties

The estimates are based on an interpretation of legislation substantially enacted and management's application of their interpretation of the treatment of various items which could impact the valuation.

Risks and uncertainties

The Corporation, like all other mining exploration companies, is exposed to a variety of financial and environmental risks as well as operational and safety risks.

It is also subject to risks related to other factors, such as metal prices and financial market conditions. The main risks which the Corporation is exposed to is as follows:

(a) Financing risk

The Corporation must periodically obtain new funds in order to pursue its activities. While it has always succeeded in doing so to date, there can be no assurance that it will continue to do so in the future.

The Corporation believes that the quality of its properties and their geological potential will enable it to obtain the required financing for their continued exploration and potential development.

(b) Financial market risk

Under its current business model as a project generator, CIM acquires properties and attempts to option or sell properties to other junior mining companies or producers. In order for Junior Mining companies to satisfy their obligations with CIM under their option arrangements, in many cases, they must raise funds in the equity markets which currently are very challenging.

(c) Volatility of stock price and limited liquidity

The CIM shares trade on the TSXV under the symbol CBG, on the Stuttgart exchange under the symbol CLL1, as well as on the OTC Markets (USA) under the symbol CMAUF.

CIM's common shares have experienced significant volatility in price and trading volume over the last several years. There can be no assurance of adequate liquidity in the future for CIM's common shares.

(d) Permits and licences

The Corporation's operations may require permits and licenses from different governmental authorities. There cannot be any assurance that the Corporation will obtain all the required permits and licenses in order to continue the exploration and development of its properties.

(e) Government laws and regulations

The Corporation's operations and exploration activities are subject to the laws and regulations of federal, provincial, and local governments in the jurisdictions in which the Corporation operates.

These laws and regulations are extensive and govern prospecting, exploration, development, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, environmental protection, mine safety and other matters.

Compliance with such laws and regulations increases the costs of planning, designing, drilling, developing, constructing, operating, closing, reclaiming and rehabilitating mines and other facilities. New laws, regulations or taxes, amendments to current laws, regulations or taxes governing operations and activities of mining corporations or more stringent implementation or interpretation thereof could have a material adverse impact on the Corporation, cause a reduction in levels of production and delay or prevent the development of new mining properties.

The Canadian mining industry is subject to federal and provincial environmental protection legislation. This legislation sets high standards on the mining industry in order to reduce or eliminate the effects of waste generated by extraction and processing operations and subsequently emitted into the air or water.

Compliance with applicable environmental legislation and review processes, as well as the obtaining of permits, particularly for the use of the land, permits for the use of water, and similar authorizations from various governmental bodies increases the costs of planning, designing, drilling, as well as exploration and operating activities.

Some of the Corporation’s operations are subject to reclamation, site restoration and closure requirements. Costs related to ongoing site restoration programs are expensed when incurred. It is possible that the Corporation’s estimates of its ultimate reclamation liability could change as a result of possible changes in laws and regulations and changes in cost estimates.

Failure to comply with applicable laws and regulations may result in enforcement actions thereunder, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

(f) Aboriginal rights and duty to consult

The Corporation operates and does exploration on properties, which are subject to Aboriginal rights or titles. The Corporation, under its Corporate Social Responsibility program, and local laws and regulations, consults with First Nations about any impact of its activities on such rights, titles or claims, which may cause delays in making decisions or project start-ups. Further, there is no assurance of favourable outcomes of these consultations. The Corporation may have to face adverse consequences such as significant expenses on account of lawsuits and loss of reputation.

(g) Environmental risks

Environmental legislation is evolving in a way which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increased responsibility for companies and their officers, directors and employees. At this time, it is not certain that these changes will not adversely affect the Corporation’s operations. Compliance costs are expected to rise.

(h) Title matters

The staked 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 compromising the claims may be in doubt. Although, the Corporation has taken all possible measures to ensure proper title to its properties and royalty interests, including filing of necessary documents and payments to local regulatory authorities, there is no guarantee that the title of any of its properties will not be challenged.

The provincial governments are currently working to convert mining claims to a map designated cells which should mitigate this risk.

(i) Metal prices

Even if the exploration programs of the Corporation are successful, some factors out of the Corporation's control may affect the marketing of the minerals found. World-wide supply and demand for metals determines metal prices which are affected by many factors including international, economic and political trends, inflation expectations, exchange rate fluctuations, interest rates, global and regional consumption levels, speculative activities and worldwide production levels. The effects of these factors cannot be precisely predicted.

(j) Key personnel

The management of the Corporation rests on some key personnel and mostly on its President and Chief Executive Officer (''CEO''). The loss of the President and CEO could have a negative impact on the development and the success of its operations.

Related party information

(a) Related party payables

	December 31, 2018	December 31, 2017
Globex Mining Enterprises Inc.	$1,443	$14,476

The loan bears no interest, is without specific terms of repayment and is unsecured.

The Corporation is considered a related party with Globex as management consisting of the President and CEO and Director hold the same positions with both entities. In addition, the President and CEO holds a large number of common shares of both organizations through Jack Stoch Geoconsultant Services Limited and therefore can significantly influence the operations of both entities. The amount due 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.

	Year ended December 31, 2018	Year ended December 31, 2017
Globex Management Services (i)	$12,335	$53,028
Management compensation	$59,635	$33,343
Total	**$71,970**	**$86,371**

(i) Globex management services for the respective years represents Globex's estimate of the specific costs related to performing these services in accordance with the Management Services Agreement. It included the management compensation as well as a proportional departure allowance of the former Chief Financial Officer ("CFO") who resigned from the organization effective September 20, 2017.

(ii) Management compensation represents salaries and other benefits of the President and CEO as well as external services provided by the new CFO and the new Corporate Secretary. As at December 31, 2018, the balance due to CFO and Corporate Secretary is $4,447 (December 31, 2017 - $nil) which is included in payables and accruals due under normal credit terms.

No other related party transactions had been incurred during the year ended December 31, 2018 and 2017.

(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 current and former CFO, Treasurer and Corporate Secretary) are as follows:

	Year ended December 31, 2018	Year ended December 31, 2017
Management services (i)	$59,635	$65,791

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

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

Outlook

As we indicated in our 2017 Annual MD&A, we recognized that favourable attitudes towards the successful completion of financings in the junior mining sector emerged in the early part of the year. We were extremely pleased to complete our private placements in June 2016, which provided the funding that was needed to significantly advance our understanding of Berrigan and Bateman Bay properties.

Limited exploration activities which have been undertaken confirmed our initial enthusiasm and we expect to continue to gain additional information which will focus our subsequent exploration efforts.

The Optioning of the Mont Sorcier property to Vanadium One in the fourth quarter of 2016 represented a significant achievement.

As reported in the MD&A of 2017, we have sold approximately 50% of the shares received under this arrangement which generated gross proceeds $163,895 which mainly funded the exploration expenses during the year ended December 31, 2017.

We believe that our current cash and cash equivalents, cash reserved for exploration as well as our investments could provide sufficient financial liquidity for the Corporation to achieve its 2019 corporate objectives.

Management believes that the Corporation holds first-class properties and has access to the human and corporate resources necessary to advance the exploration and development of our Chibougamau Mining Camp Properties.

In our forward planning for the 2019, we recognized that economic uncertainties and market challenges are factors that need to be considered.

Additional information

This analysis should be read in conjunction with the comparative financial statements for the year ended December 31, 2018 and the year ended December 31, 2017 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 2018 and/or 2017 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 March 13, 2019.