

**GLOBEX MINING ENTERPRISES INC.**

**NOTICE OF SPECIAL MEETING TO BE HELD ON OCTOBER 19, 2012**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

September 19, 2012

September 19, 2012

Dear Shareholder:

You are invited to a special meeting (the “**Meeting**”) of the shareholders (“**Shareholders**”) of Globex Mining Enterprises Inc. (“**Globex**”) to be held at the offices of Heenan Blaikie LLP, Bay Adelaide Centre, 333 Bay Street, Suite 2900, Toronto, Ontario on Friday, October 19, 2012 at 9 a.m.

At the Meeting, you will be asked to consider, and if deemed appropriate, to pass, with or without variation, a special resolution (the “**Arrangement Resolution**”), the full text of which is set out in Schedule A to the management information circular (the “**Circular**”) which accompanies this letter, approving a proposed arrangement (the “**Arrangement**”) involving Globex and its wholly-owned subsidiary Chibougamau Independent Mines Inc. (“**CIM**”). Pursuant to the arrangement agreement (the “**Arrangement Agreement**”) between Globex and CIM, Globex and CIM have agreed to complete the Arrangement pursuant to which, on the terms and subject to the conditions set out in such agreement, Globex will transfer to CIM the interest of Globex in ten mineral resource properties known as the “Chibougamau Mining Camp” in the Chibougamau region of Québec, subject to a 3% “gross metal royalty” in favour of Globex, together with cash and certain securities held by Globex, and each Shareholder will ultimately be entitled to receive one new common share of Globex and one new common share of CIM for each common share of Globex held by such Shareholder. Upon completion of the Arrangement, Globex will continue to hold its numerous other mineral resource properties as well as most of its cash and securities.

The directors of Globex believe that the Arrangement will enhance Shareholder value by, among other things, allowing each of Globex and CIM to focus on exploring and developing its own mineral projects. A description of the Arrangement is set out in the Circular.

The completion of the Arrangement is conditional upon, among other things, approval by Shareholders and by the Québec Superior Court, receipt by Globex of an advance income tax ruling from Canada Revenue Agency which confirms that the Arrangement may be completed on a tax-neutral basis for Globex and the Shareholders, and receipt of all other regulatory consents and approvals required in connection with the Arrangement. In addition, an application will be made to list the shares of CIM on the TSX Venture Exchange.

The directors of Globex have unanimously approved the Arrangement Agreement and the terms of the Arrangement and unanimously recommend that you vote in favour of the Arrangement Resolution at the Meeting for the reasons set out in the Circular.

The Arrangement Resolution requires the affirmative vote of not less than two-thirds of the votes cast by Shareholders who vote in respect thereof, in person or by proxy, at the Meeting.

We hope you will be able to attend the Meeting. Whether or not you are able to attend, it is important that you be represented at the Meeting. We encourage you to complete the enclosed form of proxy and return it by the time specified in the notice of the Meeting and in the Circular to Computershare Investor Services Inc. at the address specified on the form of proxy. Voting by proxy will not prevent you from voting in person if you attend the Meeting, but will ensure that your vote will be counted if you are unable to attend.

Sincerely,

(signed) Jack Stoch  
President and Chief Executive Officer

**GLOBEX MINING ENTERPRISES INC.**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that a special meeting (the “**Meeting**”) of the shareholders of Globex Mining Enterprises Inc. (“**Globex**”) will be held at the offices of Heenan Blaikie LLP, Bay Adelaide Centre, 333 Bay Street, Suite 2900, Toronto, Ontario on Friday, October 19, 2012 at 9 a.m. for the following purposes:

1. to consider, pursuant to an interim order (the “**Interim Order**”) of the Québec Superior Court dated September 18, 2012, and if deemed appropriate, to pass, with or without variation, a special resolution (the “**Arrangement Resolution**”), the full text of which is set out in Schedule A to the management information circular (the “**Circular**”) of Globex, approving the arrangement (the “**Arrangement**”) under section 414 of the *Business Corporations Act* (Québec) involving Globex and its wholly-owned subsidiary Chibougamau Independent Mines Inc. (“**CIM**”), pursuant to which, among other things, Globex will transfer to CIM Globex’s interest in ten mineral resource properties known as the “Chibougamau Mining Camp” in the Chibougamau region of Québec, subject to a 3% “gross metal royalty” in favour of Globex, together with cash and certain securities held by Globex, and each shareholder of Globex (other than a registered shareholder who exercises the right (the “**Repurchase Right**”) to demand that Globex repurchase all of its Globex Common Shares in connection with the Arrangement Resolution) will ultimately be entitled to receive new common shares of Globex and common shares of CIM in exchange for the common shares of Globex held by such shareholder on the basis of one new common share of Globex and one common share of CIM for each common share of Globex held by such shareholder, as more particularly described in the Circular; and
2. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The Arrangement is subject to shareholder approval pursuant to the Interim Order. Before the Arrangement can become effective, it must be approved by a final order (the “**Final Order**”) of the Québec Superior Court. A copy of the Interim Order is annexed as Schedule B to the Circular and a copy of the Motion for Interim and Final Orders respecting the Arrangement and Notice of Application for the Final Order is annexed as Schedule C to the Circular. **Any shareholder of Globex may participate, be represented and present evidence or arguments at the hearing for the Final Order. Reference is made to the Circular under the heading “The Arrangement — Court Approval and Completion of the Arrangement”.**

The Arrangement will be completed pursuant to the Arrangement Agreement between Globex and CIM, a copy of which is annexed as Schedule D to the Circular. A description of the Arrangement is included in the Circular.

Only shareholders of record at the close of business on September 11, 2012 are entitled to receive notice of the Meeting and any adjournment or postponement thereof.

**Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the accompanying form of proxy in the enclosed return envelope. All instruments appointing proxies to be used at the Meeting or at any adjournment thereof must be deposited with Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, not later than 5:00 p.m. (Toronto time) on October 18, 2012 or with the chairman of the Meeting prior to the commencement of the Meeting or any adjournment thereof.**

DATED at Rouyn-Noranda, Québec.  
September 19, 2012.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Jack Stoch  
President and Chief Executive Officer

## TABLE OF CONTENTS

Information for all Shareholders.....	4
Forward-Looking Statements .....	4
Information for United States Shareholders.....	4
Summary.....	6
Glossary .....	15
Currency .....	19
Financial Information and Accounting Principles .....	19
General Proxy Information .....	19
Non-Registered Shareholders .....	20
Registered Shareholders .....	21
Information Concerning the Meeting.....	21
The Arrangement .....	22
Regulatory Matters .....	33
Right to Demand Repurchase of Shares .....	35
Income Tax Considerations .....	37
Risk Factors .....	39
Business of the Meeting.....	43
Interest of Informed Persons in Material Transactions .....	43
Interests of Experts .....	44
Additional Information .....	44
Approval .....	45
Schedule A — Arrangement Resolution.....	46
Schedule B — Interim Order .....	47
Schedule C — Motion for Interim and Final Orders Respecting the Arrangement and Notice of Application for Final Order .....	56
Schedule D — Arrangement Agreement .....	77
Schedule E — Financial Disclosure .....	121
Schedule F — CIM Stock Option Plan.....	167
Schedule G — Information Concerning Globex Mining Enterprises Inc. Following Completion of the Arrangement.....	172
Schedule H — Information Concerning Chibougamau Independent Mines Inc. Following Completion of the Arrangement.....	175
Schedule I — Chapter XIV – Business Corporations Act (Québec) .....	302

## INFORMATION FOR ALL SHAREHOLDERS

This Circular does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation of an offer or proxy solicitation. Neither the delivery of this Circular nor any distribution of the securities referred to in this Circular will, under any circumstances, create an implication that there has been no change in the information set out herein since the date as of which such information is given in this Circular.

No person has been authorized to give any information or make any representation in connection with the matters proposed to be considered at the special meeting of shareholders of Globex other than those contained in or incorporated by reference in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

Unless otherwise noted, the information provided in this Circular is given as of August 31, 2012.

## FORWARD-LOOKING STATEMENTS

This Circular and the documents incorporated by reference herein contain “forward-looking statements” within the meaning of applicable securities legislation. These forward-looking statements may include, amongst other things, statements with respect to Globex’s business strategy (and, upon completion of the Arrangement, those of Globex and CIM), plans, outlook, long-term growth in cash flow, earnings per share and Shareholder value, projections, targets and expectations as to reserves, resources, results of exploration (including targets) and related expenses, property acquisitions, drilling activity, sampling and other data, recovery improvements, future production levels, capital costs, expenditures for environmental matters and technology, and completion dates for the various development stages of mines, and future mineral prices. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “anticipate”, “project”, “target”, “believe”, “estimate”, “intend”, “should” or the negative thereof or variations thereon or similar expressions. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause Globex’s actual results, level of activity, performance or achievements (and, upon completion of the Arrangement, those of Globex and CIM) to be materially different from those expressed or implied by such forward-looking statements, including:

- uncertainties and costs related to Globex’s exploration and development activities (and, upon completion of the Arrangement, those of Globex and CIM), such as those associated with determining whether mineral reserves exist on a property;
- uncertainties related to feasibility studies that provide estimates of expected or anticipated economic returns from a mining project;
- uncertainties related to the accuracy of reserve and resource estimates and estimates of future production and future cash and total costs of production;
- changes in, and the effects of, the laws, regulations and government policies affecting operations, particularly laws, regulations and policies relating to environmental matters; and
- changes in general economic conditions, the financial markets and in the demand and market price for minerals and commodities, such as diesel fuel, electricity and other forms of energy, and fluctuations in exchange rates.

This list is not exhaustive of the factors that may affect any forward-looking statements. Other factors that could cause actual results to differ materially include, but are not limited to, those set out below under “Risk Factors”. Neither Globex nor, upon completion of the Arrangement, CIM undertakes to update any forward-looking statements made or incorporated by reference herein, except in accordance with applicable securities laws.

## INFORMATION FOR UNITED STATES SHAREHOLDERS

The securities to be issued to Shareholders pursuant to the Arrangement described in this Circular have not been registered under the *United States Securities Act of 1933*, as amended (the “**1933 Act**”) or any state securities laws, and are being issued in reliance on an exemption from the registration requirements of the 1933 Act set out in section 3(a)(10) of the 1933 Act. The solicitation of proxies made pursuant to this Circular is not subject to the requirements of section 14(a) of the *United*

*States Securities Exchange Act of 1934*, as amended (the “**1934 Act**”). Accordingly, the solicitations and transactions contemplated in this Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and securities laws, and this Circular has been prepared in accordance with disclosure requirements applicable in Canada. Shareholders in the United States should be aware that such requirements are different from those of the United States applicable to registration statements under the 1933 Act and to proxy statements under the 1934 Act. The securities to be issued to Shareholders in the United States pursuant to the Arrangement will not be listed for trading on any United States stock exchange. The financial statements and historical financial information included in this Circular have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board and are subject to Canadian auditing and auditor independence standards, and thus are not comparable in all respects to financial statements of United States companies.

United States Shareholders who are United States taxpayers are advised to consult their own tax advisers to determine the particular tax consequences to them of the Arrangement.

The enforcement by Shareholders of civil liabilities under United States securities laws may be affected adversely by the fact that Globex and CIM are organized under the laws of a jurisdiction other than the United States, that a majority of their respective officers and directors are residents of countries other than the United States, that the experts named in this Circular are residents of countries other than the United States, and that the assets of Globex and CIM and such persons are located for the most part outside of the United States.

The 1933 Act imposes restrictions on the resale in the United States of securities received pursuant to the Arrangement by persons who were “affiliates” of Globex and CIM immediately prior to the Arrangement and persons who are affiliates of Globex and CIM after the Arrangement. See “Regulatory Matters — Issue and Resale of Globex New Common Shares and CIM Common Shares — United States”.

This Circular and the documents incorporated by reference herein have been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. Unless otherwise indicated, all reserve and resource estimates and information concerning mineral deposits included in this Circular and the documents incorporated by reference herein have been prepared in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”). NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure that an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of United States securities laws. Accordingly, United States Shareholders should be aware that reserve and resource information and information concerning mineral deposits contained in this Circular and the documents incorporated by reference herein may not be comparable to similar information disclosed by United States companies that report in accordance with United States standards.

**Neither the Arrangement nor this Circular has been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission, or other regulatory authority, nor have any of the foregoing authorities or any Canadian securities commission passed upon or endorsed the merits of the Arrangement. Any representation to the contrary is a criminal offence.**

## SUMMARY

*The following is a summary of certain information contained elsewhere in this Circular. Reference is made to, and this summary is qualified in its entirety by, the more detailed information contained in this Circular and in the annexed schedules. Shareholders are encouraged to read this Circular and the annexed schedules carefully and in their entirety. In this Circular, dollar amounts are expressed in Canadian dollars unless otherwise stated. Unless the context otherwise requires, capitalized words and terms in this summary have the same meanings as set out in the Glossary and elsewhere in this Circular.*

### **Globex Mining Enterprises Inc.**

Globex is engaged in the exploration and development of mineral resource properties. Globex holds various interests in mineral resource properties in Canada and the United States. The head office of Globex is at 86 14<sup>th</sup> Street, Rouyn-Noranda, Québec J9X 2J1. Globex's telephone number is (819) 797-5242. See "The Arrangement — Globex Prior to the Arrangement".

### **The Meeting**

#### **Time, Date and Place**

The Meeting will be held at the offices of Heenan Blaikie LLP, Bay Adelaide Centre, 333 Bay Street, Suite 2900, Toronto, Ontario on Friday, October 19, 2012 at 9 a.m.

#### **Record Date and Shares Entitled to Vote**

As at August 31, 2012, there were 24,098,378 issued and outstanding Globex Common Shares. Each of the Globex Common Shares entitles the holder thereof to one vote. Globex has fixed September 11, 2012 as the record date (the "**Record Date**") for the purpose of determining Shareholders entitled to receive notice of the Meeting. Any registered Shareholder of record as at the close of business on the Record Date will be entitled to vote at the Meeting.

#### **Matters to be Considered**

At the Meeting, Shareholders will be asked to consider and vote upon: (i) pursuant to the Interim Order, the Arrangement Resolution; and (ii) such other matters as may properly come before the Meeting.

#### **Votes Required for the Arrangement**

The Arrangement Resolution requires the affirmative vote of not less than two-thirds of the votes cast by Shareholders who vote in respect thereof, in person or by proxy, at the Meeting.

### **The Arrangement**

CIM was incorporated under the *Canada Business Corporations Act* on December 13, 2010, primarily for the purpose of carrying out the Arrangement. Pursuant to the Arrangement, among other things, Globex will transfer the Transferred Assets to CIM and each Shareholder (other than a registered Shareholder who exercises the Repurchase Right in respect of the Arrangement Resolution) will ultimately be entitled to receive Globex New Common Shares and CIM Common Shares in exchange for the Globex Common Shares held by such Shareholder on the basis of one Globex New Common Share and one CIM Common Share for each Globex Common Share held by such Shareholder, subject to the condition that registered holders of fewer than 100 Globex Common Shares (collectively, the "**Small Registered Shareholders**") will receive, in lieu of CIM Common Shares, a cash payment equal to the number of CIM Common Shares they otherwise would have received multiplied by the volume weighted average trading price of the CIM Common Shares on the TSX or TSXV, as the case may be, for the first day of trading following the Effective Date, all pursuant to the Plan of Arrangement. The principal assets comprising the Transferred Assets are:

- (a) the interest of Globex in ten mineral resource properties known as the "Chibougamau Mining Camp" in the Chibougamau region of Québec, subject to a 3% "gross metal royalty" in favour of Globex;

- (b) cash of Globex in an amount obtained by multiplying all cash held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion;
- (c) securities held by Globex having a fair market value equal to the amount obtained by multiplying the fair market value of all securities held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion; and
- (d) all agreements to which Globex is a party and all other rights and assets of Globex which pertain to any of the properties comprising the “Chibougamau Mining Camp” and which will be assigned by Globex to CIM as part of the Arrangement.

The following are the ten properties comprising the “Chibougamau Mining Camp”:

- Berrigan Lake (Taché) Property
- Berrigan South Property
- Bateman Bay Mine (including a portion of the Jaculet Mine)
- Chibougamau Lake Property (including S-3 and Tommy Zones, down dip of Henderson 1 & 2 Mines and Portage Mine)
- Copper Cliff Property
- Grandroy Mine
- Kokko Creek Mine
- Québec Chibougamau Goldfields Mine
- Virginia Property
- Sulphur Converting/Magnetite Bay

The properties comprising the “Chibougamau Mining Camp” are located within the Abitibi – Chibougamau Mining District in Lemoine, McKenzie, Obalski and Roy Townships, Québec. The properties are immediately E-SE and NW of the town of Chibougamau, Québec. The Chibougamau Mining Camp is comprised of 159 mining claims (CL) and 116 cells (CDC) covering an area of approximately 6,554 hectares (16,385 acres) or about 65.54 square kilometers. A large portion of these claims underlies the waters of Lac Chibougamau and Lac Doré and can be reached by boat in the summer and over ice in the winter.

Upon completion of the Arrangement, Globex will continue to hold its other mineral resource properties. Globex will also retain approximately \$1.5 million in cash and a portfolio of securities having a total market value of approximately \$1.3 million as at June 30, 2012. See “The Arrangement — Mineral Resource Properties and Other Assets of CIM and Globex upon Completion of the Arrangement”.

#### *Treatment of Globex Stock Options*

In connection with the Arrangement, each holder of Globex Stock Options will dispose of its Globex Stock Options to each of Globex and CIM in consideration for the issuance to the particular holder of a new Globex Stock Option granted by Globex to acquire a Globex New Common Share and a CIM Stock Option granted by CIM to acquire a CIM Common Share in such a manner that:

- (a) holders of Globex Stock Options will receive no consideration for the exchange of their Globex Stock Options other than a new Globex Stock Option and CIM Stock Option;
- (b) the original exercise price of each Globex Stock Option to each holder of Globex Stock Options will be allocated to the new Globex Stock Option and the CIM Stock Option such that an amount equal to the Exercise Price Proportion of the exercise price of each Globex Stock Option will be payable to CIM on exercise of the CIM Stock Option and an amount equal to the remainder of the original Globex Stock Option exercise price will be payable to Globex on exercise of the new Globex Stock Option. In the event that CIM is listed on the TSXV, where the foregoing allocation with respect to the exercise price of a CIM Stock Option results in an exercise price that is less than \$0.10, the exercise price for the CIM Stock Option will increase to \$0.10 (without resulting in an equivalent reduction in the exercise price of a new Globex Stock Option);
- (c) the expiry date of a new Globex Stock Option and a CIM Stock Option will, aside from certain differences in termination provisions, be the same as that of the corresponding Globex Stock Option;



- (d) the other material commercial terms and conditions of the new Globex Stock Options and the CIM Stock Options will generally parallel those of the Globex Stock Options, but there will be certain differences in recognition of the fact that Globex is listed on the TSX and CIM may be listed on the TSXV; and
- (e) the Globex Stock Options will be cancelled upon the foregoing transfers.

The issuance by CIM of the CIM Stock Options will be in anticipation of the transfer of the Transferred Assets from Globex to CIM and will form part of the non-share consideration paid by CIM. See “The Arrangement — Overview of the Arrangement — Treatment of Globex Stock Options”. Pursuant to the policies of the TSXV, a holder of Globex Stock Options who receives CIM Stock Options pursuant to the Arrangement must, in order to have the right to continue to hold such CIM Stock Options, be otherwise eligible to receive CIM Stock Options under the CIM Stock Option Plan.

#### *Directors and Officers of CIM*

The directors of CIM following the completion of the Arrangement will be Jack Stoch, Dianne Stoch, Samuel R. Bosum, David J. LeClaire and Rimant (Ray) Zalnierunas. The officers of CIM following the completion of the Arrangement will be the same as the current officers of Globex. In addition, Globex will agree to provide administrative assistance, for a fee, to CIM pursuant to the Management Agreement.

#### *Reasons for the Arrangement*

The purpose of the Arrangement is to allow Globex to transfer, among other things, ten of Globex’s mineral resource properties known as the “Chibougamau Mining Camp” to CIM, subject to a 3% “gross metal royalty” in favour of Globex. The directors of Globex have reviewed the terms and conditions of the Arrangement and have unanimously concluded that the terms and conditions of the Arrangement are: (i) fair and reasonable as regards Globex and the Shareholders; and (ii) in the best interests of Globex and the Shareholders. The directors of Globex believe that the Arrangement will enhance Shareholder value by, among other things, allowing CIM to focus on the mineral resource properties comprising part of the Transferred Assets, and each of Globex and CIM to focus on exploring and developing its own mineral projects.

In arriving at their recommendation with respect to the Arrangement, the directors of Globex considered, among other matters:

- (a) the conclusions of the management of Globex with respect to the prospects of an increase in Shareholder value;
- (b) the terms of the Arrangement, which will result in Shareholders continuing to indirectly own immediately after the Arrangement becomes effective the same proportionate voting and equity interest in all of the assets currently held by Globex through their ownership of shares of both Globex and CIM;
- (c) the procedures by which the Arrangement will be approved, including the requirement that the Arrangement be approved by not less than two-thirds of the votes cast by the holders of Globex Common Shares present in person or represented by proxy at the Meeting, and the requirement of Court approval; and
- (d) the tax treatment of Globex and Shareholders under the Arrangement.

**Accordingly, the directors of Globex unanimously recommend that Shareholders vote in favour of the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved by not less than two-thirds of the votes cast by the holders of Globex Common Shares present in person or represented by proxy at the Meeting. Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Globex Common Shares represented by such form of proxy for the Arrangement Resolution.**

See “The Arrangement — Background to the Arrangement and Recommendation of the Directors of Globex”.

#### **Court Approval and Completion of the Arrangement**

Assuming that the Final Order is granted and the other conditions for the completion of the Arrangement as set out in the Arrangement Agreement are satisfied or waived, it is anticipated that: (i) the Articles of Arrangement will be filed with the Québec Enterprise Registrar to give effect to the Plan of Arrangement; and (ii) the various other documents necessary to complete the Arrangement as contemplated under the Arrangement Agreement will be executed and delivered. It is currently

anticipated that the Effective Date will be on or about November 30, 2012. See “The Arrangement — Court Approval and Completion of the Arrangement”.

### **Exchange Procedures**

On or as soon as practicable after the Effective Date, Globex and CIM will deposit with the Depositary or arrange to be delivered certificates representing the aggregate number of Globex New Common Shares and CIM Common Shares, respectively, issued to Shareholders in connection with the Arrangement. Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Globex Common Shares together with a Letter of Transmittal which has been completed and signed in the manner required thereby in respect of such certificate and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate will be entitled to receive in exchange therefor, and the Depositary will deliver to such holder, certificates representing that number of Globex New Common Shares and CIM Common Shares that such holder has the right to receive pursuant to the Plan of Arrangement and the surrendered certificate will be cancelled. A Letter of Transmittal accompanies this Circular.

In the event of a transfer of ownership of Globex Common Shares that is not registered in the transfer records of Globex, certificates representing the proper number of Globex New Common Shares and CIM Common Shares may be issued to the transferee if the certificate representing such Globex Common Shares is presented to the Depositary, accompanied by all documents required to evidence and effect such transfer.

Until surrendered, each certificate which immediately prior to the Effective Time represented Globex Common Shares will be deemed, at any time after the Effective Time, to represent only the right to receive upon such surrender the certificates representing Globex New Common Shares and CIM Common Shares that the holder thereof has the right to receive in respect of such certificate pursuant to the Plan of Arrangement.

To the extent that a Shareholder has not surrendered the certificate representing Globex Common Shares held by such Shareholder on or before the date which is one year after the Effective Date, then the CIM Common Shares which such Shareholder was entitled to receive will be delivered to CIM by the Depositary for cancellation and will be cancelled by CIM, and the interest of the Shareholder in such CIM Common Shares will be terminated as of such date.

Small Registered Shareholders will receive, in lieu of CIM Common Shares, a cash payment equal to the number of CIM Common Shares they otherwise would have received multiplied by the volume weighted average trading price of the CIM Common Shares on the TSX or TSXV, as the case may be, for the first day of trading following the Effective Date. Such Shareholders must nonetheless surrender their Globex Common Shares in the manner specified above in order to receive a certificate representing Globex New Common Shares and a cheque representing the applicable cash payment. See “The Arrangement — Exchange Procedure”.

### **Right to Demand Repurchase of Shares**

The Plan of Arrangement provides Shareholders with the right to demand repurchase of the Globex Common Shares held by them for their fair value. Such right is required to be exercised in accordance with sections 372 and following of the QBCA, the Interim Order and the Plan of Arrangement. See “Right to Demand Repurchase of Shares”.

### **Description of the Plan of Arrangement**

On the Effective Date, it is currently contemplated that the following will occur and be deemed to occur in the following order without further act or formality and with each transaction or event being deemed to occur immediately after the occurrence of the transaction or event immediately preceding it:

- (a) the aggregate stated capital and paid-up capital of the Globex Common Shares will be divided by the number of Globex Common Shares outstanding immediately prior to the Effective Time;
- (b) Globex will purchase for cancellation the Globex Common Shares of all Repurchase Demanding Shareholders who have exercised their repurchase right in strict compliance with the procedures set out in sections 372 and following of the QBCA required to be taken by a registered holder of Globex Common Shares to exercise the right to demand repurchase of Globex Common Shares in connection with the Arrangement. All such Globex Common Shares will be cancelled at such time and the name of the

Repurchase Demanding Shareholder will be deleted from the register of Globex Shareholders. The stated capital and paid-up capital of the Globex Common Shares will be reduced by an amount equal to the number of Globex Common Shares purchased pursuant to the exercise of the repurchase right multiplied by the stated capital and paid-up capital, as the case may be, as calculated in paragraph (a) above;

- (c) the articles of Globex will be amended as set out in Exhibit II annexed to the Plan of Arrangement to authorize Globex to issue:
  - (i) an unlimited number of Globex New Common Shares;
  - (ii) an unlimited number of Globex Butterfly Shares; and
  - (iii) an unlimited number of Globex Preference Shares, issuable in series,having the rights, privileges, restrictions and conditions set out in such Exhibit;
- (d) the articles of CIM will be amended to create the CIM Redemption Shares, which will have the following attributes:
  - (i) each CIM Redemption Share will be redeemable, subject to applicable law, at any time at the option of CIM at a redemption amount equal to the CIM Redemption Share Redemption Amount;
  - (ii) each CIM Redemption Share will be retractable, subject to applicable law, at any time at the option of the holder at a retraction amount equal to the CIM Redemption Share Redemption Amount;
  - (iii) the holders of the CIM Redemption Shares will not be entitled to any dividends;
  - (iv) for the purpose of subsection 191(4) of the ITA, the amount specified in respect of each CIM Redemption Share which is to be redeemed, acquired or cancelled, will be the amount specified by a director or officer of CIM in a certificate that is made: (i) effective concurrently with the issuance of such CIM Redemption Share; and (ii) pursuant to a resolution of the Board of Directors of CIM duly passed and evidenced in writing authorizing the issuance of such CIM Redemption Share, such amount to be expressed as a dollar amount (and not expressed as a formula), such amount to be not subject to change thereafter, and such amount to be equal to the fair market value of the consideration for which such CIM Redemption Share is issued;
  - (v) the holder of each CIM Redemption Share will be entitled, upon the liquidation, dissolution or winding-up of CIM, to a payment in priority to all other classes of shares of CIM of an amount equal to the CIM Redemption Share Redemption Amount to the extent of the amount of value of property available under applicable law for payment to Shareholders upon such liquidation, dissolution or winding-up, and no other amount; and
  - (vi) each CIM Redemption Share will entitle its holder to one vote at meetings of Shareholders of CIM;
- (e) each Globex Common Share outstanding on the Effective Date will be exchanged for one Globex New Common Share and one Globex Butterfly Share. Each Shareholder will cease to be the holder of the Globex Common Shares so exchanged and will become the holder of the same number of Globex New Common Shares and of Globex Butterfly Shares as the number of Globex Common Shares then owned by such Shareholder. The name of such Shareholder will be removed from the register of holders of Globex Common Shares and will be added to the registers of holders of both Globex New Common Shares and Globex Butterfly Shares with respect to the Globex New Common Shares and the Globex Butterfly Shares issued to such Shareholder. The aggregate addition to the stated capital of both the Globex New Common Shares and the Globex Butterfly Shares issued by Globex on the exchange described in this paragraph (e) will equal the aggregate paid-up capital of the Globex Common Shares subject to this exchange and as calculated in paragraph (a) above. This paid-up capital will be allocated to the Globex New Common Shares and to the Globex Butterfly Shares based on the ratio that the fair market value of the Globex New Common Shares and the Globex Butterfly Shares, as the case may be, is of the fair market value of all of

the Globex New Common Shares and the Globex Butterfly Shares. All Globex Common Shares exchanged for Globex New Common Shares and Globex Butterfly Shares will be cancelled;

- (f) each holder of Globex Butterfly Shares will transfer all of the Globex Butterfly Shares held by such holder to CIM in consideration for the issuance by CIM of one CIM Common Share for each Globex Butterfly Share, subject to the condition that Small Registered Shareholders will receive, in lieu of CIM Common Shares, a cash payment equal to the number of CIM Common Shares they otherwise would have received multiplied by the volume weighted average trading price of the CIM Common Shares on the TSX or TSXV, as the case may be, for the first day of trading following the Effective Date, subject to such registered holders complying with the procedures set out in Article 4 of the Plan of Arrangement. Each holder of Globex Butterfly Shares will cease to be the holder of the Globex Butterfly Shares so transferred and will become the holder of the identical number of CIM Common Shares as the number of Globex Butterfly Shares transferred by such Shareholder to CIM. The name of such holder will be removed from the register of holders of Globex Butterfly Shares with respect to the Globex Butterfly Shares so transferred and will be added to the register of holders of CIM Common Shares as the holder of the number of CIM Common Shares so issued to such holder. CIM will be the owner of the Globex Butterfly Shares so transferred and the name of CIM will be entered in the register of holders of Globex Butterfly Shares in respect of the Globex Butterfly Shares so transferred to CIM, and CIM will add to the stated capital account maintained for the CIM Common Shares an amount equal to the aggregate paid-up capital of the Globex Butterfly Shares acquired by CIM;
- (g) immediately following the transfer of the Globex Butterfly Shares to CIM described in paragraph (f) above, each holder of Globex Stock Options will dispose of its Globex Stock Options to each of Globex and CIM in consideration for the issuance to the particular holder of a new Globex Stock Option granted by Globex to acquire a Globex New Common Share and a CIM Stock Option granted by CIM to acquire a CIM Common Share in such a manner that:
  - (i) holders of Globex Stock Options will receive no consideration for the exchange of their Globex Stock Options other than a new Globex Stock Option and CIM Stock Option;
  - (ii) the original exercise price of each Globex Stock Option to each holder of Globex Stock Options will be allocated to the new Globex Stock Option and the CIM Stock Option such that an amount equal to the Exercise Price Proportion of the exercise price of each Globex Stock Option will be payable to CIM on exercise of the CIM Stock Option and an amount equal to the remainder of the original Globex Stock Option exercise price will be payable to Globex on exercise of the new Globex Stock Option. In the event that CIM is listed on the TSXV, where the allocation described in this paragraph with respect to the exercise price of a CIM Stock Option results in an exercise price that is less than \$0.10, the exercise price for the CIM Stock Option will increase to \$0.10 (without resulting in an equivalent reduction in the exercise price of a new Globex Stock Option);
  - (iii) the expiry date of a new Globex Stock Option and a CIM Stock Option will, aside from certain differences in termination provisions, be the same as that of the corresponding Globex Stock Option;
  - (iv) the other material commercial terms and conditions of the new Globex Stock Options and the CIM Stock Options will generally parallel those of the Globex Stock Options, but there will be certain differences in recognition of the fact that Globex is listed on the TSX and CIM may be listed on the TSXV; and
  - (v) the Globex Stock Options will be cancelled upon the foregoing transfers.

The issuance by CIM of the CIM Stock Options will be in anticipation of the distribution described in paragraph (h) below and will form part of the non-share consideration paid by CIM;

- (h) Globex will transfer to CIM each of the Transferred Assets for an amount equal to its fair market value;
- (i) As consideration for the property transferred by Globex, CIM will:
  - (i) have issued the CIM Stock Options as described in paragraph (g) above, and

- (ii) issue 5,000,000 CIM Redemption Shares having an aggregate fair market value equal to the amount by which the fair market value of the Transferred Assets exceeds the fair market value of the CIM Stock Options;
- (j) CIM and Globex will jointly elect, in prescribed form and within the time limit referred to in subsection 85(6) of the ITA, to have the provisions of subsection 85(1) of the ITA apply to the transfer of each Transferred Asset that is an eligible property within the meaning assigned by subsection (85(1.1) of the ITA. The agreed amount for purposes of subsection 85(1) of the ITA in respect of such Transferred Asset will not exceed its fair market value;
- (k) CIM will add to the stated capital maintained for the CIM Redemption Shares (i) the aggregate of the agreed amount in respect of each eligible property in respect of which an election under subsection 85(1) of the ITA will be made, and (ii) the fair market value of each of the other Transferred Assets;
- (l) CIM will redeem all of the CIM Redemption Shares issued to Globex in paragraph (i) above and will issue to Globex, as payment, the CIM Redemption Note which will be a non-interest bearing promissory note, payable on demand having a principal amount and fair market value equal to the issue price of the CIM Redemption Shares. Globex will accept the CIM Redemption Note as full payment for the redemption of the CIM Redemption Shares with the risk that the CIM Redemption Note may not be honoured;
- (m) Globex will redeem all of the Globex Butterfly Shares acquired by CIM as described in paragraph (f) above and will issue to CIM, as payment, the Globex Redemption Note which will be a non-interest bearing promissory note, payable on demand having a principal amount and fair market value equal to the fair market value of the Globex Butterfly Shares as determined in paragraph (f) above. CIM will accept the Globex Redemption Note as full payment for redemption of the Globex Butterfly Shares with the risk that the Globex Redemption Note may not be honoured;
- (n) Globex will satisfy its obligations under the Globex Redemption Note by transferring the CIM Redemption Note to CIM, and CIM will accept the CIM Redemption Note in full satisfaction of Globex's obligations under the Globex Redemption Note. CIM will satisfy its obligations under the CIM Redemption Note by transferring the Globex Redemption Note to Globex, and Globex will accept the Globex Redemption Note in full satisfaction of CIM's obligations under the CIM Redemption Note; and
- (o) the articles of Globex will be amended as set out in Exhibit III annexed to the Plan of Arrangement to remove the Globex Butterfly Shares and Globex Common Shares as shares which Globex is authorized to issue, and to change the designation of the Class A common shares, both issued and unissued, to common shares.

As at August 31, 2012, there were outstanding 24,098,378 Globex Common Shares as well as Globex Stock Options entitling the holders thereof to acquire an aggregate of 2,227,900 Globex Common Shares. Based on the foregoing, and assuming the completion of the Arrangement on the basis described above and that no Shareholder exercises the Repurchase Right, and without taking into account Globex Common Shares held by Small Registered Shareholders, as at August 31, 2012, Globex would have outstanding 24,098,378 Globex New Common Shares and CIM would have outstanding 24,098,378 CIM Common Shares. In addition, Globex Stock Options to acquire 2,227,900 Globex New Common Shares from Globex and CIM Stock Options to acquire 2,227,900 CIM Common Shares from CIM would be outstanding, assuming that all holders of Globex Stock Options who receive CIM Stock Options pursuant to the Arrangement are otherwise eligible to receive CIM Stock Options under the CIM Stock Option Plan.

While it is currently contemplated that the Arrangement will be completed as described above, the transactions and events comprising the Plan of Arrangement may be modified so long as the Plan of Arrangement results in the Transferred Assets being acquired by CIM and Shareholders having the same percentage shareholding in each of Globex and CIM at the Effective Time.

Pursuant to the Arrangement Agreement, Globex and CIM have agreed to enter into a Management Agreement on the Effective Date as soon as reasonably practicable after the completion of the Arrangement. See "The Arrangement — Description of the Plan of Arrangement".

## **Conditions to the Arrangement Becoming Effective**

The respective obligations of Globex and CIM to complete the Arrangement are subject to the satisfaction or waiver, on or before the Effective Date, of the following mutual conditions: (i) the Interim Order having been granted in form and substance satisfactory to Globex; (ii) the Arrangement, with or without amendment, having been approved at the Meeting, with or without variation, by the requisite majority of the votes cast by Shareholders at the Meeting; (iii) the Final Order having been granted in form and substance satisfactory to Globex and including a declaration of the Court that the terms and conditions of the Arrangement are fair to the Shareholders and that the Court is aware that such finding of fairness will form the basis of an exemption from the registration requirements of the 1933 Act; (iv) the continued listing on the TSX of the Globex Common Shares or, to the extent necessary, the TSX having conditionally approved the listing thereon of the Globex New Common Shares to be issued pursuant to the Arrangement (including the Globex New Common Shares which, as a result of the Arrangement, are issuable upon the exercise of the Globex Stock Options) as of the Effective Date, or as soon as possible thereafter, subject only to compliance with the usual requirements of TSX; (v) the TSX or TSXV having conditionally approved the listing of the CIM Common Shares (including the CIM Common Shares which, as a result of the Arrangement, are issuable upon the exercise of the CIM Stock Options), subject only to compliance with the usual requirements of the TSX or TSXV, as the case may be; (vi) all governmental, court, regulatory, third person and other approvals, consents, expiry of waiting periods, waivers, permits, exemptions, orders and agreements and all amendments and modifications to, and terminations of, agreements, indentures and arrangements considered by Globex to be necessary or desirable for the Arrangement to become effective and for the transfer of the Transferred Assets to CIM having been obtained or received on terms that are satisfactory to Globex; (vii) there not being in force any order or decree restraining or enjoining the completion of the transactions contemplated by the Arrangement Agreement; (viii) the Tax Ruling having been obtained by Globex in form and substance satisfactory to Globex confirming that, based on the current provisions of the ITA, the Regulations thereunder and the Tax Proposals, the Arrangement will be treated for the purposes of the ITA as a tax-deferred “butterfly” reorganization pursuant to paragraph 55(3)(b) of the ITA with no material Canadian federal income tax payable by any of Globex, CIM or Shareholders who hold their Globex Common Shares as capital property; and (ix) the Arrangement Agreement not having been terminated pursuant to Article 6 thereof.

Notwithstanding the fulfillment or waiver of the foregoing and other certain conditions, at any time before or after the holding of the Meeting but prior to the Effective Date, the Arrangement Agreement may be unilaterally terminated by Globex without further notice to, or action on the part of, Shareholders for whatever reason Globex may consider appropriate. The directors of Globex consider it appropriate to retain the flexibility to not proceed with the Arrangement should some event occur prior to the Arrangement becoming effective which in the opinion of the directors of Globex makes it inappropriate to complete the Arrangement. The Arrangement Resolution to be considered and passed by Shareholders at the Meeting authorizes such action by the directors of Globex. See “The Arrangement — Arrangement Agreement — Conditions to the Arrangement Becoming Effective”.

## **Stock Exchange Listings**

### *Globex*

The Arrangement is conditional upon the continued listing of the Globex Common Shares on the TSX or, to the extent necessary, the conditional listing on the TSX of the Globex New Common Shares (in substitution for the Globex Common Shares) immediately upon completion of the Arrangement, subject to Globex complying with the continued listing requirements of the TSX. There can, however, be no assurance that Globex will be able to maintain its listing on TSX or, if necessary, that the TSX will list the Globex New Common Shares.

### *CIM*

An application will be made to list the CIM Common Shares issued pursuant to the Arrangement on the TSXV immediately upon completion of the Arrangement. Listing will be subject to CIM meeting the original listing requirements of the TSXV, receiving approval of the TSXV and meeting all conditions of listing imposed by the TSXV. There can, however, be no assurance as to if, or when, the CIM Common Shares will be listed for trading on the TSXV.

## **Right to Demand Repurchase of Shares**

Registered holders of Globex Common Shares are entitled to demand repurchase of their Globex Common Shares in respect of the Arrangement Resolution in the manner provided in sections 372 and following of the QBCA, as modified by the Interim Order and Plan of Arrangement. Sections 372 and following of the QBCA are reprinted in their entirety in Schedule I to this Circular. See “Right to Demand Repurchase of Shares”.

## **Income Tax Considerations**

### *Canadian Federal Income Tax Considerations*

A Canadian resident holder of Globex Common Shares who holds such shares as capital property will not realize a capital gain or capital loss as a result of the Arrangement, unless the holder elects to realize such a gain or loss in respect of the exchange of Globex Butterfly Shares, or the holder is a Small Registered Shareholder. The adjusted cost base of the Globex Common Shares will be allocated between the Globex New Common Shares and the CIM Common Shares based upon the relative fair market values of such shares at the time of the Arrangement. Following the Effective Date, Globex will advise holders of an appropriate proportionate allocation of the adjusted cost bases.

A non-resident holder of Globex Common Shares will not be subject to tax in Canada as a result of the Arrangement, provided the Globex Common Shares are not taxable Canadian property. See “Income Tax Considerations — Canadian Federal Income Tax Considerations”.

### **Risk Factors**

Shareholders should consider a number of risk factors in evaluating whether to vote in favour of the Arrangement Resolution. These risk factors include certain risks related to the Arrangement and risks relating to Globex (and to Globex and CIM, as appropriate, upon completion of the Arrangement) which are described under the heading “Risk Factors” in this Circular.



## GLOSSARY

*Unless the context otherwise requires or where otherwise provided, the following words and terms have the meaning set out below when used in this Circular.*

“**1933 Act**” means the *United States Securities Act of 1933*, as amended.

“**1934 Act**” means the *United States Securities Exchange Act of 1934*, as amended.

“**AIF**” means the annual information form of Globex dated March 29, 2012 for the fiscal year ended December 31, 2011.

“**Annual Meeting Circular**” means Globex’s management information circular dated May 3, 2012 prepared in connection with the annual and special meeting of Shareholders held on June 1, 2012.

“**Arrangement**” means the arrangement pursuant to section 414 of the QBCA on the terms and conditions set out in the Plan of Arrangement, subject to any amendment or supplement thereto made in accordance with the Arrangement Agreement, the Plan of Arrangement or at the direction of the Court.

“**Arrangement Agreement**” means the arrangement agreement dated September 10, 2012 between Globex and CIM, a copy of which is annexed as Schedule D to this Circular.

“**Arrangement Resolution**” means the Special Resolution concerning the Arrangement, substantially in the form set out in Schedule A to this Circular.

“**Articles of Arrangement**” means the articles of arrangement of Globex which are required by the QBCA to be sent to the Enterprise Registrar after the Final Order is made in order to give effect to the Arrangement.

“**Business Day**” means any day other than a Saturday, Sunday or statutory holiday in Montreal, Québec.

“**Butterfly Proportion**” means the fraction  $A/B$  where:

**A** is the fair market value of the mining properties forming part of the Transferred Assets determined immediately before the distribution of the Transferred Assets to CIM as described in paragraph 3.1(i) of the Plan of Arrangement and calculated using a consolidated look-through approach; and

**B** is the net fair market value of all of the business property owned by Globex determined immediately before the distribution of the Transferred Assets to CIM as described in paragraph 3.1(i) of the Plan of Arrangement calculated using a consolidated look-through approach.

“**CBCA**” means the *Canada Business Corporations Act*.

“**Certificate of Arrangement**” means the certificate of arrangement of Globex to be issued by the Enterprise Registrar pursuant to the QBCA giving effect to the Arrangement.

“**CIM**” means Chibougamau Independent Mines Inc., a corporation incorporated under the CBCA, primarily in order to facilitate the Arrangement.

“**CIM Common Shares**” means the common shares which CIM is authorized to issue.

“**CIM Redemption Note**” means the promissory note to be issued to Globex by CIM as payment of the CIM Redemption Share Redemption Amount.

“**CIM Redemption Share Redemption Amount**” means the aggregate amount for which CIM Redemption Shares will be redeemable by CIM.

“**CIM Redemption Shares**” means the class of preferred shares which CIM is authorized to issue.



**“CIM Stock Option Plan”** means the stock option plan of CIM, pursuant to which CIM Common Shares may be issued to officers, directors, employees and consultants of CIM, a copy of which is annexed as Schedule F to this Circular.

**“CIM Stock Options”** means the options to purchase CIM Common Shares issued to holders of Globex Stock Options pursuant to the CIM Stock Option Plan as part of the Plan of Arrangement.

**“Circular”** means this management information circular, including all schedules annexed hereto, sent to the Shareholders in connection with the Meeting.

**“consolidated look-through approach”** means, in the calculation of the fair market value of the assets and liabilities owned by Globex and allocated by Globex to each type of property, the addition to the Globex assets and liabilities of (i) 100% of the fair market value of the assets and liabilities of a Subsidiary where Globex owns 100% of the issued shares of the Subsidiary, and (ii) where Globex owns less than 100% of the issued shares of a Subsidiary, the same percentage of the fair market value of each asset and liability of the Subsidiary as the percentage of issued shares of such Subsidiary owned by Globex.

**“Court”** means the Québec Superior Court.

**“Depository”** means Computershare Investor Services Inc. at its offices set out in the Letter of Transmittal, being the depository appointed by Globex and CIM for the purpose of, among other things, delivering certificates representing the Globex New Common Shares and the CIM Common Shares in connection with the Arrangement.

**“Effective Date”** means the effective date in respect of the Arrangement as shown on the Certificate of Arrangement.

**“Effective Time”** means 12:01 a.m., Montreal time, on the Effective Date.

**“Enterprise Registrar”** means the enterprise registrar referred to in the QBCA.

**“Exercise Price Proportion”** means the fraction  $A/B$  where:

**A** is the volume-weighted average trading price of CIM Common Shares on the TSX or TSXV, as the case may be, on the first five days of trading following completion of the transactions described in the Plan of Arrangement, and

**B** is the aggregate of (i) the average volume-weighted trading price on such days of CIM Common Shares on the TSX or TSXV, as the case may be, and (ii) the average volume-weighted trading price on such days of Globex New Common Shares on the TSX.

**“Final Order”** means the final order of the Court approving the Arrangement pursuant to the QBCA.

**“Globex”** means Globex Mining Enterprises Inc., a corporation continued under the QBCA.

**“Globex Butterfly Shares”** means the butterfly shares which Globex will be authorized to issue on the Effective Date and having attributes as set out in Exhibit II to the Plan of Arrangement.

**“Globex Butterfly Share Redemption Amount”** means the aggregate amount for which the Globex Butterfly Shares will be redeemable by Globex.

**“Globex Common Shares”** mean the common shares which Globex is authorized to issue immediately prior to the implementation of the Plan of Arrangement.

**“Globex New Common Shares”** means the Class A common shares which Globex will be authorized to issue on the Effective Date and having attributes as set out in Exhibit II to the Plan of Arrangement and, after the change of the designation of such Class A common shares to common shares as provided in Exhibit III annexed to the Plan of Arrangement, means the common shares which Globex will then be authorized to issue.

**“Globex Preference Shares”** means the preference shares, issuable in series, which Globex will be authorized to issue on the Effective Date and having attributes as set out in Exhibit II to the Plan of Arrangement.

“**Globex Redemption Note**” means the promissory note to be issued to CIM by Globex as payment of the Globex Butterfly Share Redemption Amount.

“**Globex Stock Options**” means the options to purchase Globex Common Shares granted pursuant to the Globex Stock Option Plans.

“**Globex Stock Options Plans**” means, collectively, the 1995 Stock Option Plan, 2003 Stock Option Plan and 2006 Stock Option Plan, as amended.

“**Interim Order**” means the interim order of the Court dated September 18, 2012, a copy of which is annexed as Schedule B to this Circular.

“**ITA**” means the *Income Tax Act* (Canada), as amended.

“**Letter of Transmittal**” means the letter of transmittal delivered to Shareholders which, when properly completed, executed and forwarded to the Depository with a certificate representing Globex Common Shares, will enable Shareholders to exchange their Globex Common Shares for Globex New Common Shares and CIM Common Shares upon the completion of the Arrangement.

“**Management Agreement**” means the management agreement to be entered into between Globex and CIM, as the same may be supplemented or amended from time to time.

“**Meeting**” means the special meeting of Shareholders to be held on October 19, 2012 and any adjournment or postponement thereof.

“**NI 43-101**” means National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators.

“**Notice of Meeting**” means the notice of Meeting sent to Shareholders together with this Circular.

“**Plan of Arrangement**” means a plan of arrangement in substantially the form of the plan of arrangement which is annexed as Appendix II to the Arrangement Agreement or in such other form as will result in the Transferred Assets being acquired by CIM and the current Shareholders of Globex having the same percentage shareholding in each of Globex and CIM at the Effective Time, in either case as amended, modified or supplemented from time to time in accordance with the provisions of the Arrangement Agreement, the Plan of Arrangement or at the direction of the Court.

“**QBCA**” means the *Business Corporations Act* (Québec), as amended.

“**Record Date**” means the date fixed for determining Shareholders entitled to receive notice of, to attend and to vote, at the Meeting, being September 11, 2012.

“**Regulations**” means the regulations under the ITA.

“**Repurchase Confirmation Notice**” means the written notice sent by a Repurchase Demanding Shareholder to Globex confirming that the Repurchase Demanding Shareholder wishes to exercise the Repurchase Right in connection with the Arrangement Resolution pursuant to sections 372 and following of the QBCA.

“**Repurchase Demand Notice**” means a written notice sent to Globex by a Repurchase Demanding Shareholder who wishes to exercise the Repurchase Right in connection with the Arrangement Resolution pursuant to sections 372 and following of the QBCA.

“**Repurchase Demanding Shareholders**” means registered Shareholders who wish to exercise the Repurchase Right in connection with the Arrangement Resolution pursuant to sections 372 and following of the QBCA.

“**Repurchase Notice**” means the notice sent by Globex, as soon as the Plan of Arrangement becomes effective, to each Repurchase Demanding Shareholder who has filed a Repurchase Demand Notice, to the effect that the Plan of Arrangement has become effective.

“**Repurchase Right**” means the right of Shareholders to demand that Globex repurchase all of their Globex Common Shares for their fair value in connection with the Arrangement Resolution pursuant to sections 372 and following of the QBCA.

“**Shareholders**” means the holders of Globex Common Shares at the applicable time.

“**Small Registered Shareholders**” means, collectively, each Shareholder who owns fewer than 100 Globex Common Shares and whose Globex Common Shares are registered in the name of such Shareholder.

“**Subsidiaries**” means, collectively, Eco Refractory Solutions Inc., Duparquet Assets Ltd., Globex Nevada, Inc., Worldwide Magnesium Corporation and CIM and “**Subsidiary**” means any one of the Subsidiaries.

“**Tax Proposals**” means all specific proposals to amend the ITA and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof.

“**Tax Ruling**” means the advance income tax ruling applied for by Globex from Canada Revenue Agency confirming the Canadian federal income tax consequences of certain aspects of the Arrangement.

“**Transferred Assets**” means the mineral resource properties, cash, securities and other assets described in Exhibit I to the Plan of Arrangement, as amended or supplemented.

“**TSX**” means the Toronto Stock Exchange.

“**TSXV**” means the TSX Venture Exchange.

## CURRENCY

All dollar amounts in this Circular are expressed in Canadian dollars unless otherwise specifically indicated.

## FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES

The financial statements and summaries of financial information contained in this Circular are reported in Canadian dollars. All such financial statements have been prepared in accordance with IFRS.

## GENERAL PROXY INFORMATION

### Solicitation of Proxies

**This Circular is furnished in connection with the solicitation by the management of Globex of proxies to be used at the Meeting to be held at the time and place and for the purposes set out in the Notice of Meeting.** It is expected that the solicitation will be made primarily by mail. However, officers, directors and employees of Globex may also solicit proxies by telephone, fax, e-mail or in person. The total cost of solicitation of proxies will be borne by Globex.

### Notice of the Meeting

No person is authorized to give any information or to make any representation other than those contained herein and, if given or made, such information or representation should not be relied upon as having been authorized by Globex. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set out herein since the date hereof.

### Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy (the “**Proxy**”) are directors and officers of Globex. A Shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of the Proxy. **A Shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person’s name in the blank space provided in the form of Proxy and signing the form of Proxy or by completing and signing another proper form of Proxy.** To be valid, the duly-completed form of Proxy must be deposited at the offices of Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 prior to 5:00 p.m. on October 18, 2012 or with the chairman of the Meeting prior to the commencement of the Meeting or any adjournment thereof. The instrument appointing a proxy holder must be executed by the shareholder or by his/her attorney authorized in writing or, if the Shareholder is a corporate body, by its authorized officer or officers.

A Shareholder who has given a Proxy may revoke it, as to any motion on which a vote has not already been cast pursuant to the authority conferred by it, by an instrument in writing executed by the Shareholder or by the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. The revocation of a proxy, in order to be acted upon, must be deposited with Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 prior to 5:00 p.m. on October 18, 2012, or with the Secretary of Globex before the commencement of the Meeting or at any adjournment thereof.

### Exercise of Discretion by Proxies

**Globex Common Shares represented by properly-executed proxies in favour of the persons designated in the enclosed form of Proxy, in the absence of any direction to the contrary, will be voted for the Arrangement Resolution, as stated under such heading in this Circular.** Globex Common Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for, and if a Shareholder specifies a choice with respect to any matter to be acted upon, the Globex Common Shares will be voted accordingly. With respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting, such Globex Common Shares will be voted by the persons so designated in their discretion. At the time of printing this Circular, management of Globex knows of no such amendments, variations or other matters.

## Voting Shares

As at August 31, 2012, there were 24,098,378 issued and outstanding Globex Common Shares. Each Globex Common Share entitles the holder thereof to one vote. Globex has fixed September 11, 2012 as the record date (the “**Record Date**”) for the purpose of determining shareholders entitled to receive notice of the Meeting. Any registered shareholder of record as at the close of business on the Record Date will be entitled to vote at the Meeting.

### NON-REGISTERED SHAREHOLDERS

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a Non-Registered shareholder (a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the common shares, such as securities dealers or brokers, banks, trust companies, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSAs and similar plans; or (ii) in the name of a clearing agency of which the Intermediary is a participant. In accordance with National Instrument 54-101 of the Canadian Securities Administrators, entitled “Communication with Beneficial Owners of Securities of a Reporting Issuer”, Globex has distributed copies of the Notice of Meeting and this Circular (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive it. Intermediaries often use service companies to forward meeting materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive the Meeting Materials will either:

- (a) typically, be provided with a computerized form (often called a “voting instruction form”) which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. In order for the applicable computerized form to validly constitute a voting instruction form, the Non-Registered Holder must properly complete and sign the form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or service company. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the Internet or through a toll-free telephone number;
- (b) less commonly, be given a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the proxy form and submit it to Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 no later than 5:00 p.m. on October 18, 2012.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the common shares which they beneficially own.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form and return it to the Intermediary or its service company. Should a Non-Registered Holder who receives a proxy form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons set out in the proxy form and insert the name of the Non-Registered Holder or such other person in the blank space provided and submit it to Computershare Investor Services Inc. at the address and before the date set out above.

**In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where and by what means the voting instruction form or proxy form must be delivered.**

A Non-Registered Holder may revoke voting instructions which have been given to an Intermediary at any time by written notice to the Intermediary.

## REGISTERED SHAREHOLDERS

A Shareholder is a registered Shareholder of Globex if its name appears on the share certificate representing its Globex Common Shares. A registered Shareholder may (i) vote in person at the Meeting, (ii) complete and sign the enclosed form of proxy and appoint one of the named persons or another person the Shareholder chooses to represent it and to vote its Globex Common Shares at the Meeting and mail the form of proxy, (iii) vote electronically on the Internet, or (iv) vote by telephone. Completing, signing and returning the form of proxy does not preclude the registered Shareholder from attending the Meeting in person. If the Shareholder does not wish to attend the Meeting or does not wish to vote in person, the Shareholder's proxy will be voted or withheld from voting, in accordance with the instructions specified on the proxy, on any ballot that may be called at the Meeting. If the Shareholder is a corporation or other legal entity, the form of proxy must be signed by an officer or attorney authorized by such corporation or other legal entity.

To vote by telephone, a registered Shareholder should call the following toll-free number: 1-866-732-VOTE (8683). To vote electronically, a registered Shareholder must access the following Website: [www.investorvote.com](http://www.investorvote.com), enter its personalized control number printed on its form of proxy and follow the instructions on the website.

If a registered Shareholder wishes to attend the Meeting and vote its Globex Common Shares in person at the Meeting, it is not necessary for the registered Shareholder to complete or return the form of proxy. A registered-Shareholder vote will be taken and counted at the Meeting. A registered Shareholder should register with the transfer agent, Computershare Investor Services Inc., upon arrival at the Meeting.

## INFORMATION CONCERNING THE MEETING

### Time, Date and Place

The Meeting will be held at the offices of Heenan Blaikie LLP, Bay Adelaide Centre, 333 Bay Street, Suite 2900, Toronto, Ontario on Friday, October 19, 2012 at 9 a.m.

### Record Date and Shares Entitled to Vote

Shareholders of record at the close of business on the Record Date, being September 11, 2012, are entitled to receive notice of, to attend and to vote at, the Meeting. Each Globex Common Share entitles the holder of record thereof to one vote at all meetings of Shareholders. At the close of business on the Record Date, there were 24,098,378 Globex Common Shares outstanding.

### Matters to be Considered

At the Meeting, Shareholders will be asked to consider and vote upon: (i) pursuant to the Interim Order, the Arrangement Resolution; and (ii) such other matters as may properly come before the Meeting.

**The directors of Globex unanimously recommend that Shareholders vote in favour of the Arrangement Resolution.** See "The Arrangement — Background to the Arrangement and Recommendation of the Directors of Globex" and "Business of the Meeting". It is a mutual condition of the completion of the Arrangement that the Arrangement Resolution be approved by Shareholders at the Meeting.

### Quorum and Votes Required for Certain Matters

The holders of 10% of the Globex Common Shares present in person or represented by proxy at the Meeting will constitute quorum for the Meeting. The Arrangement Resolution requires the affirmative vote of not less than two-thirds of the votes cast by Shareholders who vote in respect thereof, in person or by proxy, at the Meeting.

### Principal Shareholder

As of August 31, 2012, to the best knowledge of Globex, the following is the only person who beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the issued and outstanding Globex Common Shares:

Name	Number of Globex Common Shares	Percentage of Globex Common Shares
Jack Stoch <sup>(1)</sup> .....	2,848,127	11.82%

(1) Jack Stoch is President, Chief Executive Officer and a director of Globex. Most of these Globex Common Shares are held through Jack Stoch Geoconsultant Services Limited, which is wholly-owned by Mr. Stoch. The information set above is taken from SEDI, and is not within the direct knowledge of the executive officers and directors of Globex, other than Jack Stoch.

As at August 31, 2012, the directors and officers of Globex owned or controlled, directly or indirectly, in the aggregate, 3,872,274 Globex Common Shares, representing 16.07% of the outstanding Globex Common Shares.

## THE ARRANGEMENT

### Globex

Globex is engaged in the exploration and development of mineral resource properties. Globex holds various interests in mineral resource properties in Canada and the United States. The head office of Globex is at 86 14<sup>th</sup> Street, Rouyn-Noranda, Québec J9X 2J1. Globex's telephone number is (819) 797-5242.

Reference is made to the AIF for a more detailed description of Globex and its mineral resource properties prior to the completion of Arrangement.

### Dividends

Globex has not paid any dividends since incorporation. Globex has no dividend policy. Payment of dividends in the future will depend upon, among other factors, the earnings, capital requirements and financial conditions of Globex. Globex does not anticipate that any dividends will be paid in the foreseeable future.

### Description of Share Capital

Globex is authorized to issue an unlimited number of Globex Common Shares. Each Globex Common Share entitles the holder thereof to one vote at all meetings of shareholders, to receive dividends if, as and when declared by the directors of Globex and to the remaining property and assets of Globex upon the liquidation, dissolution or winding-up of Globex. As of the date hereof, Globex does not have any long-term debt.

### Price Range and Trading Volume of Globex Common Shares

The Globex Common Shares are listed on the TSX under the symbol "GMX". In addition, Globex is interlisted in Europe on the Frankfurt, Munich, Stuttgart, Xetra and Berlin exchanges under the symbol "G1M" and trades under the symbol "GLBXF" on the OTCQX International market in the United States.

The following table sets out the volume of trading and price ranges of the Globex Common Shares on TSX for the periods indicated. The quotations reported are from published financial sources.

Year	Month	Price range		Volume
		High	Low	
2011	July .....	2.37	1.85	161,468
	August .....	2.34	1.86	227,342
	September.....	2.35	1.55	337,065
	October.....	1.80	1.51	196,160
	November.....	1.75	1.50	66,202
	December.....	1.76	1.06	179,015
2012	January .....	1.48	1.18	641,633
	February .....	1.41	1.23	227,196
	March .....	1.42	1.16	183,905
	April .....	1.35	1.04	104,921



Year	Month	Price range		Volume
		High	Low	
	May.....	1.55	1.05	176,262
	June.....	1.24	0.98	120,605
	July .....	1.17	0.86	189,770
	August .....	1.08	0.90	202,355
	September (to September 18) .....	1.10	0.93	74,580

*Documents Incorporated by Reference*

The following documents, filed by Globex with the securities regulatory authorities in Québec, British Columbia, Alberta and Ontario, are specifically incorporated by reference into, and form an integral part of, this Circular:

- (a) comparative audited financial statements for the fiscal year ended December 31, 2011 together with the independent auditor's report thereon;
- (b) management discussion and analysis for the fiscal year ended December 31, 2011;
- (c) management information circular dated May 3, 2012 prepared in connection with the annual and special meeting of shareholders held on June 1, 2012 (the "**Annual Meeting Circular**");
- (d) interim financial statements for the six months ended June 30, 2012;
- (e) management discussion and analysis for the six months ended June 30, 2012;
- (f) the AIF;
- (g) material change report dated June 12, 2012;
- (h) material change report dated July 5, 2012.

**Any annual information form, interim financial statement, annual financial statement, management's discussion and analysis, management information circular and material change report (excluding confidential material change reports), filed by Globex with the various securities commissions or similar regulatory authorities in Canada after the date of this Circular and prior to the Meeting shall be deemed to be incorporated by reference into this Circular.**

Any statement contained in this Circular or in a document incorporated or deemed to be incorporated by reference into this Circular shall be deemed to be modified or superseded for purposes of this Circular to the extent that a statement contained herein or in any other subsequently filed document that also is, or is deemed to be, incorporated by reference into this Circular modifies, replaces or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set out in the document that it modifies or supersedes.

The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

Copies of the documents incorporated by reference in this Circular are available on SEDAR at [www.sedar.com](http://www.sedar.com) or upon request and without charge from the Secretary of Globex at the head office of Globex, 86 14<sup>th</sup> Street, Rouyn-Noranda, Québec J9X 2J1, telephone: (819) 797-5242.



## Overview of the Arrangement

### *General*

Globex and CIM have entered into the Arrangement Agreement providing for the completion of the Arrangement. The Arrangement involves the transfer by Globex of ten mineral resource properties known as the “Chibougamau Mining Camp” in the Chibougamau region of Québec (and related rights and assets), subject to a 3% “gross metal royalty” in favour of Globex, certain securities and cash to CIM. Pursuant to the Arrangement, among other things, Globex will transfer the Transferred Assets to CIM and each Shareholder (other than a registered holder of Globex Common Shares who exercises the Repurchase Right) will ultimately be entitled to receive Globex New Common Shares and CIM Common Shares in exchange for the Globex Common Shares held by such Shareholder on the basis of one Globex New Common Share and one CIM Common Share for each Globex Common Share held by such Shareholder, all pursuant to the Plan of Arrangement.

The directors of Globex believe that the Arrangement will enhance Shareholder value by, among other things, allowing CIM to focus on the mineral resource properties comprising part of the Transferred Assets, and each of Globex and CIM to focus on exploring and developing its own mineral projects.

### *Treatment of Globex Stock Options*

In connection with the Arrangement, each holder of Globex Stock Options will dispose of its Globex Stock Options to each of Globex and CIM in consideration for the issuance to the particular holder of a new Globex Stock Option granted by Globex to acquire a Globex New Common Share and a CIM Stock Option granted by CIM to acquire a CIM Common Share in such a manner that:

- (a) holders of Globex Stock Options will receive no consideration for the exchange of their Globex Stock Options other than a new Globex Stock Option and CIM Stock Option;
- (b) the original exercise price of each Globex Stock Option to each holder of Globex Stock Options will be allocated to the new Globex Stock Option and the CIM Stock Option such that an amount equal to the Exercise Price Proportion of the exercise price of each Globex Stock Option will be payable to CIM on exercise of the CIM Stock Option and an amount equal to the remainder of the original Globex Stock Option exercise price will be payable to Globex on exercise of the new Globex Stock Option. In the event that CIM is listed on the TSXV, where the foregoing allocation with respect to the exercise price of a CIM Stock Option results in an exercise price that is less than \$0.10, the exercise price for the CIM Stock Option will increase to \$0.10 (without resulting in an equivalent reduction in the exercise price of a new Globex Stock Option);
- (c) the expiry date of a new Globex Stock Option and a CIM Stock Option will, aside from certain differences in termination provisions, be the same as that of the corresponding Globex Stock Option;
- (d) the other material commercial terms and conditions of the new Globex Stock Options and the CIM Stock Options will generally parallel those of the Globex Stock Options, but there will be certain differences in recognition of the fact that Globex is listed on the TSX and CIM may be listed on the TSXV; and
- (e) the Globex Stock Options will be cancelled upon the foregoing transfers.

The issuance by CIM of the CIM Stock Options will be in anticipation of the transfer of the Transferred Assets from Globex to CIM and will form part of the non-share consideration paid by CIM. Pursuant to the policies of the TSXV, a holder of Globex Stock Options who receives CIM Stock Options pursuant to the Arrangement must, in order to have the right to continue to hold such CIM Stock Options, be otherwise eligible to receive CIM Stock Options under the CIM Stock Option Plan.

As at August 31, 2012, there were outstanding 24,098,378 Globex Common Shares as well as Globex Stock Options entitling the holders thereof to acquire an aggregate of 2,227,900 Globex Common Shares. Based on the foregoing, and assuming the completion of the Arrangement on the basis described above and that no Shareholder exercises the Repurchase Right, and without taking into account Globex Common Shares held by Small Registered Shareholders, as at August 31, 2012, Globex would have outstanding 24,098,378 Globex New Common Shares and CIM would have outstanding 24,098,378 CIM Common Shares. In addition, Globex Stock Options to acquire 2,227,900 Globex New Common Shares from Globex and CIM Stock Options to acquire 2,227,900 CIM Common Shares from CIM would be outstanding, assuming that all holders of

Globex Stock Options who receive CIM Stock Options pursuant to the Arrangement are otherwise eligible to receive CIM Stock Options under the CIM Stock Option Plan.

#### *Directors and Officers*

The directors of CIM following the completion of the Arrangement will be Jack Stoch, Dianne Stoch, Samuel R. Bosum, David J. LeClaire and Rimant (Ray) Zalnieriunas. The officers of CIM following the completion of the Arrangement will be the same as the current officers of Globex. In addition, Globex will agree to provide administrative assistance, for a fee, to CIM pursuant to the Management Agreement. Additional information regarding the directors and officers of Globex and CIM following the completion of the Arrangement is set out in Schedules G and H, respectively, to this Circular.

#### **Mineral Resource Properties and Other Assets of CIM and Globex upon Completion of the Arrangement**

CIM was incorporated under the CBCA on December 13, 2010, primarily for the purpose of carrying out the Arrangement. Pursuant to the Arrangement, among other things, Globex will transfer the Transferred Assets to CIM. The principal assets comprising the Transferred Assets are:

- (a) the interest of Globex in ten mineral resource properties known as the “Chibougamau Mining Camp” in the Chibougamau region of Québec, subject to a 3% “gross metal royalty” in favour of Globex;
- (b) cash of Globex in an amount obtained by multiplying all cash held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion;
- (c) securities held by Globex having a fair market value equal to the amount obtained by multiplying the fair market value of all securities held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion; and
- (d) all agreements to which Globex is a party and all other rights and assets of Globex which pertain to any of the properties comprising the “Chibougamau Mining Camp” and which will be assigned by Globex to CIM as part of the Arrangement.

The following are the properties comprising the “Chibougamau Mining Camp”:

- Berrigan Lake (Taché) Property
- Berrigan South Property
- Bateman Bay Mine (including a portion of the Jaculet Mine)
- Chibougamau Lake Property (including S-3 and Tommy Zones, down dip of Henderson 1 & 2 Mines and Portage Mine)
- Copper Cliff Property
- Grandroy Mine
- Kokko Creek Mine
- Québec Chibougamau Goldfields Mine
- Virginia Property
- Sulphur Converting/Magnetite Bay

The properties comprising the “Chibougamau Mining Camp” are located within the Abitibi – Chibougamau Mining District in Lemoine, McKenzie, Obalski and Roy Townships, Québec. The properties are immediately E-SE and NW of the town of Chibougamau, Québec. The Chibougamau Mining Camp is comprised of 159 mining claims (CL) and 116 cells (CDC) covering an area of approximately 6,554 hectares (16,385 acres) or about 65.54 square kilometers. A large portion of these claims underlies the waters of Lac Chibougamau and Lac Doré and can be reached by boat in the summer and over ice in the winter.

Additional information regarding CIM and the Transferred Assets following the completion of the Arrangement is set out in Schedule H to this Circular.

If the Arrangement Resolution is approved, the CIM Stock Option Plan will be deemed to be approved and adopted. A copy of the CIM Stock Option Plan is annexed as Schedule F to this Circular.

Upon completion of the Arrangement, Globex will continue to hold its other mineral resource properties located in Canada and the United States. Globex will also retain approximately \$1.5 million in cash and a portfolio of securities having a total market value of approximately \$1.3 million as at June 30, 2012.

Additional information regarding Globex and its mineral exploration properties and other assets following the completion of the Arrangement is set out in Schedule G to this Circular.

### **Background to the Arrangement and Recommendation of the Directors of Globex**

In late 2010, the directors of Globex began considering whether the transfer of certain mineral resource properties of Globex known as the “Chibougamau Mining Camp” in the Chibougamau region of Québec to a second public company would be beneficial to Shareholders. The directors of Globex focused upon a transaction whereby ten mineral exploration properties of Globex in the Chibougamau region of Québec would be transferred, on a tax-deferred basis, to a new company and the shares of that company would be distributed to Shareholders, also on a tax-deferred basis, with no material Canadian federal income tax payable by any of Globex, the new company or Shareholders who hold their Globex Common Shares as capital property. Globex would retain all of its other mineral exploration properties and related assets in Canada and the United States.

The directors of Globex consulted on a number of occasions with members of the management of Globex and legal advisors to consider the alternatives to effect the reorganization and to review certain accounting, tax and legal issues which arose in connection with their deliberations. After a review of the financial, tax and legal issues, the directors of Globex concluded that the separation of the Transferred Assets from the other assets of Globex would be beneficial to Shareholders.

Management of Globex together with legal advisors were given the mandate to settle the terms of the Arrangement Agreement, Plan of Arrangement, Management Agreement and a request for the Tax Ruling in July 2012. On August 29, 2012, a request for the Tax Ruling was submitted to CRA. On September 5, 2012, the directors of Globex concluded that the Arrangement was: (i) fair and reasonable as regards Globex and the Shareholders; and (ii) in the best interests of Globex and the Shareholders, and that the ratio of one Globex New Common Share and one CIM Common Share for each Globex Common Share held on the Effective Date was appropriate in the circumstances. The directors and management of Globex reviewed and considered alternative reorganization proposals, and the views of legal counsel with respect to the proposed Tax Ruling and in respect of the terms of the Arrangement Agreement and other documents. The directors and management of Globex also received advice from legal counsel as to the structure of the Arrangement.

The purpose of the Arrangement is to transfer, among other things, ten of Globex’s mineral resource properties known as the “Chibougamau Mining Camp” in the Chibougamau region of Québec to CIM, subject to a 3% “gross metal royalty” in favour of Globex. The directors of Globex have reviewed the terms and conditions of the Arrangement and have unanimously concluded that the terms and conditions of the Arrangement are (i) fair and reasonable as regards Globex and the Shareholders; and (ii) in the best interests of Globex and the Shareholders. The directors of Globex believe that the Arrangement will enhance Shareholder value by, among other things, allowing CIM to focus on the mineral exploration properties comprising part of the Transferred Assets, and each of Globex and CIM to focus on exploring and developing its own mineral projects.

In arriving at their recommendation with respect to the Arrangement, the directors of Globex considered, among other matters:

- (a) the conclusions of the management of Globex with respect to the prospects of an increase in Shareholder value;
- (b) the terms of the Arrangement, which will result in Shareholders continuing to indirectly own immediately after the Arrangement becomes effective the same proportionate voting and equity interest in all of the assets currently held by Globex through their ownership of shares of both Globex and CIM;
- (c) the procedures by which the Arrangement will be approved, including the requirement that the Arrangement be approved by not less than two-thirds of the votes cast by the holders of Globex Common Shares present in person or represented by proxy at the Meeting, and the requirement of Court approval; and
- (d) the tax treatment of Globex and Shareholders under the Arrangement.

**Accordingly, the directors of Globex unanimously recommend that Shareholders vote in favour of the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved by not less than two-thirds of the votes**

**cast by the holders of Globex Common Shares present in person or represented by proxy at the Meeting. Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Globex Common Shares represented by such form of proxy for the Arrangement Resolution.**

### **Court Approval and Completion of the Arrangement**

The Arrangement requires the approval of Shareholders at the Meeting and approval by the Court. Prior to the mailing of this Circular, Globex obtained the Interim Order providing for the calling and holding of the Meeting and certain procedural matters. A copy of the Interim Order and the Motion for Interim and Final Orders Respecting the Arrangement and Notice of Application for Final Order are annexed as Schedules B and C, respectively, to this Circular.

Subject to the approval of the Arrangement Resolution by Shareholders at the Meeting, the hearing in respect of the Final Order is scheduled to take place on October 24, 2012 at 10:00 a.m. (Montreal time) or as soon as possible thereafter in the Court at 1 Notre-Dame Street East, Montreal, Québec. All Shareholders who wish to participate or be represented or to present evidence or arguments at that hearing must serve and file a notice of appearance as set out in the Interim Order and satisfy all other applicable requirements. At the hearing in respect of the Final Order, the Court will consider, among other things, the fairness and reasonableness of the Arrangement. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

Assuming that the Final Order is granted and the other conditions for the completion of the Arrangement as set out in the Arrangement Agreement are satisfied or waived, it is anticipated that Articles of Arrangement will be filed with the Enterprise Registrar to give effect to the Plan of Arrangement and the various other documents necessary to complete the Arrangement as contemplated under the Arrangement Agreement will be executed and delivered.

It is currently anticipated that the Effective Date will be on or about November 30, 2012.

### **Exchange Procedures**

On or as soon as practicable after the Effective Date, Globex and CIM will deposit with the Depositary or arrange to be delivered certificates representing the aggregate number of Globex New Common Shares and CIM Common Shares, respectively, issued to Shareholders in connection with the Arrangement. Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Globex Common Shares together with a Letter of Transmittal which has been completed and signed in the manner required thereby in respect of such certificate and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate will be entitled to receive in exchange therefor, and the Depositary will deliver to such holder, certificates representing that number of Globex New Common Shares and CIM Common Shares that such holder has the right to receive pursuant to the Plan of Arrangement and the surrendered certificate will be cancelled. A Letter of Transmittal accompanies this Circular.

In the event of a transfer of ownership of Globex Common Shares that is not registered in the transfer records of Globex, certificates representing the proper number of Globex New Common Shares and CIM Common Shares may be issued to the transferee if the certificate representing such Globex Common Shares is presented to the Depositary, accompanied by all documents required to evidence and effect such transfer.

Until surrendered, each certificate which immediately prior to the Effective Time represented Globex Common Shares will be deemed, at any time after the Effective Time, to represent only the right to receive upon such surrender the certificates representing Globex New Common Shares and CIM Common Shares that the holder thereof has the right to receive in respect of such certificate pursuant to the Plan of Arrangement.

If any certificate that immediately prior to the Effective Time represented outstanding Globex Common Shares has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to be lost, stolen or destroyed, as the case may be, the Depositary will cause to be issued in exchange for such lost, stolen or destroyed certificate a certificate representing Globex New Common Shares and a certificate representing CIM Common Shares deliverable in respect thereof in accordance with such holder's Letter of Transmittal, as determined in accordance with the Arrangement. When authorizing such delivery in exchange for any lost, stolen or destroyed certificate, the person to whom a certificate representing Globex New Common Shares and a certificate representing CIM Common Shares are to be issued must, as a condition precedent to the issuance thereof, give a bond satisfactory to Globex, CIM and the Depositary in such amount as Globex, CIM and the Depositary may direct or otherwise indemnify Globex, CIM and the Depositary in a manner

satisfactory to Globex, CIM and the Depositary against any claim that may be made against them with respect to the certificate alleged to have been lost, stolen or destroyed.

No dividend or other distribution declared or made after the Effective Time with respect to the Globex New Common Shares or CIM Common Shares with a record date on or after the Effective Date will be delivered to the holder of any unsurrendered certificate which, immediately prior to the Effective Time, represented outstanding Globex Common Shares unless and until the holder of such certificate surrenders such certificate (together with the Letter of Transmittal which has been completed and signed in the manner required thereby in respect of such certificate) or complies with the required procedures in respect of lost, stolen or destroyed certificates. Subject to applicable law, at the time of such surrender of any such certificate or compliance with the required procedures in respect of lost, stolen or destroyed certificates, there will be paid to the holder of record of the certificate representing the Globex New Common Shares and the certificate representing the CIM Common Shares, without interest, the amount of the dividend or other distribution with a record date on or after the Effective Date but prior to surrender with respect to such Globex New Common Shares or CIM Common Shares.

Globex, CIM and the Depositary are entitled to deduct and withhold from all dividends or other distributions otherwise payable to any holder of Globex New Common Shares or CIM Common Shares such amounts as Globex, CIM or the Depositary is required or permitted to deduct and withhold with respect to such payment under the ITA and the Regulations or any provision of any applicable federal, provincial, state, local or foreign tax law. To the extent that amounts are so withheld, such withheld amounts will be treated for all purposes hereof as having been paid to the holder in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

To the extent that a Shareholder has not surrendered the certificate representing the Globex Common Shares held by such Shareholder on or before the date which is one year after the Effective Date, the CIM Common Shares which such Shareholder was entitled to receive will be delivered to CIM by the Depositary for cancellation and will be cancelled by CIM, and the interest of the Shareholder in such CIM Common Shares will be terminated as of such date.

Small Registered Shareholders will receive, in lieu of CIM Common Shares, a cash payment equal to the number of CIM Common Shares they otherwise would have received multiplied by the volume weighted average trading price of the CIM Common Shares on the TSX or TSXV, as the case may be, for the first day of trading following the Effective Date. Such Shareholders must nonetheless surrender their Globex Common Shares in the manner specified above in order to receive a certificate representing Globex New Common Shares and a cheque representing the applicable cash payment.

### **Description of the Plan of Arrangement**

Subject to the conditions in the Arrangement Agreement being satisfied or waived, Globex will apply to the Court for the Final Order approving the Plan of Arrangement under section 414 of the QBCA. In connection with the Arrangement, among other things, Globex will transfer the Transferred Assets to CIM and each Shareholder (other than a registered Shareholder who exercises the Repurchase Right) will ultimately be entitled to receive Globex New Common Shares and CIM Common Shares in exchange for Globex Common Shares held by such Shareholder on the basis of one Globex New Common Share and one CIM Common Share for each Globex Common Share held by such Shareholder, all pursuant to the Plan of Arrangement. The rights attaching to the CIM Common Shares and the CIM Redemption Shares (which have special rights and restrictions) are described under "Description of Share Capital" in Schedule H to this Circular.

On the Effective Date, it is currently contemplated that the following will occur and be deemed to occur in the following order without further act or formality and with each transaction or event being deemed to occur immediately after the occurrence of the transaction or event immediately preceding it:

- (a) the aggregate stated capital and paid-up capital of the Globex Common Shares will be divided by the number of Globex Common Shares outstanding immediately prior to the Effective Time;
- (b) Globex will purchase for cancellation the Globex Common Shares of all Repurchase Demanding Shareholders who have exercised their repurchase right in strict compliance with the procedures set out in sections 372 and following of the QBCA required to be taken by a registered holder of Globex Common Shares to exercise the right to demand repurchase of Globex Common Shares in connection with the Arrangement. All such Globex Common Shares will be cancelled at such time and the name of the Repurchase Demanding Shareholder will be deleted from the register of Globex Shareholders. The stated capital and paid-up capital of the Globex Common Shares will be reduced by an amount equal to the

- number of Globex Common Shares purchased pursuant to the exercise of the repurchase right multiplied by the stated capital and paid-up capital, as the case may be, as calculated in paragraph (a) above;
- (c) the articles of Globex will be amended as set out in Exhibit II annexed to the Plan of Arrangement to authorize Globex to issue:
- (i) an unlimited number of Globex New Common Shares;
  - (ii) an unlimited number of Globex Butterfly Shares; and
  - (iii) an unlimited number of Globex Preference Shares, issuable in series,
- having the rights, privileges, restrictions and conditions set out in such Exhibit;
- (d) the articles of CIM will be amended to create the CIM Redemption Shares, which will have the following attributes:
- (i) each CIM Redemption Share will be redeemable, subject to applicable law, at any time at the option of CIM at a redemption amount equal to the CIM Redemption Share Redemption Amount;
  - (ii) each CIM Redemption Share will be retractable, subject to applicable law, at any time at the option of the holder at a retraction amount equal to the CIM Redemption Share Redemption Amount;
  - (iii) the holders of the CIM Redemption Shares will be not entitled to any dividends;
  - (iv) for the purpose of subsection 191(4) of the ITA, the amount specified in respect of each CIM Redemption Share which is to be redeemed, acquired or cancelled, will be the amount specified by a director or officer of CIM in a certificate that is made: (i) effective concurrently with the issuance of such CIM Redemption Share; and (ii) pursuant to a resolution of the Board of Directors of CIM duly passed and evidenced in writing authorizing the issuance of such CIM Redemption Share, such amount to be expressed as a dollar amount (and not expressed as a formula), such amount to be not subject to change thereafter, and such amount to be equal to the fair market value of the consideration for which such CIM Redemption Share is issued;
  - (v) the holder of each CIM Redemption Share will be entitled, upon the liquidation, dissolution or winding-up of CIM, to a payment in priority to all other classes of shares of CIM of an amount equal to the CIM Redemption Share Redemption Amount to the extent of the amount of value of property available under applicable law for payment to Shareholders upon such liquidation, dissolution or winding-up, and no other amount; and
  - (vi) each CIM Redemption Share will entitle its holder to one vote at meetings of Shareholders of CIM;
- (e) each Globex Common Share outstanding on the Effective Date will be exchanged for one Globex New Common Share and one Globex Butterfly Share. Each Shareholder will cease to be the holder of the Globex Common Shares so exchanged and will become the holder of the same number of Globex New Common Shares and of Globex Butterfly Shares as the number of Globex Common Shares then owned by such Shareholder. The name of such Shareholder will be removed from the register of holders of Globex Common Shares and will be added to the registers of holders of both Globex New Common Shares and Globex Butterfly Shares with respect to the Globex New Common Shares and the Globex Butterfly Shares issued to such Shareholder. The aggregate addition to the stated capital of both the Globex New Common Shares and the Globex Butterfly Shares issued by Globex on the exchange described in this paragraph (e) will equal the aggregate paid-up capital of the Globex Common Shares subject to this exchange and as calculated in paragraph (a) above. This paid-up capital will be allocated to the Globex New Common Shares and to the Globex Butterfly Shares based on the ratio that the fair market value of the Globex New Common Shares and the Globex Butterfly Shares, as the case may be, is of the fair market value of all of the Globex New Common Shares and the Globex Butterfly Shares. All Globex Common Shares exchanged for Globex New Common Shares and Globex Butterfly Shares will be cancelled;



- (f) each holder of Globex Butterfly Shares will transfer all of the Globex Butterfly Shares held by such holder to CIM in consideration for the issuance by CIM of one CIM Common Share for each Globex Butterfly Share, subject to the condition that Small Registered Shareholders will receive, in lieu of CIM Common Shares, a cash payment equal to the number of CIM Common Shares they otherwise would have received multiplied by the volume weighted average trading price of the CIM Common Shares on the TSX or TSXV, as the case may be, for the first day of trading following the Effective Date, subject to such registered holders complying with the procedures set out in Article 4 of the Plan of Arrangement. Each holder of Globex Butterfly Shares will cease to be the holder of the Globex Butterfly Shares so transferred and will become the holder of the identical number of CIM Common Shares as the number of Globex Butterfly Shares transferred by such Shareholder to CIM. The name of such holder will be removed from the register of holders of Globex Butterfly Shares with respect to the Globex Butterfly Shares so transferred and will be added to the register of holders of CIM Common Shares as the holder of the number of CIM Common Shares so issued to such holder. CIM will be the owner of the Globex Butterfly Shares so transferred and the name of CIM will be entered in the register of holders of Globex Butterfly Shares in respect of the Globex Butterfly Shares so transferred to CIM, and CIM will add to the stated capital account maintained for the CIM Common Shares an amount equal to the aggregate paid-up capital of the Globex Butterfly Shares acquired by CIM;
- (g) immediately following the transfer of the Globex Butterfly Shares to CIM described in paragraph (f) above, each holder of Globex Stock Options will dispose of its Globex Stock Options to each of Globex and CIM in consideration for the issuance to the particular holder of a new Globex Stock Option granted by Globex to acquire a Globex New Common Share and a CIM Stock Option granted by CIM to acquire a CIM Common Share in such a manner that:
- (i) holders of Globex Stock Options will receive no consideration for the exchange of their Globex Stock Options other than a new Globex Stock Option and CIM Stock Option;
  - (ii) the original exercise price of each Globex Stock Option to each holder of Globex Stock Options will be allocated to the new Globex Stock Option and the CIM Stock Option such that an amount equal to the Exercise Price Proportion of the exercise price of each Globex Stock Option will be payable to CIM on exercise of the CIM Stock Option and an amount equal to the remainder of the original Globex Stock Option exercise price will be payable to Globex on exercise of the new Globex Stock Option. In the event that CIM is listed on the TSXV, where the allocation described in this paragraph with respect to the exercise price of a CIM Stock Option results in an exercise price that is less than \$0.10, the exercise price for the CIM Stock Option will increase to \$0.10 (without resulting in an equivalent reduction in the exercise price of a new Globex Stock Option);
  - (iii) the expiry date of a new Globex Stock Option and a CIM Stock Option will, aside from certain differences in termination provisions, be the same as that of the corresponding Globex Stock Option;
  - (iv) the other material commercial terms and conditions of the new Globex Stock Options and the CIM Stock Options will generally parallel those of the Globex Stock Options, but there will be certain differences in recognition of the fact that Globex is listed on the TSX and CIM may be listed on the TSXV; and
  - (v) the Globex Stock Options will be cancelled upon the foregoing transfers.

The issuance by CIM of the CIM Stock Options will be in anticipation of the distribution described in paragraph (h) below and will form part of the non-share consideration paid by CIM;

- (h) Globex will transfer to CIM each of the Transferred Assets for an amount equal to its fair market value;
- (i) As consideration for the property transferred by Globex, CIM will:
- (i) have issued the CIM Stock Options as described in paragraph (g) above, and

- (ii) issue 5,000,000 CIM Redemption Shares having an aggregate fair market value equal to the amount by which the fair market value of the Transferred Assets exceeds the fair market value of the CIM Stock Options;
- (j) CIM and Globex will jointly elect, in prescribed form and within the time limit referred to in subsection 85(6) of the ITA, to have the provisions of subsection 85(1) of the ITA apply to the transfer of each Transferred Asset that is an eligible property within the meaning assigned by subsection (85(1.1) of the ITA. The agreed amount for purposes of subsection 85(1) of the ITA in respect of such Transferred Asset will not exceed its fair market value;
- (k) CIM will add to the stated capital maintained for the CIM Redemption Shares (i) the aggregate of the agreed amount in respect of each eligible property in respect of which an election under subsection 85(1) of the ITA will be made, and (ii) the fair market value of each of the other Transferred Assets;
- (l) CIM will redeem all of the CIM Redemption Shares issued to Globex in paragraph (i) above and will issue to Globex, as payment, the CIM Redemption Note which will be a non-interest bearing promissory note, payable on demand having a principal amount and fair market value equal to the issue price of the CIM Redemption Shares. Globex will accept the CIM Redemption Note as full payment for the redemption of the CIM Redemption Shares with the risk that the CIM Redemption Note may not be honoured;
- (m) Globex will redeem all of the Globex Butterfly Shares acquired by CIM as described in paragraph (f) above and will issue to CIM, as payment, the Globex Redemption Note which will be a non-interest bearing promissory note, payable on demand having a principal amount and fair market value equal to the fair market value of the Globex Butterfly Shares as determined in paragraph (f) above. CIM will accept the Globex Redemption Note as full payment for redemption of the Globex Butterfly Shares with the risk that the Globex Redemption Note may not be honoured;
- (n) Globex will satisfy its obligations under the Globex Redemption Note by transferring the CIM Redemption Note to CIM, and CIM will accept the CIM Redemption Note in full satisfaction of Globex's obligations under the Globex Redemption Note. CIM will satisfy its obligations under the CIM Redemption Note by transferring the Globex Redemption Note to Globex, and Globex will accept the Globex Redemption Note in full satisfaction of CIM's obligations under the CIM Redemption Note; and
- (o) the articles of Globex will be amended as set out in Exhibit III annexed to the Plan of Arrangement to remove the Globex Butterfly Shares and Globex Common Shares as shares which Globex is authorized to issue, and to change the designation of the Class A common shares, both issued and unissued, to common shares.

As at August 31, 2012, there were outstanding 24,098,378 Globex Common Shares as well as Globex Stock Options entitling the holders thereof to acquire an aggregate of 2,227,900 Globex Common Shares. Based on the foregoing, and assuming the completion of the Arrangement on the basis described above and that no Shareholder exercises the Repurchase Right, and without taking into account Globex Common Shares held by Small Registered Shareholders, as at August 31, 2012, Globex would have outstanding 24,098,378 Globex New Common Shares and CIM would have outstanding 24,098,378 CIM Common Shares. In addition, Globex Stock Options to acquire 2,227,900 Globex New Common Shares from Globex and CIM Stock Options to acquire 2,227,900 CIM Common Shares from CIM would be outstanding, assuming that all holders of Globex Stock Options who receive CIM Stock Options pursuant to the Arrangement are otherwise eligible to receive CIM Stock Options under the CIM Stock Option Plan.

While it is currently contemplated that the Arrangement will be completed as described above, the transactions and events comprising the Plan of Arrangement may be modified so long as the Plan of Arrangement results in the Transferred Assets being acquired by CIM and Shareholders having the same percentage shareholding in each of Globex and CIM at the Effective Time.

Pursuant to the Arrangement Agreement, Globex and CIM have agreed to enter into a Management Agreement on the Effective Date as soon as reasonably practicable after the completion of the Arrangement.



## *Management Agreement*

Concurrent with the completion of the Arrangement, Globex will enter into the Management Agreement with CIM. Pursuant to the Management Agreement, Globex will provide administrative assistance and facilities, for a fee, to CIM. The fee will be equal to the cost to Globex of providing such services plus 15%. Under the Management Agreement, CIM will waive any conflicts which may arise in relation to Globex administering its other businesses or appropriating opportunities for its own benefit. In addition, CIM will indemnify Globex for delivery of services under the Management Agreement except in the case of loss arising out of wilful misfeasance, bad faith or gross negligence on the part of Globex. The Management Agreement may be terminated: (i) upon 60 days' prior written notice; or (ii) immediately in the event of the insolvency, liquidation, receivership, ceasing to carry on or winding-up of the business of Globex or CIM. Following termination of the Management Agreement, all accounts will be required to be settled, books and records returned and materials and supplies delivered.

## **Arrangement Agreement**

The following is a description of the material terms and conditions of the Arrangement Agreement. The full text of the Arrangement Agreement, including the Plan of Arrangement annexed as Appendix II thereto, is annexed as Schedule D to this Circular. Shareholders are encouraged to read the Arrangement Agreement in its entirety.

## *General*

The Arrangement Agreement is dated September 10, 2012 and is between Globex and CIM. The Arrangement Agreement provides for the Arrangement pursuant to which, among other things, Globex will transfer the Transferred Assets to CIM, and each Shareholder (other than a registered Shareholder of Globex Common Shares who exercises the Repurchase Right) will ultimately be entitled to receive Globex New Common Shares and CIM Common Shares in exchange for Globex Common Shares held by such Shareholder on the basis of one Globex New Common Share and one CIM Common Share for each Globex Common Share held by such Shareholder, all pursuant to the Plan of Arrangement.

The Arrangement Agreement contains covenants, conditions and termination provisions by which the parties to the Arrangement Agreement are bound. The parties to the Arrangement Agreement have also made certain representations and warranties to each other and have agreed to certain other terms and conditions which are standard in a transaction of the nature of the Arrangement. In addition, the Arrangement Agreement provides that, subject to any applicable restrictions under the QBCA or Final Order, it may be amended by written agreement of the parties before or after the Meeting, but not later than the Effective Date, without further notice to, or the approval of, the Shareholders.

## *Conditions to the Arrangement Becoming Effective*

The respective obligations of Globex and CIM to complete the Arrangement are subject to the satisfaction or waiver, on or before the Effective Date, of the following mutual conditions: (i) the Interim Order having been granted in form and substance satisfactory to Globex; (ii) the Arrangement, with or without amendment, having been approved at the Meeting, with or without variation, by the requisite majority of the votes cast by Shareholders at the Meeting; (iii) the Final Order having been granted in form and substance satisfactory to Globex and including a declaration of the Court that the terms and conditions of the Arrangement are fair to the Shareholders and that the Court is aware that such finding of fairness will form the basis of an exemption from the registration requirements of the 1933 Act; (iv) to the extent necessary, the TSX having conditionally approved the listing thereon of the Globex New Common Shares to be issued pursuant to the Arrangement (including the Globex New Common Shares which, as a result of the Arrangement, are issuable upon the exercise of the Globex Stock Options) as of the Effective Date, or as soon as possible thereafter, subject only to compliance with the usual requirements of the TSX; (v) the TSX or TSXV having conditionally approved the listing of the CIM Common Shares (including the CIM Common Shares which, as a result of the Arrangement, are issuable upon the exercise of the CIM Stock Options), subject only to compliance with the usual requirements of the TSX or TSXV, as the case may be; (vi) all governmental, court, regulatory, third person and other approvals, consents, expiry of waiting periods, waivers, permits, exemptions, orders and agreements and all amendments and modifications to, and terminations of, agreements, indentures and arrangements considered by Globex to be necessary or desirable for the Arrangement to become effective and for the transfer of the Transferred Assets to CIM having been obtained or received on terms that are satisfactory to Globex; (vii) there not being in force any order or decree restraining or enjoining the completion of the transactions contemplated by the Arrangement Agreement; (viii) the Tax Ruling having been obtained by Globex in form and substance satisfactory to Globex confirming that, based on the current provisions of the ITA, the Regulations thereunder and the Tax Proposals, the Arrangement will be treated for the purposes of the ITA as a tax-deferred "butterfly" reorganization pursuant to paragraph 55(3)(b) of the ITA with no material Canadian federal income tax payable by any of Globex, CIM or Shareholders

who hold their Globex Common Shares as capital property; and (ix) the Arrangement Agreement not having been terminated pursuant to Article 6 thereof.

Management of Globex believes that all material consents, orders, rulings, approvals and assurances required for the Arrangement to become effective and the transfer of the Transferred Assets to CIM will be obtained prior to the Effective Date in the normal course upon application therefor. There can, however, be no assurance that all of the conditions to the Arrangement will be fulfilled prior to the Effective Date.

Notwithstanding the fulfillment or waiver of the foregoing and other certain conditions, at any time before or after the holding of the Meeting but prior to the Effective Date, the Arrangement Agreement may be unilaterally terminated by Globex without further notice to, or action on the part of, Shareholders for whatever reason Globex may consider appropriate. The directors of Globex consider it appropriate to retain the flexibility to not proceed with the Arrangement should some event occur prior to the Arrangement becoming effective which in the opinion of the directors of Globex makes it inappropriate to complete the Arrangement. The Arrangement Resolution to be considered and passed by Shareholders at the Meeting authorizes such action by the directors of Globex.

#### *Expenses of the Arrangement*

The Arrangement Agreement provides that CIM is to pay all expenses incurred in connection therewith, the Arrangement and the transactions contemplated thereby.

## **REGULATORY MATTERS**

### **Tax Ruling**

The respective obligations of Globex and CIM to complete the Arrangement are subject to, among other things, Globex having received the Tax Ruling in form and substance satisfactory to Globex confirming that, based on the current provisions of the ITA, the Regulations thereunder and the Tax Proposals, the Arrangement will be treated for the purposes of the ITA as a tax-deferred “butterfly” reorganization pursuant to paragraph 55(3)(b) of the ITA with no material Canadian federal income tax payable by any of Globex, CIM or Shareholders who hold their Globex Common Shares as capital property.

### **Issue and Resale of Globex New Common Shares and CIM Common Shares**

#### *Canada*

The issue of Globex New Common Shares and CIM Common Shares in connection with the Arrangement will be exempt from the prospectus requirements of the securities legislation of the provinces and territories of Canada.

The first trade of Globex New Common Shares and CIM Common Shares issued to a Shareholder in connection with the Arrangement will not be subject to any restricted or “hold” period pursuant to the securities legislation of the provinces and territories of Canada if: (i) at the time of such first trade, Globex or CIM, as the case may be, is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the first trade; (ii) no unusual effort is made to prepare the market or to create a demand for the Globex New Common Shares or CIM Common Shares, as the case maybe, which are the subject of the trade; (iii) no extraordinary commission or consideration is paid to a person or company in respect of the trade; (iv) if the seller of the securities is an insider or officer of Globex or CIM, as applicable, the seller has no reasonable grounds to believe that Globex or CIM, as applicable, is in default of securities legislation; and (v) the first trade is not from the holdings of a person or company or a combination of persons or companies holding a sufficient number of any securities of Globex or CIM, as applicable, so as to affect materially the control of Globex or CIM, as applicable (if a person or company, or a combination of persons and/or companies holds more than 20% of the outstanding voting securities of Globex or CIM, as applicable, the person or company or combination of persons and/or companies is deemed, in the absence of evidence to the contrary, to affect materially the control of Globex or CIM, as applicable).

With respect to item (i) above, Globex has been a reporting issuer in four jurisdictions in Canada for several years. Accordingly, item (i) above will be satisfied after completion of the Arrangement with respect to the first trade of Globex New Common Shares. In addition, upon completion of the Arrangement, it is anticipated that CIM will be a reporting issuer in one or more jurisdictions of Canada and the seller may include the period of time that Globex was a reporting issuer in a jurisdiction of Canada immediately before the Arrangement. Accordingly, item (i) above will be satisfied after completion of the Arrangement with respect to the first trade of CIM Common Shares.

## *United States*

The Globex New Common Shares and CIM Common Shares to be issued to holders of Globex Common Shares are not required to be, and will not be, registered under the 1933 Act. Such shares will be issued in reliance upon the exemption provided by section 3(a)(10) of the 1933 Act. Section 3(a)(10) exempts from the general registration requirement under the 1933 Act securities that are issued in exchange for one or more *bona fide* outstanding securities where the terms and conditions of the issue and exchange of such securities have been approved by any court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of the issue and exchange at which all persons to whom such securities will be issued have the right to appear. The Court is authorized to conduct a hearing to determine the fairness of the terms and conditions of the Arrangement, including the proposed issue of securities in exchange for other outstanding securities. See “The Arrangement — Court Approval and Completion of the Arrangement”. Even if the exemption provided by section 3(a)(10) of the 1933 Act was held not to be available for the issuance of Globex New Common Shares and CIM Common Shares, based upon the U.S. Securities and Exchange Commission’s Staff Legal Bulletin No. 4, the issuance of such securities pursuant to the Arrangement should still be exempt from the registration requirements of the 1933 Act on the basis that the issuance does not constitute a “sale” (as that term is defined in the 1933 Act).

The Globex New Common Shares and CIM Common Shares received in exchange for Globex Common Shares pursuant to the Arrangement will be freely transferable under United States federal securities laws by those shareholders not deemed to be “affiliates” (as that term is defined in the 1933 Act) of Globex or CIM immediately prior to the Arrangement or “affiliates” of Globex or CIM after the Arrangement. An “affiliate” of an issuer, as defined in rules under the 1933 Act, is a person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer, and generally includes executive officers and directors of the issuer as well as principal shareholders of the issuer.

Subject to certain limitations, such affiliates may immediately resell Globex New Common Shares or CIM Common Shares, as applicable, outside the United States without registration under the 1933 Act pursuant to Regulation S. Globex New Common Shares or CIM Common Shares held by such affiliates may also be resold in the United States in compliance with the resale provisions of Rule 144 under the 1933 Act or as otherwise permitted under the 1933 Act. Rule 144 generally requires that any sales made by an affiliate in any three-month period not exceed the greater of 1% of the outstanding applicable securities or, if such securities are listed on a United States securities exchange, the average weekly trading volume over the four calendar weeks preceding the placement of the sell order, and that sales be made in unsolicited, open market “brokers’ transactions” at times when certain information specified by Rule 144 is publicly available with respect to Globex or CIM, as applicable.

The foregoing discussion is only a general overview of certain requirements of United States securities laws applicable to Globex New Common Shares or CIM Common Shares received upon completion of the Arrangement. All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.

## **Stock Exchange Listings**

### *Globex*

The Arrangement is conditional upon the continued listing of the Globex Common Shares on the TSX or, to the extent necessary, the conditional listing on the TSX of the Globex New Common Shares (in substitution for the Globex Common Shares) immediately upon completion of the Arrangement, subject to Globex complying with the continued listing requirements of the TSX. There can, however, be no assurance that Globex will be able to maintain its listing on TSX or, if necessary, that the TSX will list the Globex New Common Shares.

### *CIM*

An application will be made to list the CIM Common Shares issued pursuant to the Arrangement on the TSXV immediately upon completion of the Arrangement. Listing will be subject to CIM meeting the original listing requirements of the TSXV, receiving approval of the TSXV and meeting all conditions of listing imposed by the TSXV. There can, however, be no assurance as to if, or when, the CIM Common Shares will be listed for trading on the TSXV.

## RIGHT TO DEMAND REPURCHASE OF SHARES

The adoption of the Arrangement Resolution entitles a registered holder of Globex Common Shares to demand that Globex repurchase all of the Shareholder's Globex Common Shares in the manner provided in sections 372 and following of the QBCA, as modified by the Interim Order and Plan of Arrangement, if such Shareholder exercises all the voting rights carried by those Globex Common Shares against the Arrangement Resolution. Sections 372 and following of the QBCA are reprinted in their entirety in Schedule I to this Circular. The following summary is qualified by sections 372 and following of the QBCA, the Interim Order and Plan of Arrangement.

In the event the Plan of Arrangement becomes effective, registered holders of Globex Common Shares who exercised all the voting rights carried by their Globex Common Shares against the Arrangement Resolution (collectively, "**Repurchase Demanding Shareholders**") who comply with sections 372 and following of the QBCA, as modified by the Interim Order and Plan of Arrangement, will be entitled to demand that Globex repurchase all of their Globex Common Shares (the "**Repurchase Right**") for their fair value.

**Repurchase Demanding Shareholders who wish to exercise the Repurchase Right must send a notice informing Globex that they intend to exercise the Repurchase Right (a "Repurchase Demand Notice"), such that it is received by Globex not later than 5:00 p.m. (Montreal time) on the Business Day immediately preceding the day of the Meeting (or any postponement or adjournment thereof), at the head office of Globex, 86 14<sup>th</sup> Street, Rouyn-Noranda, Québec J9X 2J1, Attention: Chief Executive Officer.** The filing of a Repurchase Demand Notice does not deprive a Shareholder of the right to vote; however, the QBCA provides, in effect, that a Shareholder who has submitted a Repurchase Demand Notice and who exercises any of the voting rights carried by the Shareholder's Globex Common Shares in favour of, or abstains from exercising any of the voting rights carried by those Globex Common Shares on, the Arrangement Resolution will no longer be considered a Repurchase Demanding Shareholder with respect to any of the Globex Common Shares held by the Repurchase Demanding Shareholder. The QBCA does not provide, and Globex will not assume, that a vote against, or abstention from the vote on, the Arrangement Resolution constitutes a Repurchase Demand Notice. In addition, the execution or exercise of a proxy does **not** constitute a Repurchase Demand Notice. Under the QBCA, there is no right of partial exercise of the right to demand the repurchase of shares and, accordingly, a Repurchase Demanding Shareholder may exercise the Repurchase Right only with respect to all Globex Common Shares held on behalf of such Repurchase Demanding Shareholder.

Globex is required, as soon as the Plan of Arrangement becomes effective, to send notice that the Plan of Arrangement has become effective (the "**Repurchase Notice**") to each Repurchase Demanding Shareholder who has filed a Repurchase Demand Notice.

The Repurchase Notice must mention the repurchase price offered by Globex for the Globex Common Shares held by each Repurchase Demanding Shareholder and explain how the price was determined. If Globex is unable to pay the full redemption price offered because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due, the Repurchase Notice must mention that fact and indicate the maximum amount of the price offered that Globex will legally be able to pay.

The repurchase price is the fair value of the Globex Common Shares as of the close of the offices of Globex on the day before the Arrangement Resolution is adopted. The repurchase price of all Globex Common Shares must be the same, regardless of the Repurchase Demanding Shareholder holding them.

A Repurchase Demanding Shareholder must, within 30 days after receiving the Repurchase Notice or, if the Repurchase Demanding Shareholder does not receive such Repurchase Notice, within 30 days after the Repurchase Demanding Shareholder becomes aware that the Plan of Arrangement has become effective but not later than 90 days after the Plan of Arrangement has become effective, send to Globex a written notice confirming the Repurchase Demanding Shareholder's wish to exercise the right to demand a repurchase (a "**Repurchase Confirmation Notice**"). The confirmation may not be limited to only part of the repurchasable Globex Common Shares. Repurchase Demanding Shareholders who fail to send a Repurchase Confirmation Notice will be deemed to have renounced to their right to demand repurchase of their Globex Common Shares.

On sending a Repurchase Confirmation Notice to Globex, a Repurchase Demanding Shareholder ceases to have any rights as a Shareholder, other than the right to be paid the fair value of the Globex Common Shares in respect of which such Repurchase Confirmation Notice was made.

Globex is required to pay the offered repurchase price to all Repurchase Demanding Shareholders who send a Repurchase Confirmation Notice to Globex, within ten days after such confirmation. However, if Globex is unable to pay the full repurchase price offered because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due, Globex will be required to pay only the maximum amount it may legally pay the Repurchase Demanding Shareholders. In that case, the Repurchase Demanding Shareholders will remain creditors of Globex for the unpaid balance of the repurchase price and will be entitled to be paid as soon as Globex is legally able to do so or, in the event of the liquidation of Globex, will be entitled to be collocated after the other creditors but by preference over the other Shareholders.

If Repurchase Demanding Shareholders wish to contest Globex's appraisal of the fair value of their Globex Common Shares, they must notify Globex of such contestation within the time given to confirm their decision to exercise their right to demand a repurchase, which contestation will constitute a confirmation of their decision to exercise the right to demand a repurchase. Globex may increase the repurchase price offered within 30 days after receiving a notice of contestation. Such increase in the repurchase price of the Globex Common Shares must be the same, regardless of the Repurchase Demanding Shareholder holding them.

If Globex does not follow up on a Repurchase Demanding Shareholder's contestation within 30 days after receiving a notice of contestation or if the Repurchase Demanding Shareholder wishes to contest the increase in the repurchase price offered by Globex, the Repurchase Demanding Shareholder may ask the court to determine the increase in the repurchase price. The same applies when a Repurchase Demanding Shareholder contests the increase in the repurchase price offered by Globex. The Repurchase Demanding Shareholder must make the application within 90 days after receiving the Repurchase Notice.

As soon as an application is filed by a Repurchase Demanding Shareholder under section 384 of the QBCA, Globex must notify all other Repurchase Demanding Shareholders who are still contesting the appraisal of the fair value of their Globex Common Shares or the increase in the repurchase price offered by Globex. All Repurchase Demanding Shareholders who were notified by Globex of the application are bound by the court judgment. The court may entrust the appraisal of the fair value of the Globex Common Shares to an expert.

Globex must, without delay, pay the increase in the repurchase price to all Repurchase Demanding Shareholders who did not contest the increase offered, and must pay the increase determined by the court to all Repurchase Demanding Shareholders who, under section 386 of the QBCA, are bound by the court judgment, within ten days after the judgment. However, if Globex is unable to pay the full increase in the repurchase price because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due, Globex will be required to pay only the maximum amount it may legally pay the Repurchase Demanding Shareholders. In such a case, the Repurchase Demanding Shareholders will remain creditors of Globex for the unpaid balance of the repurchase price and will be entitled to be paid as soon as Globex is legally able to do so or, in the event of the liquidation of Globex, will be entitled to be collocated after the other creditors but by preference over the other Shareholders.

Shareholders who are unable to inform Globex of their intention to exercise the Repurchase Right before the Meeting because Globex failed to notify them of the possible adoption of the Arrangement Resolution, may exercise the rights afforded to them by sections 389 and following of the QBCA. A Shareholder is presumed to have been notified of the proposed adoption of the Arrangement Resolution if notice of the Meeting was sent to the address entered in Globex's security register for that Shareholder.

A beneficiary who may give instructions to a Shareholder as to the exercise of rights attaching to a Globex Common Share has the right to demand the repurchase of that Globex Common Share as though the beneficiary were a Shareholder, in accordance with sections 393 and following of the QBCA.

**The foregoing is only a summary of sections 372 and following of the QBCA, as modified by the Interim Order and Plan of Arrangement, which sections as so modified are technical and complex. It is suggested that any Shareholder wishing to exercise a Repurchase Right seek legal advice as failure to comply strictly with the QBCA, as modified by the Interim Order and Plan of Arrangement, may prejudice such Shareholder's Repurchase Right. For a general summary of certain income tax implications to a Repurchase Demanding Shareholder, see "Income Tax Considerations — Canadian Federal Income Tax Considerations".**

## INCOME TAX CONSIDERATIONS

### Canadian Federal Income Tax Considerations

#### *General*

In the opinion of Heenan Blaikie LLP, counsel to Globex, the following is, as at the date hereof, a general summary of the principal Canadian federal income tax consequences of the Arrangement generally applicable to Shareholders who, at all relevant times and for purposes of the ITA, are residents of Canada, hold their Globex Common Shares as capital property, will hold their CIM Common Shares and Globex New Common Shares as capital property and who deal at arm's-length, and are not affiliated, with Globex.

For the purposes of the ITA, the shares of Globex will generally constitute capital property to a holder thereof unless such shares are held in the course of carrying on a business of trading or dealing in securities or otherwise as part of a business of buying and selling securities or such holder has acquired such shares in a transaction or transactions considered to be an adventure in the nature of trade. Certain Shareholders who are resident in Canada for purposes of the ITA and whose shares might not otherwise qualify as capital property may make an irrevocable election in accordance with subsection 39(4) of the ITA to have such shares and every other "Canadian security" (as defined in the ITA) owned by such Shareholder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. Shareholders contemplating making such an election should first consult their own tax advisors as such an election will affect the income tax treatment for other Canadian securities held. Shareholders who do not hold their Globex Common Shares as capital property should consult their own tax advisors regarding their particular circumstances.

The following summary is based on the provisions of the ITA as at the date hereof, the Regulations thereunder and counsel's understanding of the current administrative practices of Canada Revenue Agency. This summary also takes into account all specific proposals to amend the ITA and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (collectively, the "**Tax Proposals**"). While it has been assumed that all the Tax Proposals will become law, no assurances can be given that the Tax Proposals will be enacted in the form proposed, if at all. This summary does not otherwise take into account or anticipate any changes in law, whether by judicial, governmental or legislative decision or action, or changes in the administrative practices of Canada Revenue Agency. This summary does not take into account provincial, territorial or foreign income tax legislation considerations. Provincial income tax legislation may vary from province to province in Canada and in some cases differ from federal income tax legislation.

The ITA contains certain provisions relating to securities held by certain financial institutions (the "**mark-to-market rules**"). This summary does not take into account the mark-to-market rules and Shareholders that are financial institutions for the purposes of those rules should consult their own tax advisors. This summary is not applicable to Shareholders an interest in which would be a "tax shelter investment", as defined in the ITA, and any such Shareholders should consult their own tax advisors.

**This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Shareholder about the Canadian income tax consequences of the Arrangement. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, each Shareholder is urged to consult with the Shareholder's own tax advisor regarding the income tax consequences of the Arrangement.**

#### *Shareholders Resident in Canada*

The following portion of the summary is generally applicable to Shareholders who, at all relevant times, are, or are deemed to be, resident in Canada for purposes of the ITA.

#### Exchange of Globex Common Shares for Globex Butterfly Shares and Globex New Common Shares

Under the Arrangement, a Shareholder will receive one Globex Butterfly Share and one Globex New Common Share in exchange for each Globex Common Share currently held.

A Shareholder who acquires Globex Butterfly Shares and Globex New Common Shares as a consequence of the Arrangement will be deemed to have disposed of such Globex Common Shares for proceeds of disposition equal to the adjusted cost base of such shares at the time of the exchange. Accordingly, a Shareholder will realize neither a capital gain nor a capital loss on the exchange.



The adjusted cost base of the Globex Butterfly Shares and of the Globex New Common Shares received by a Shareholder, in the aggregate, will be equal to the adjusted cost base of the Globex Common Shares exchanged by that Shareholder, but apportioned between Globex Butterfly Shares and Globex New Common Shares on the basis of their relative fair market value at the time of the exchange. Globex has advised counsel that following the Effective Date, it will advise Shareholders of an appropriate proportionate allocation of the adjusted cost bases.

#### Exchange of Globex Butterfly Shares for CIM Common Shares

Pursuant to the terms of the Arrangement, the holders of Globex Butterfly Shares (with the exception of Small Registered Shareholders) will sell such shares to CIM in exchange for consideration consisting solely of one CIM Common Share for each Globex Butterfly Share so transferred.

A Shareholder who exchanges his or her Globex Butterfly Shares pursuant to the Arrangement, will be deemed to have disposed of the Globex Butterfly Shares for proceeds of disposition equal to the adjusted cost base of such shares at the time of the exchange, unless such Shareholder elects to include in computing income for the year any portion of the gain or loss, as otherwise determined, from the disposition of the Globex Butterfly Shares. Accordingly, provided the Globex Butterfly Shares are held as capital property, the Shareholder will realize neither a capital gain nor a capital loss.

The CIM Common Shares received by a Shareholder pursuant to the Arrangement will be deemed to have been acquired at a cost equal to the aggregate adjusted cost base of the Shareholder's former Globex Butterfly Shares at the time of the exchange.

A Shareholder who is a Small Registered Shareholder will receive cash as consideration for the exchange of the Globex Butterfly Shares. A capital gain or capital loss, as the case may be, will arise to the extent that the proceeds of disposition of the Globex Butterfly Shares exceed, or are exceeded by, the adjusted cost base of such shares.

#### Repurchase Demanding Shareholders

Shareholders of Globex who exercise the Repurchase Right pursuant to the Arrangement will be entitled, in the event the Arrangement becomes effective, to be paid by Globex an amount equal to the fair value of their Globex Common Shares held as at the Effective Date. A Repurchase Demanding Shareholder will be deemed under the Arrangement to have transferred such Globex Common Shares to Globex and such shares will be deemed to have been cancelled by Globex, immediately prior to the Effective Date.

A Repurchase Demanding Shareholder will be deemed to have received a dividend (subject to the potential application of subsection 55(2) of the ITA to Repurchase Demanding Shareholders that are corporations) equal to the amount by which the proceeds of disposition (less the amount of any interest awarded by the court) exceed the paid-up capital of the Globex Common Shares immediately prior to the disposition of such shares, and such deemed dividend will reduce the proceeds of disposition for purposes of computing a capital gain (or capital loss) on the disposition of such shares.

In addition, a Repurchase Demanding Shareholder will be considered to have disposed of such Globex Common Shares for proceeds of disposition equal to the amount received from Globex, less the amount of any dividend deemed to have been received by the Repurchase Demanding Shareholder, as described above. A Repurchase Demanding Shareholder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition for purposes of the ITA of the Globex Common Shares, net of any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base of such shares immediately before the disposition.

Any interest awarded by a court and paid to a Repurchase Demanding Shareholder will be included in its income for a particular taxation year to the extent that the amount is received or receivable in that year, depending upon the method regularly followed by the Repurchase Demanding Shareholder in computing income.

#### *Shareholders Not Resident in Canada*

The following portion of the summary is applicable to Shareholders who, at all relevant times, for purposes of the ITA and any applicable income tax treaty or convention, are neither resident nor deemed to be resident in Canada.

Generally, a Shareholder (other than a Repurchase Demanding Shareholder) who is not resident in Canada and whose Globex Common Shares do not constitute “taxable Canadian property” to such Shareholder will not be subject to income tax under the ITA as a result of the Arrangement.

Generally, the Globex Common Shares will not constitute “taxable Canadian property” at a particular time provided that (i) the Shareholder does not use or hold, and is not deemed to use or hold, the Globex Common Shares in connection with a business carried on in Canada; and (ii) the Shares are listed on a prescribed stock exchange (which includes the TSX) at that time, and the Shareholder, persons with whom the Shareholder does not deal at arm’s length, or the Shareholder together with persons with whom the Shareholder does not deal at arm’s length, have not owned 25% or more of the issued shares of any class of Globex at any time during the 60-month period preceding the Effective Date.

Any dividends deemed to be paid to a Repurchase Demanding Shareholder who is not resident in Canada will be subject to Canadian withholding tax at a rate of 25%. Such withholding tax rates may be reduced under the provisions of an applicable income tax treaty or convention.

## **RISK FACTORS**

In evaluating whether to vote in favour of the Arrangement, Shareholders should carefully consider, in addition to other information contained in this Circular (including documents incorporated by reference into this Circular) the following risk factors, which apply to Globex and will apply to Globex and CIM, as appropriate, after the completion of the Arrangement.

### **Liquidity Risk**

The economics of various projects are significantly affected by changes in the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of Globex. The price of mineral commodities has fluctuated widely in recent years, and future price declines could significantly impact the value of various projects. While metals prices, including gold, silver, copper and zinc have increased recently from the lows experienced towards the end of 2008, Globex still recognizes that the underlying world economics could impact the stability in these prices and therefore Globex has continued to carefully manage its cash resources. Globex continues to use option and/or royalty income, government refunds, and funds from financing to maintain Globex and continue exploration.

### **Fluctuations in the Market Price of Gold, Magnesium, Talc and Base Metals**

The profitability of gold, magnesium, talc and base metal mining operations and thus the value of Globex’s mineral properties are directly related to the market price of the various minerals. The market prices of gold, magnesium, talc and base metals fluctuate widely and are affected by numerous factors beyond the control of any mining company. These factors include expectations with respect to the rate of inflation, the exchange rates of the dollar and other currencies, interest rates, demand, global or regional political, economic and banking conditions, and a number of other factors. The selection of a property for exploration or development, the determination to construct a mine and place it into production and the dedication of funds necessary to achieve such purposes are decisions that must be made long before the first revenues from production will be received. Price fluctuations between the time that such decisions are made and the commencement of production can drastically affect the economics of a mine.

### **Exploration Risks**

Mineral exploration is highly speculative and capital intensive. Most exploration efforts are not successful, in that they do not result in the discovery of mineralization of sufficient quantity or quality to be profitably mined. The economic feasibility of any individual project is based upon, among other things, the interpretation of geological data obtained from drill holes and other sampling techniques, feasibility studies (which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed), the configuration of the ore body, expected recovery rates of metals from the ore, comparable facility and equipment costs, anticipated climatic conditions, estimates of labour productivity, royalty burdens and other factors. As a result, it is possible that the actual operating cash costs and economic returns of Globex’s properties may differ materially from the costs and returns initially estimated.

### **Uncertainty of Reserves and Mineralization Estimates**

There are numerous uncertainties inherent in estimating proven and probable reserves, resources and mineralization, including many factors beyond any company’s control, such as falling metal prices, which could cause reclassification of



reserves or resources to a mineral deposit. The estimation of reserves, resources and mineralization is a subjective process and the accuracy of any such estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to even greater uncertainty.

If current prices continue or if there are declines in the market prices of gold, magnesium, talc or other precious metals, reserves or mineralization may be rendered uneconomic to exploit. Changes in operating and capital costs and other factors including, but not limited to, short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades, may materially and adversely affect reserves. Considering the fluctuations in the prices for gold and base metals and possible future fluctuations in the price of metals, some reserves or resources will most likely have to be re-evaluated from reserves or resources to mineral deposit or *vice versa*.

Many of the resources that Globex holds were calculated prior to the institution of NI 43-101 and thus do not fall under the now-standard definitions of reserves or resources. Due to the high cost of recalculating these figures, Globex has decided not to re-evaluate them but to advise on its web site, in reports and published information that the figures quoted do not conform to NI 43-101 standards, are historical and not current, and that they should not be relied upon.

“Historical estimate” means an estimate of mineral resources or mineral reserves prepared prior to February 1, 2001. A historic estimate is not compliant with NI 43-101. Under NI 43-101, the issuer must inform the reader of the source, author and date of the historic estimate. As well, the following cautionary language must accompany the historic estimate:

- A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or reserves;
- The issuer is not treating the historical estimate as current mineral resources or mineral reserves; and
- The historical estimate should not be relied upon. The relevance and reliability of the historical estimate, and any more recent estimates will be given.

### **Government Legislation and Taxation**

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

The Québec government has proposed changes to Québec’s Mining Law which will include a number of significant changes that will negatively affect Globex such as the following:

- Access (*surface rights owners and municipalities will now have absolute control over access to mineral rights and can prevent access and any and all work with no compensation to mineral right holders*);
- Ownership of Surface Minerals Substances (*surface mineral substances found in land granted by the State for purposes other than mining will belong to the owner of the soil*);
- Credit for Exploration Work on Claims (*it will continue to be possible to make a payment in lieu of carrying on mining exploration on claims. However, the payment will be double the cost of the work requirement*);
- Areas within Urbanization Perimeter and Areas Dedicated to Recreation *were designated as special areas where exploration and mining operations require the consent of the municipality, and/ or surface rights owner as well as provincial government agencies involved in regulating such activities*);
- Mine Rehabilitation (*Mining leases will be granted by the Minister only if a rehabilitation and restoration plan is approved. The proposed amendments include deposits to cover 100% of the anticipated costs to cover rehabilitation and site restoration*);
- Bulk Sampling (*Sampling of over 50 metric tonnes by a claim holder will continue to be possible with the authorization of the Minister, for the purposes of determining the characteristics of the ore*); and

- Plan of Work (*notice of staking or the map designation of a claim will have to be accompanied by a plan of work to be performed in the coming year*).

Globex has completed a preliminary analysis of the proposed changes and Management believes that a number of measures being proposed by the Québec Government could slow the exploration and development process and result in additional costs.

On July 24, 2012, the Québec government created a new municipality covering the area formerly called the Municipality of James Bay. The new municipality, Eeyou Istchee, will have vast powers including those of a municipality, a regional government and input into resource development. Globex's Chibougamau assets fall into this area. It is not clear at this time the extent of the decisional powers given to the new entity nor its effect on potential exploration or resource development by CIM.

These measures and many others in the new law and Plan Nord have become important risks when doing business in Québec.

### **Development and Operating Risks**

The operations of Globex are also subject to all of the hazards and risks normally associated with developing and operating mining properties. These risks include: under capitalization; insufficient ore reserves; fluctuations in production costs that may make mining of reserves not economical; significant environmental and other regulatory restrictions; labour disputes; unanticipated variations in grade and other geological problems; water conditions; surface or underground conditions; metallurgical and other processing problems; mechanical and equipment performance problems; failure of pit walls or dams; "force majeure" events, including natural disasters; and the risk of injury to persons, property or the environment, any of which can materially and adversely affect, among other things, the development of properties, production quantities and rates, costs and expenditures and production commencement dates.

### **Mining and Processing Technology Risks**

In evaluating properties or projects, Globex has identified a number of technologies, which appear to offer very promising improvements in reducing capital and operating costs and enhancing the potential metal recoveries. In some cases, these technologies have been tested, but have not been applied in large-scale commercial operations and therefore represent a potential risk if anticipated mining plans assume the adoption of these technologies.

### **Lack of Production Experience and Operating History**

Globex's principal mining-related activities to date have consisted of acquiring, exploring and developing mineral properties. Globex has never been involved in operating mineral producing properties or producing or extracting minerals, although its consultants have. The expertise required for operation and extraction of minerals is different from the expertise required for acquisition, exploration and development. There are no revenues from the sale of metals and no operating history upon which to base estimates of future cash operating costs and capital requirements. There can be no assurance that Globex will ever be successful in operating mines or producing minerals.

### **Operating Losses, Negative Cash Flow from Mining Activities and Financing Risks**

Historically, because Globex is an exploration company, it has generally produced operating losses and only recently generated a positive cash flow from operations. As a result, Globex has had to rely on the issuance of equity securities and funding from other sources, principally joint ventures and property options, to satisfy its cash requirements. Additional financing may be required for certain ongoing projects to ensure sufficient working capital. There is no guarantee of obtaining funds from other sources in the future.

### **Title to Properties**

The validity of unpatented mining claims in the United States, which constitute a portion of the property holdings of Globex, is often uncertain, and such validity can be subject to contest. Unpatented mining claims are unique property interests in the United States and Canada and are generally considered subject to greater title risk than patented mining claims or real property interests that are owned in fee simple. The validity of an unpatented mining claim in the United States, in terms of both its location and maintenance, is dependent on strict compliance with a complex body of federal and state statutory and case law. In addition, there are few public records that definitively control the issues of validity and ownership of unpatented

mining claims. Globex has not filed patent applications for many of its properties that are located on federal public lands in the United States, and patents may be difficult to obtain in the United States. Although Globex has attempted to acquire satisfactory title to its properties consisting of unpatented mining claims in the United States, Globex does not generally obtain title opinions until financing is sought to develop a property, with the attendant risk that title to some properties, particularly title to undeveloped properties, may be defective.

### **Foreign Operations**

Globex conducts operations on numerous mineral properties in Canada, has option arrangements on properties in the United States and may undertake direct exploration in the United States if favourable opportunities arise. Globex's activities in the United States are subject to the risks normally associated with conducting business in foreign countries, including exchange controls and currency fluctuations, foreign taxation, and other risks that could cause exploration or development difficulties or stoppages or restrict the movement of funds. Globex's operations could also be adversely impacted by laws and policies of the United States and Canada affecting foreign trade, investment and taxation. These factors may result in foreign currency exchange gains and losses due to the fluctuation in the relative values of the currencies involved. Globex does not currently own any mineral properties outside of Canada and the United States, although it may acquire other foreign properties in the future.

### **Dependence on Key Personnel**

Globex is dependent on the services of certain key officers and employees, including its President, Jack Stoch, and Executive Vice-President, Dianne Stoch. Globex has an employment agreement with Mr. Stoch and Mrs. Stoch, but does not carry key-person life insurance on them. Competition in the mining exploration industry for qualified individuals is intense and the loss of any key officer or employee if not replaced promptly could have a material adverse effect on the business and operations of Globex.

### **Regulatory Compliance, Permitting Risks and Environmental Liability**

Exploration, development and mining activities are subject to extensive Canadian and United States federal, provincial, state and local laws and regulations governing prospecting, exploration, development, production, taxes, labour standards, waste disposal, protection and remediation of the environment, reclamation, historic and cultural preservation, mine safety and occupational health, control of toxic substances and other matters involving environmental protection and taxation. The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing a mine and other facilities in compliance with such laws and regulations are significant. The costs and delays associated with compliance with such laws and regulations could result in the development or operation of a mine to become uneconomic.

Mining in particular (and the ownership or operation of properties upon which historic mining activities have taken place) is subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to Globex (or to other companies within the mineral industry) at a reasonable cost. To the extent that Globex becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to Globex and could have a material adverse effect on it.

The environmental protection laws address, among other things, the maintenance of air and water quality standards, the preservation of threatened and endangered wildlife species and vegetation, the preservation of certain archaeological sites, reclamation, and limitations on the generation, transportation, storage and disposal of solid and hazardous wastes. The legislation is monitored, but the requirements are constantly changing and are generally becoming more restrictive. There can be no assurances that all required permits and governmental approvals can be obtained on a timely basis or maintained as required.

In the context of environmental permitting, including the approval of reclamation plans, Globex must comply with standards, laws and regulations that may entail greater or fewer costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are applied by the permitting authority. It is possible that the costs and delays associated with compliance with such laws, regulations and permits could become such that Globex would not proceed with the development of a project or the operation or further development of a mine. Globex has made, and expects if required to make, significant future expenditures to comply with permitting obligations and environmental laws and regulations although no such requirements currently exist. Globex believes that the properties and operations in which it retains interests are currently in material compliance with applicable laws and regulations.

## **Volatility of Stock Price and Limited Liquidity**

Globex's common shares are listed on the TSX under the symbol "GMX". In addition, Globex is interlisted in Europe on the Frankfurt, Munich, Stuttgart, Xetra and Berlin exchanges under the symbol "G1M" and trades under the symbol "GLBXF" on the OTCQX International market in the United States. Globex'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 Globex's common shares.

## **Fluctuations in Currency Markets**

Globex receives funding in Canadian dollars while metal prices are quoted in US dollars. Fluctuations in the relative values of the currencies can negatively affect the viability of ore deposits as well as planned or continuing operations, including exploration, development or mining.

## **Conflicts of Interest**

The directors and officers of Globex may serve as directors or officers of other public resource companies or have significant shareholdings in other public resource companies. Situations may arise in connection with potential acquisitions and investments where the other interests of these directors and officers may conflict with the interests of Globex. In the event that such a conflict of interest arises at a meeting of the directors of Globex, a director is required by the QBCA to disclose the conflict of interest and to abstain from voting on the matter.

## **BUSINESS OF THE MEETING**

### **Approval of the Arrangement**

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, the Arrangement Resolution, the full text of which is set out in Schedule A to this Circular.

**The directors of Globex unanimously recommend that Shareholders vote in favour of the Arrangement Resolution at the Meeting.** See "The Arrangement — Background to the Arrangement and Recommendation of the Directors of Globex". To be effective, the Arrangement Resolution must be approved by not less than two-thirds of the votes cast thereon by the holders of Globex Common Shares present in person or represented by proxy at the Meeting. **Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Globex Common Shares represented by such form of proxy for the Arrangement Resolution.**

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For the purposes of this Circular, "informed person" means: (a) a director or executive officer of Globex; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of Globex; (c) any person or company who beneficially owns or exercises control or direction over, directly or indirectly, voting securities of Globex carrying more than 10% of the voting rights attached to all outstanding voting securities of Globex, other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) Globex if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as set out below or as may be set out herein, to the best of Globex's knowledge, no informed person of Globex, and no associate or affiliate of the foregoing persons, at any time since the beginning of its most recently-completed financial year, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of its most recently-completed financial year that has materially affected Globex, or in any proposed transaction that could materially affect Globex, or in any matter to be acted upon at this Meeting.

On March 2, 2012, Globex and Jack Stoch Geoconsultant Services Limited ("GJSL"), a company owned by Jack Stoch, President and Chief Executive Officer of Globex, entered into a share option agreement (the "SOA") pursuant to which Xmet Inc. ("Xmet") may purchase all of the issued and outstanding preferred and common shares of Duparquet Assets Ltd. ("DAL"), a company owned 50% by Globex and 50% by GJSL. The SOA was amended on May 14, 2012 and August 8, 2012. The SOA, as amended, provides for two scenarios under which Xmet may acquire all of the issued and outstanding preferred and common shares of DAL:

- (a) A cash payment of \$9 million payable no later than December 17, 2012; or
- (b) A cash payment of \$6.5 million payable no later than December 17, 2012 to immediately acquire 75% of all the issued and outstanding common shares and 100% of the preferred shares of DAL, plus an additional option to acquire the remaining 25% of all issued and outstanding common shares of DAL, for a period of four years, at a price of \$2.5 million in the first year, \$2.6 million in the second year, \$2.7 million in the third year and \$2.8 million in the fourth year.

In both scenarios, Globex and GJSL will retain the existing sliding-scale Gross Metal Royalty from all production from the properties currently owned by DAL. Should Xmet not exercise and complete either of the above scenarios, then the existing mining option agreement among Globex, GJSL and Xmet will remain in place.

### **INTERESTS OF EXPERTS**

The following persons and companies have prepared or certified a report, valuation, statement or opinion in this Circular, either directly or in a document incorporated by reference herein, and their profession or business gives authority to the report, valuation, statement or opinion made by them:

Heenan Blaikie LLP  
Claude P. Larouche  
Samson Bélair/Deloitte & Touche s.e.n.c.r.l., Chartered Accountants

To the knowledge of Globex, after reasonable enquiry, none of the foregoing persons beneficially owns, directly or indirectly, or exercises control or direction over, any outstanding Globex Common Shares, except for the partners and associates of Heenan Blaikie LLP, who as of September 17, 2012 beneficially owned, directly or indirectly, less than 1% of the issued and outstanding Globex Common Shares.

### **ADDITIONAL INFORMATION**

Financial information about Globex is contained in its comparative financial statements and Management's Discussion and Analysis for the fiscal year ended December 31, 2011, and additional information about Globex is available on SEDAR at [www.sedar.com](http://www.sedar.com).

If you would like to obtain, at no cost to you, a copy of any of the following documents:

- (a) the AIF together with any document, or the pertinent pages of any document, incorporated by reference therein;
- (b) the comparative financial statements of Globex for the fiscal year ended December 31, 2011 together with the accompanying independent auditor's report thereon and any interim financial statements of Globex for periods subsequent to December 31, 2011 and Management's Discussion and Analysis with respect thereto; and
- (c) this Circular,

please send your request to:

Globex Mining Enterprises Inc.  
86 – 14<sup>th</sup> Street  
Rouyn-Noranda, Québec  
J9X 2J1  
Telephone: (819) 797-5242  
Fax: (819) 797-1470  
E-mail: [jwilson@globexmining.com](mailto:jwilson@globexmining.com)

## **APPROVAL**

The contents and the mailing of this Circular have been approved by the Board of Directors of Globex.

(signed) Jack Stoch  
President and Chief Executive Officer  
DATED at Rouyn-Noranda, Québec  
September 19, 2012

**SCHEDULE A  
ARRANGEMENT RESOLUTION**

**BE IT RESOLVED AS A SPECIAL RESOLUTION:**

THAT the arrangement (the “**Arrangement**”) under section 414 of the *Business Corporations Act* (Québec) (the “**QBCA**”) contemplated in the arrangement agreement (the “**Arrangement Agreement**”) dated September 10, 2012 between Globex Mining Enterprises Inc. (“**Globex**”) and Chibougamau Independent Mines Inc. which is annexed as Schedule D to, and which is described in, the management information circular of Globex dated September 19, 2012 (the “**Circular**”) is hereby authorized, approved and adopted;

THAT the Arrangement Agreement is hereby confirmed, ratified and approved;

THAT notwithstanding that this special resolution has been passed (and the Arrangement adopted) by the shareholders of Globex or that the Arrangement has been approved by the Québec Superior Court, the Board of Directors of Globex is hereby authorized and empowered (i) to amend the Arrangement Agreement or Plan of Arrangement (as defined in the Arrangement Agreement) to the extent permitted thereby, or (ii) not to proceed with the Arrangement at any time prior to the issue of a certificate giving effect to the Arrangement without further approval of the shareholders of Globex;

THAT Jack Stoch, President and Chief Executive Officer of Globex, or any other director or officer of Globex be and is hereby authorized to sign and deliver for filing to the Enterprise Registrar under the QBCA articles of arrangement and such other documents as are necessary or desirable in accordance with the Arrangement Agreement and Plan of Arrangement; and

THAT the directors and proper officers of Globex be and they are hereby authorized to do all things and sign and execute all deeds and documents necessary or desirable for the purpose of giving full effect to the foregoing.



**SCHEDULE B  
INTERIM ORDER**

**SUPERIOR COURT  
(Commercial Division)**

CANADA

PROVINCE OF QUEBEC  
DISTRICT OF MONTRÉAL

File: No: 500-11-~~013828~~-125

DATE: September 18, 2012

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**PRESENT: THE HONOURABLE MR. JUSTICE JOËL SILCOFF, J.S.C.**

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**IN THE MATTER OF AN ARRANGEMENT PROPOSED BY GLOBEX MINING  
ENTERPRISES INC. PURSUANT TO CHAPTER XVI – DIVISION II OF THE  
BUSINESS CORPORATIONS ACT (QUÉBEC), R.S.Q. c. S-31.1**

**GLOBEX MINING ENTERPRISES INC.**

Petitioner

and

**THE SHAREHOLDERS OF GLOBEX MINING ENTERPRISES INC.**

and

**L'AUTORITÉ DES MARCHÉS FINANCIERS**

Impleaded Parties

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**INTERIM ORDER**

**(PURSUANT TO SECTION 416 OF THE *BUSINESS CORPORATIONS ACT*  
(QUÉBEC), R.S.Q. c. S-31.1):<sup>1</sup>**

**GIVEN** Globex Mining Enterprises Inc's ("**Globex**") Motion for Interim and Final Order pursuant to the *Business Corporations Act* (Québec), R.S.Q., c. S-31.1 (the "**QBCA**"), the exhibits, and the affidavits of Jack Stoch and James G. Wilson filed in support thereof (the "**Motion**");

**GIVEN** that this Court is satisfied that the Autorité des marchés financiers has been duly served with the Motion and has not appeared or sought to be heard in connection with the hearing on the Motion for Interim Order;

**GIVEN** the provisions of the *QBCA*;

**GIVEN** the representations of counsel for Globex;

**GIVEN** that this Court is satisfied, at the present time, that the proposed transaction is an "arrangement" within the meaning of Section 415 of the *QBCA*;

**GIVEN** that this Court is satisfied, at the present time, that it is impracticable or too onerous in the circumstances for Globex to effect the arrangement proposed under any other provision of the *QBCA*;

**GIVEN** that this Court is satisfied, at the present time, based upon the affidavit of James G. Wilson, Chief Financial Officer of Globex, that Globex is not insolvent and meets the requirements set out in Section 414 of the *QBCA*;

**GIVEN** that this Court is satisfied, at the present time, that the arrangement is put forward in good faith and, apparently, for a valid business purpose;

**FOR THESE REASONS, THE COURT:**

**ON PETITIONER'S APPLICATION FOR THE INTERIM ORDER**

[1] **GRANTS** the Interim Order sought in the Motion;

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<sup>1</sup> All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Glossary included in the Plan of Arrangement attached to the Arrangement Agreement (schedule D to the Circular)

- [2] **DISPENSES** Globex of the obligation, if any, to notify any person other than the Autorité des marchés financiers with respect to the Interim Order;
- [3] **ORDERS** that all Shareholders be deemed parties, as Impleaded Parties, to the present proceedings and be bound by the terms of any Order rendered herein;

***The Meeting***

- [4] **ORDERS** that Globex may convene, hold and conduct the Meeting on October 19, 2012, commencing at 9 a.m.(Montréal time) at the following location, Heenan Blaikie LLP, Bay Adelaide Centre, 333 Bay Street, Suite 2900, Toronto, Ontario, at which time the Shareholders will be asked, among other things, to consider and, if thought appropriate, to pass, with or without variation, the Arrangement Resolution substantially in the form set forth in Schedule A to the Circular, to, among other things, authorize, approve and adopt the Arrangement, and to transact such other business as may properly come before the Meeting, the whole in accordance with the terms, restrictions and conditions of the articles and by-laws of Globex, the *QBCA*, and this Interim Order, provided that to the extent there is any inconsistency between this Interim Order and the terms, restrictions and conditions of the articles and by-laws of Globex or the *QBCA*, this Interim Order shall govern;
- [5] **ORDERS** that in respect of the vote on the Arrangement Resolution or any matter determined by the Chair of the Meeting to be related to the Arrangement, each registered holder of Shares shall be entitled to cast one vote in respect of each such Share held;
- [6] **ORDERS** that, on the basis that each registered holder of Globex Common Shares be entitled to cast one vote in respect of each such Globex Common Share for the purpose of the vote on the Arrangement Resolution, the quorum for the Meeting shall be fixed at the holders of at least 10% of the Globex Common Shares, present in person or represented by proxy at the Meeting;
- [7] **ORDERS** that the only persons entitled to attend, be heard or vote at the Meeting (as it may be adjourned or postponed) shall be the registered Shareholders at the close of business on the Record Date, their proxy holders, and the directors and advisors of Globex, provided however that such other persons having the permission of the Chair of the Meeting shall also be entitled to attend and be heard at the Meeting;

- [8] **ORDERS** that for the purpose of the vote on the Arrangement Resolution, or any other vote taken by ballot at the Meeting, any spoiled ballots, illegible ballots and defective ballots shall be deemed not to be votes cast by Shareholders and further **ORDERS** that proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution;
- [9] **ORDERS** that Globex, if it deems it advisable, be authorized to adjourn or postpone the Meeting on one or more occasions (whether or not a quorum is present), without the necessity of first convening the Meeting or first obtaining any vote of Shareholders respecting the adjournment or postponement; further **ORDERS** that notice of any such adjournment or postponement shall be given by press release, newspaper advertisement or by mail, as determined to be the most appropriate method of communication by Globex; further **ORDERS** that any adjournment or postponement of the Meeting will not change the Record Date for Shareholders entitled to notice of, and to vote at, the Meeting and further **ORDERS** that any subsequent reconvening of the Meeting, all proxies will be voted in the same manner as the proxies would have been voted at the original convening of the Meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent reconvening of the Meeting;
- [10] **ORDERS** that Globex may amend, modify and/or supplement the Plan of Arrangement at any time and from time to time, provided that any such amendment, modification and/or supplement is not adverse to the economic interest of any Shareholder and that:
- (a) any such amendment, modification and/or supplement made before the Meeting, shall be communicated in writing to the Shareholders and to the Autorité des marchés financiers as soon as possible and in any event prior to the Meeting;
  - (b) any such amendment, modification and/or supplement made after the Meeting and before the hearing of the Motion for the Final Order (as defined below) shall be approved by this Court and subject to such terms and conditions this Court may deem appropriate and required in the circumstances; and
  - (c) any such amendment, modification and/or supplement made after the Final Order hearing shall be approved by this Court and subject to such terms and conditions this Court may deem appropriate and required in the circumstances, unless it is non-material and concerns a matter which is of an

administrative nature required to better give effect to the implementation of this Plan of Arrangement.

- [11] **ORDERS** that Globex is authorized to use proxies at the Meeting; that Globex is authorized, at its expense, to solicit proxies on behalf of its management, directly or through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine; and that Globex may waive, in its discretion, the time limits for the deposit of proxies by the Shareholders if it considers it advisable to do so;
- [12] **ORDERS** that, to be effective, the Arrangement Resolution, with or without variation, must be approved by the affirmative vote of not less than 66 2/3 % of the total votes cast on the Arrangement Resolution by the Shareholders present in person or represented by proxy at the Meeting and entitled to vote at the Meeting; and further **ORDERS** that such vote shall be sufficient to authorize and direct Globex to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what has been disclosed to the Shareholders in the Notice Materials (as this term is defined below);

***The Notice Materials***

- [13] **ORDERS** that Globex shall give notice of the Meeting, and that service of the Motion for a Final Order shall be made by mailing or delivering, in the manner hereinafter described and to the persons hereinafter specified, a copy of this Interim Order, together with the following documents, with such non-material amendments thereto as Globex may deem to be necessary or desirable, provided that such amendments are not inconsistent with the terms of this Interim Order (collectively, the "**Notice Materials**");
- (a) the Notice of Meeting substantially in the same form as contained in **Exhibit P-1**;
  - (b) the Circular substantially in the same form as contained in **Exhibit P-1**;
  - (c) a Form of Proxy substantially in the same form as contained in **Exhibit P-3**, which shall be finalized by inserting the relevant names, addresses and other information;
  - (d) a Letter of Transmittal substantially in the same form as contained in **Exhibit P-4**;

*Call*

(e) a notice substantially in the form of the draft filed as **Exhibit P-5** providing, among other things, the date, time and room where the Motion for a Final Order will be heard, and that a copy of the Motion can be found on Globex's Web site (the "**Notice of Presentation**");

[14] **ORDERS** that the Notice Materials shall be distributed:

(a) to the registered Shareholders by mailing the same to such persons in accordance with the QBCA and Globex's by-laws at least twenty-one (21) days prior to the date of the Meeting;

(b) to the non-registered Shareholders, in compliance with National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer;

(c) to Globex's directors and auditors, by delivering same at least twenty-one (21) days prior to the date of the Meeting in person or by recognized courier service; and

(d) to the Autorité des marchés financiers, by delivering same at least twenty-one (21) days prior to the date of the Meeting in person or by recognized courier service;

[15] **ORDERS** that a copy of the Motion be posted on Globex's website ([www.globexmining.com](http://www.globexmining.com)) at the same time the Notice Materials are mailed;

[16] **ORDERS** that the Record Date for the determination of Shareholders entitled to receive the Notice Materials and to attend and be heard at the Meeting and vote on the Arrangement Resolution shall be the close of business (Montréal time) on September 11, 2012;

[17] **ORDERS** that Globex may make, in accordance with this Interim Order, such non-material additions, amendments or revisions to the Notice Materials as it determines to be appropriate (the "**Additional Materials**"), which shall be distributed to the persons entitled to receive the Notice Materials pursuant to this Interim Order by the method and in the time determined by Globex to be most practicable in the circumstances;

[18] **DECLARES** that the mailing or delivery of the Notice Materials and any Additional Materials in accordance with this Interim Order as set out above constitutes good and sufficient notice of the Meeting upon all persons, and that no other form of service of the Notice Materials and any Additional Materials or any portion thereof, or of

the Motion need be made, or notice given or other material served in respect of the Meeting to any persons;

- [19] **ORDERS** that the Notice Materials and any Additional Materials shall be deemed, for the purposes of the present proceedings, to have been received and served upon:
- (a) in the case of distribution by mail, three (3) business days after delivery thereof to the post office;
  - (b) in the case of delivery in person or by courier, upon receipt thereof at the intended recipient's address; and
  - (c) in the case of delivery by facsimile transmission or by e-mail, on the day of transmission;
- [20] **DECLARES** that the accidental failure or omission to give notice of the Meeting to, or the non-receipt of such notice by, one or more of the persons specified in the Interim Order shall not invalidate any resolution passed at the Meeting or the proceedings herein, and shall not constitute a breach of the Interim Order or defect in the calling of the Meeting, provided that if any such failure or omission is brought to the attention of Globex, it shall use reasonable efforts to rectify such failure or omission by the method and in the time it determines to be most reasonably practicable in the circumstances;

#### ***Repurchase Right***

- [21] **ORDERS**, pursuant to Subsection 416, al 2(5) of the *QBCA*, that the Shareholders of Globex shall be entitled to exercise the right to demand the repurchase of their Shares (the "**Repurchase Right**"), and that Sections 377 to 388 of the *QBCA* (subject to the terms of this Interim Order) shall apply *mutatis mutandis* to the exercise of such Repurchase Right;
- [22] **ORDERS** that in accordance with the Repurchase Right set forth in the Plan of Arrangement, any registered Shareholder who wishes to exercise a Repurchase Right must provide a Notice of Exercise of Repurchase Right so that it is received by the Secretary of Globex, James Wilson, facsimile number (819) 797-1470 on or prior to 5:00 p.m. (Montréal time) on the second Business Day immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time);
- [23] **DECLARES** that a Shareholder who has submitted a Notice of Exercise of Repurchase Right and who votes in favor of the Arrangement Resolution shall no longer be considered as having exercised its Repurchase Right with respect to the Shares voted in



favor of the Arrangement Resolution, and that a vote against the Arrangement Resolution or an abstention shall not constitute a Notice of Exercise of Repurchase Right;

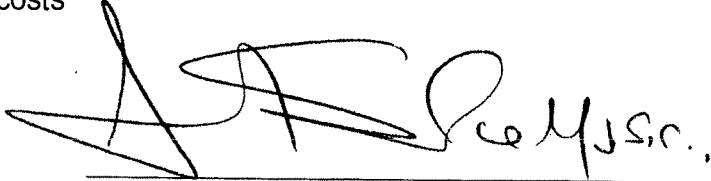
- [24] **ORDERS** that any Shareholder wishing to apply to a Court to fix a fair value for Shares in respect of which Repurchase Rights have been duly exercised must apply to the Superior Court of Québec;

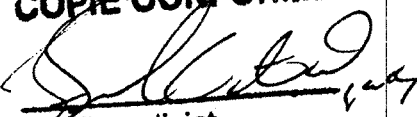
***The Final Order Hearing***

- [25] **ORDERS** that subject to the approval by the Shareholders of the Arrangement Resolution in the manner set forth in this Interim Order, Globex may apply for this Court to sanction the Arrangement by way of a final judgment (the "**Motion for a Final Order**");
- [26] **ORDERS** that the Motion for a Final Order be presented on October 24, 2012 before the Superior Court of Québec, sitting in the Commercial Division in and for the district of Montréal at the Montréal Courthouse, located at 1 Notre-Dame Street East in Montréal, Québec, Room 16.12 at 9:15 or so soon thereafter as counsel may be heard, or at any other date this Court may see fit;
- [27] **ORDERS** that the mailing or delivery of the Notice Materials constitutes good and sufficient service of the Motion and good and sufficient notice of presentation of the Motion for a Final Order to all persons, whether those persons reside within Québec or in another jurisdiction;
- [28] **ORDERS** that the only persons entitled to appear and be heard at the hearing of the Motion for a Final Order shall be Globex and any person that:
- (a) files an appearance with this Court's registry and serve same on Counsel for Globex (Heenan Blaikie LLP c/o: Mtre Gary Rivard, 1250, boul. René-Lévesque Ouest, Suite 2500, Montréal, Québec, Canada H3B 4Y1, facsimile number (514) 921-1383) on or before October 22, 2012; and
  - (b) if such appearance is with a view to contesting the Motion for a Final Order, serve on the above-mentioned Counsel on or before October 22, 2012, written representations supported as to the facts by affidavit(s), and exhibit(s) if any ;
- [29] **ALLOWS** Globex to file any further evidence it deems appropriate, by way of supplementary affidavits or otherwise, in connection with the Motion for a Final Order;

**Miscellaneous**

- [30] **DECLARES** that Globex shall be entitled to seek leave to vary this Interim Order upon such terms and such notice as this Court deems just;
- [31] **ORDERS** provisional execution of this Interim Order notwithstanding any appeal therefrom and without the necessity of furnishing any security;
- [32] **THE WHOLE** without costs

  
\_\_\_\_\_  
JOEL SILCOFF, J.S.C.

**COPIE CONFORME**  
  
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**SCHEDULE C**  
**MOTION FOR INTERIM AND FINAL ORDERS RESPECTING THE ARRANGEMENT AND**  
**NOTICE OF APPLICATION FOR FINAL ORDER**

CANADA

PROVINCE OF QUÉBEC  
DISTRICT OF MONTREAL

SUPERIOR COURT  
(Commercial Division)

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NO: 500-11-043328-125

**IN THE MATTER OF AN ARRANGEMENT  
PROPOSED BY GLOBEX MINING ENTERPRISES  
INC. PURSUANT TO CHAPTER XVI – DIVISION II  
OF THE *BUSINESS CORPORATIONS ACT*  
(QUÉBEC), *R.S.Q. c. S-31.1***

**GLOBEX MINING ENTERPRISES INC.**, a  
corporation continued pursuant to the *Business  
Corporations Act* (Québec), having its head office at  
86 14<sup>th</sup> Street, in the City of Rouyn-Noranda, Québec,  
J9X 2J1

Petitioner

and

**THE SHAREHOLDERS OF GLOBEX MINING  
ENTERPRISES INC.**

and

**L'AUTORITÉ DES MARCHÉS FINANCIERS**

Impleaded Parties

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**MOTION FOR INTERIM AND FINAL ORDERS  
RESPECTING AN ARRANGEMENT CONCERNING  
GLOBEX MINING ENTERPRISES INC.**

(Articles 20, 46 and 110 C.C.P. and

Sections 414 and following of the *Business Corporations Act* (Québec)  
("QBCA"))

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**TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT OF QUÉBEC,  
SITTING IN THE COMMERCIAL DIVISION IN AND FOR THE DISTRICT OF MONTREAL,  
PETITIONER RESPECTFULLY SUBMITS THE FOLLOWING:**

**A. INTRODUCTION**

1. On September 10, 2012, the Petitioner Globex Mining Enterprises Inc. and Chibougamau Independent Mines Inc. ("CIM") entered into an arrangement agreement (the "**Arrangement Agreement**") relating to an arrangement (the "**Arrangement**") pursuant to Chapter XVI – Division II of the QBCA providing for, among other things, the following transactions:
  - a) Petitioner will transfer to CIM the interest of Petitioner in ten (10) mineral exploration properties known as the "Chibougamau Mining Camp" in the Chibougamau region of Québec, subject to a 3% "gross metal royalty" in favour of Petitioner, together with cash and certain securities held by Petitioner;
  - b) each Shareholder will ultimately be entitled to receive one (1) new common share of Petitioner and one (1) common share of CIM for each common share of Petitioner held by such Shareholder; and
  - c) upon completion of the Arrangement, Petitioner will continue to hold its other mineral resource properties. Petitioner will also retain cash and a portfolio of securities having a total market value of approximately \$2.8 million as at June 30, 2012;
2. In connection with the Arrangement, Petitioner seeks the following Orders from this Court:
  - a) as a first step, an interim order pursuant to Section 416 of the QBCA (the "**Interim Order**") governing various procedural matters;
  - b) as a second step, a final order pursuant to Sections 416 and following of the QBCA (the "**Final Order**") approving and sanctioning the Arrangement; and
  - c) such other Orders as counsel for Petitioner may determine are advisable and this Honourable Court deems appropriate;
3. Petitioner files herewith as **EXHIBIT P-1**, *en liasse*, a draft management information circular and schedules thereto (the "**Circular**") relating to the special meeting of Globex Shareholders to be held in respect of the Arrangement (the "**Meeting**"), and which includes the following related documents and materials (in draft form):

Schedule A	Arrangement Resolution
Schedule B	Interim Order
Schedule C	Motion for Interim and Final Orders respecting the Arrangement and Notice of Application for Final Order
Schedule D	Arrangement Agreement
Schedule E	Financial Disclosure
Schedule F	CIM 2012 Stock Option Plan
Schedule G	Information concerning Globex following completion of Arrangement
Schedule H	Information concerning CIM following completion of Arrangement
Schedule I	Chapter XIV – Business Corporations Act (Québec)

4. The Arrangement is further described in the Plan of Arrangement attached to the Arrangement Agreement (the “**Plan of Arrangement**”) annexed as Schedule D to the Circular;
5. As will be more fully demonstrated hereinafter, it is impracticable for the Petitioner to effect the result contemplated by the Arrangement under any provision of the QBCA other than Section 416 of same, the solvency test provided for in Section 414 of the QBCA is met, and the Arrangement is fair and reasonable as regards all parties involved;
6. Unless stated otherwise, for the purposes of this Motion, all capitalized terms used but not otherwise defined herein have the meanings ascribed thereto in the Glossary included in the Circular;

**B. PETITIONER AND CIM**

7. Petitioner was incorporated in 1949 and is engaged in the exploration and development of mineral resource properties. Petitioner holds various interests in mineral resource properties in Canada and the United States;
8. The head office of Petitioner is at 86 14<sup>th</sup> Street, Rouyn-Noranda, Québec J9X 2J1;
9. As at August 31, 2012, there were 24,098,378 issued and outstanding Globex Common Shares. Each of the Globex Common Shares entitles the holder thereof to one vote;
10. Petitioner has fixed September 11, 2012 as the record date (the “**Record Date**”) for the purpose of determining shareholders entitled to receive notice of the Meeting. Any registered Shareholder of record as at the close of business on the Record Date will be entitled to vote at the Meeting;
11. The Globex Common Shares are listed and posted for trading on the TSX under the symbol “GMX”. In addition, Petitioner is interlisted in Europe on the Frankfurt, Munich, Stuttgart, Xetra and Berlin exchanges under the symbol “GIM” and the Globex Common Shares trade under the symbol “GLBXF” on the OTCQX International market in the United States;
12. Petitioner is a reporting issuer in Québec, Alberta, British Columbia and Ontario;
13. CIM was incorporated by articles of incorporation issued pursuant to the CBCA on December 13, 2010, and is a wholly-owned subsidiary of Petitioner, and the head office of CIM is located at 86 14<sup>th</sup> Street, Rouyn-Noranda, Québec J9X 2J1;
14. CIM was incorporated primarily for the purpose of carrying out the Arrangement. Pursuant to the Arrangement, among other things, Globex will transfer the Transferred Assets to CIM;

15. Upon completion of the Arrangement, Globex will continue to hold its other mineral resource properties. Globex will also retain approximately \$1.5 million in cash and a portfolio of securities having a total market value of approximately \$1.3 million as at June 30, 2012;

**C. CONTEXT OF THE ARRANGEMENT**

16. The background to the Arrangement is more fully set out at page 26 of the Circular (EXHIBIT P-1, *en liasse*);

17. In late 2010, the directors of Petitioner began considering whether the transfer of certain mineral exploration properties of Petitioner known as the “Chibougamau Mining Camp” in the Chibougamau region of Québec to a second public company would be beneficial to Shareholders;

18. The following are the ten properties comprising the “Chibougamau Mining Camp”:

Berrigan Lake (Taché) Property

Berrigan South Property

Bateman Bay Mine (including a portion of the Jaculet Mine)

Chibougamau Lake Property (including S-3 and Tommy Zones, down dip of Henderson 1 & 2 Mines and Portage Mine)

Copper Cliff Property

Grandroy Mine

Kokko Creek Mine

Québec Chibougamau Goldfields Mine

Virginia Property

Sulphur Converting/Magnetite Bay

19. The properties comprising the “Chibougamau Mining Camp” are located within the Abitibi – Chibougamau Mining District in Lemoine, McKenzie, Obalski and Roy Townships, Québec;

20. The directors of Petitioner focused upon a transaction whereby the ten mineral exploration properties of Petitioner comprising the “Chibougamau Mining Camp” would be transferred, on a tax-deferred basis, to a new company and the shares of that company would be distributed to Shareholders, also on a tax-deferred basis, with no material Canadian federal income tax payable by any of Petitioner, the new company or Shareholders who hold their Globex Common Shares as capital property. Petitioner would retain all of its other mineral exploration properties and related assets in Canada and the United States;

21. The directors of Petitioner consulted on a number of occasions with members of the management of Petitioner and legal advisors to consider the alternatives to effect the reorganization and to review certain accounting, tax and legal issues which arose in connection with their deliberations;

22. After a review of the financial, tax and legal issues, the directors of Petitioner concluded that the separation of the Transferred Assets from the other assets of Petitioner would be beneficial to Shareholders;

23. Management of Petitioner together with legal advisors were given the mandate to settle the terms of the Arrangement Agreement, Plan of Arrangement, Management Agreement and a request for the Tax Ruling in July 2012. On August 29, 2012, a request for the Tax Ruling was submitted to CRA;
24. On September 5, 2012, the directors of Petitioner concluded that the Arrangement (i) was fair and reasonable as regards the Corporation, the Shareholders and CIM; and (ii) in the best interests of, the Corporation, the Shareholders and CIM, and that the ratio of one Globex New Common Share and one CIM Common Share for each Globex Common Share held on the Effective Date was appropriate in the circumstances;
25. The directors and management of Petitioner reviewed and considered alternative reorganization proposals, and the views of legal counsel with respect to the proposed Tax Ruling and in respect of the terms of the Arrangement Agreement and other documents. The directors and management of Petitioner also received advice from legal counsel as to the structure of the Arrangement;
26. The purpose of the Arrangement is to transfer, among other things, ten of Petitioner's mineral exploration properties known as the "Chibougamau Mining Camp" in the Chibougamau region of Québec to CIM, subject to a 3% "gross metal royalty" in favour of Petitioner;
27. The directors of Petitioner have reviewed the terms and conditions of the Arrangement and have unanimously concluded that the terms and conditions of the Arrangement are (i) fair and reasonable as regards the Corporation and the Shareholders; and (ii) in the best interests of the Corporation and the Shareholders;
28. The directors of Petitioner believe that the Arrangement will enhance Shareholder value by, among other things, allowing CIM to focus on the mineral exploration properties comprising part of the Transferred Assets, and for each of Petitioner and CIM to focus on exploring and developing its own mineral projects;

**D. THE ARRANGEMENT**

29. Immediately prior to the implementation of the Plan of Arrangement, CIM will purchase for cancellation the one thousand (1,000) CIM Common Shares owned by Globex for their issue price of ten dollars (\$10), which CIM Common Shares shall then be cancelled;
30. In broad terms, and subject to its full text, the Plan of Arrangement provides for the implementation of the following steps, in the following sequence (*capitalized terms contained in these steps are defined in the Plan of Arrangement, and references to paragraphs in these steps are references to paragraphs of the Plan of Arrangement*):
  - (a) the aggregate stated capital and paid-up capital of the Globex Common Shares will be divided by the number of Globex Common Shares outstanding immediately prior to the Effective Time;
  - (b) Globex will purchase for cancellation the Globex Common Shares of all Repurchase Demanding Shareholders who have exercised their repurchase right in strict compliance with the Procedures to Demand Repurchase of Shares. All such Globex Common Shares will be cancelled at such time and the name of the Repurchase Demanding Shareholder will be deleted from the register of Globex Shareholders. The stated capital and paid-up capital of the Globex Common Shares will be reduced by an amount equal to the number of Globex Common Shares purchased pursuant to the exercise of the repurchase right multiplied by the stated capital and paid-up capital, as the case may be, as calculated in paragraph 3.1(a);



- (c) the articles of Globex will be amended as set out in Exhibit II annexed to the Plan of Arrangement to authorize Globex to issue:
  - (i) an unlimited number of Globex New Common Shares;
  - (ii) an unlimited number of Globex Butterfly Shares; and
  - (iii) an unlimited number of Globex Preference Shares, issuable in series,having the rights, privileges, restrictions and conditions set out in such Exhibit;
- (d) the articles of CIM will be amended to create the CIM Redemption Shares, which will have the following attributes:
  - (i) each CIM Redemption Share will be redeemable, subject to applicable law, at any time at the option of CIM at a redemption amount equal to the CIM Redemption Share Redemption Amount;
  - (ii) each CIM Redemption Share will be retractable, subject to applicable law, at any time at the option of the holder at a retraction amount equal to the CIM Redemption Share Redemption Amount;
  - (iii) the holders of the CIM Redemption Shares will be not entitled to any dividends;
  - (iv) for purposes of subsection 191(4) of the Income Tax Act (“ITA”), the amount specified in respect of each CIM Redemption Share which is to be redeemed, acquired or cancelled, will be the amount specified by a director or officer of CIM in a certificate that is made (a) effective concurrently with the issuance of such CIM Redemption Share; and (b) pursuant to a resolution of the Board of Directors of CIM duly passed and evidenced in writing authorizing the issuance of such CIM Redemption Share, such amount to be expressed as a dollar amount (and not expressed as a formula), such amount to be not subject to change thereafter, and such amount to be equal to the fair market value of the consideration for which such CIM Redemption Share is issued;
  - (v) the holder of each CIM Redemption Share will be entitled, upon the liquidation, dissolution or winding-up of CIM, to a payment in priority to all other classes of shares of CIM of an amount equal to the CIM Redemption Share Redemption Amount to the extent of the amount of value of property available under applicable law for payment to Shareholders upon such liquidation, dissolution or winding-up, and no other amount; and
  - (vi) each CIM Redemption Share will entitle its holder to one vote at meetings of Shareholders of CIM;
- (e) each Globex Common Share outstanding on the Effective Date will be exchanged for one Globex New Common Share and one Globex Butterfly Share. Each Shareholder will cease to be the holder of the Globex Common Shares so exchanged and will become the holder of the same number of Globex New Common Shares and of Globex Butterfly Shares as the number of Globex Common Shares then owned by such Shareholder. The name of such Shareholder will be removed from the register of holders of Globex Common Shares and will be added to the registers of holders of both Globex New Common Shares and Globex Butterfly Shares with respect to the Globex New Common Shares and the Globex Butterfly Shares issued to such Shareholder. The aggregate addition to the stated capital of both the Globex New Common Shares and the Globex

Butterfly Shares issued by Globex on the exchange described in paragraph 3.1(e) will equal the aggregate paid-up capital of the Globex Common Shares subject to this exchange and as calculated in paragraph 3.1(a). This paid-up capital will be allocated to the Globex New Common Shares and to the Globex Butterfly Shares based on the ratio that the fair market value of the Globex New Common Shares and the Globex Butterfly Shares, as the case may be, is of the aggregate fair market value of all of the Globex New Common Shares and the Globex Butterfly Shares. All Globex Common Shares exchanged for Globex New Common Shares and Globex Butterfly Shares will be cancelled;

- (f) each holder of Globex Butterfly Shares will transfer all of the Globex Butterfly Shares held by such holder to CIM in consideration for the issuance by CIM of one CIM Common Share for each Globex Butterfly Share, subject to the condition that registered holders of fewer than one hundred (100) Globex Common Shares will receive, in lieu of CIM Common Shares, a cash payment equal to the number of CIM Common Shares they otherwise would have received multiplied by the volume weighted average trading price of the CIM Common Shares on the TSX or TSXV, as the case may be, for the first day of trading following the Effective Date, subject to such registered holders complying with the procedures set out in Article 4 of the Plan of Arrangement. Each holder of Globex Butterfly Shares will cease to be the holder of the Globex Butterfly Shares so transferred and will become the holder of the identical number of CIM Common Shares as the number of Globex Butterfly Shares transferred by such Shareholder to CIM. The name of such holder will be removed from the register of holders of Globex Butterfly Shares with respect to the Globex Butterfly Shares so transferred and will be added to the register of holders of CIM Common Shares as the holder of the number of CIM Common Shares so issued to such holder. CIM will be the owner of the Globex Butterfly Shares so transferred and the name of CIM will be entered in the register of holders of Globex Butterfly Shares in respect of the Globex Butterfly Shares so transferred to CIM, and CIM will add to the stated capital account maintained for the CIM Common Shares an amount equal to the aggregate paid-up capital of the Globex Butterfly Shares acquired by CIM. If requested by a Shareholder, CIM and the Shareholder (except a registered holders of fewer than one hundred (100) Globex Common Shares) will jointly elect, in prescribed form and within the time limit referred to in subsection 85(6) of the ITA, to have the provisions of subsection 85(1) of the ITA apply to the transfer of Globex Butterfly Shares by the Shareholder to CIM;
- (g) immediately following the transfer of the Globex Butterfly Shares to CIM described in paragraph 3.1(f), each holder of Globex Stock Options will dispose of its Globex Stock Options to each of Globex and CIM in consideration for the issuance to the particular holder of a new Globex Stock Option granted by Globex to acquire a Globex New Common Share and a CIM Stock Option granted by CIM to acquire a CIM Common Share in such a manner that:
  - (i) holders of Globex Stock Options will receive no consideration for the exchange of their Globex Stock Options other than a new Globex Stock Option and CIM Stock Option;
  - (ii) the original exercise price of each Globex Stock Option to each holder of Globex Stock Options will be allocated to the new Globex Stock Option and the CIM Stock Option such that an amount equal to the Exercise Price Proportion of the exercise price of each Globex Stock Option will be payable to CIM on exercise of the CIM Stock Option and an amount equal to the remainder of the original Globex Stock Option exercise price will be payable to Globex on exercise of the new Globex Stock Option. In the event that CIM is listed on the TSXV, where the allocation described in this paragraph with respect to the exercise price of a CIM Stock Option results in an exercise price that is less than

\$0.10, the exercise price for the CIM Stock Option will increase to \$0.10 (without resulting in an equivalent reduction in the exercise price of a new Globex Stock Option);

- (iii) the expiry date of a new Globex Stock Option and a CIM Stock Option will, aside from certain differences in termination provisions, be the same as that of the corresponding Globex Stock Option;
- (iv) the other material commercial terms and conditions of the new Globex Stock Options and the CIM Stock Options will generally parallel those of the Globex Stock Options, subject to the condition that there may be certain differences in recognition of the fact that Globex is listed on the TSX and CIM may be listed on the TSXV; and
- (v) the Globex Stock Options will be cancelled upon the foregoing transfers.
- (p) The issuance by CIM of the CIM Stock Options will be in anticipation of the distribution described in paragraph 3.1(i) and will form part of the non-share consideration paid by CIM;
- (h) immediately prior to the distribution described in paragraph 3.1(i), the property owned by Globex will be classified into the following three types of property for the purpose of the distribution, as follows:
  - (i) cash or near cash;
  - (ii) investment property; and
  - (iii) business property.

All tax accounts of Globex, including non-capital losses, and CCEE (within the meaning assigned by subsection 66.1(6) of the ITA) will not be considered property of Globex and the fair market value of such accounts will be nil. In determining the net fair market value of its cash or near cash, investment property and business property immediately before the distribution described in paragraph 3.1(i), the liabilities of Globex will be allocated to, and be deducted from, the calculation of the fair market value of each type of property as follows:

- A. No amount will be considered to be a liability unless it represents a true legal liability which is capable of quantification;
- B. Current liabilities of Globex will be deducted from cash or near cash; and
- C. Deferred income tax will not be considered a liability.

Globex will calculate the net fair market value of each type of property in the manner described in paragraph 3.1(h);

- (i) Globex will transfer to CIM each of the Transferred Assets for an amount equal to its fair market value. Immediately following the transfers, the percentage of the net fair market value of each of the type of property of Globex so transferred to CIM will, for greater certainty, approximate the Butterfly Proportion;

For the purposes of this paragraph, the expression “approximate the Butterfly Proportion” means that a discrepancy in the Butterfly Proportion, if any, will not exceed one percent

(1%), as determined as a percentage of the net fair market value of each type of property that CIM will receive as compared to what CIM would have received had it received its appropriate *pro rata* share of the net fair market value of that type of Globex's property;

- (j) as consideration for the property transferred by Globex, CIM will:
  - (i) have issued the CIM Stock Options as described in paragraph 3.1(g), and
  - (ii) issue five million (5,000,000) CIM Redemption Shares having an aggregate fair market value equal to the amount by which the fair market value of the Transferred Assets exceeds the fair market value of the CIM Stock Options issued pursuant to paragraph 3.1(g);
- (k) CIM and Globex will jointly elect, in prescribed form and within the time limit referred to in subsection 85(6) of the ITA, to have the provisions of subsection 85(1) of the ITA apply to the transfer of each Transferred Asset that is an eligible property within the meaning assigned by subsection 85(1.1) of the ITA. The agreed amount for purposes of subsection 85(1) of the ITA in respect of such Transferred Asset will not exceed its fair market value;
- (l) CIM will add to the stated capital maintained for the CIM Redemption Shares (i) the aggregate of the agreed amount in respect of each eligible property in respect of which an election under subsection 85(1) of the ITA will be made, and (ii) the fair market value of each of the other Transferred Assets;
- (m) immediately after the distribution described in paragraph 3.1(i), the fair market value of each type of property forming part of the Transferred Assets, determined using a net fair market value consolidated look-through approach, will be equal to or approximate that proportion of the net fair market value of each type of property of Globex using a consolidated net fair market value consolidated look-through approach, determined immediately before that transfer, that:
  - a. the aggregate fair market value of the Globex Butterfly Shares owned by CIM, immediately before that transfer, is of
  - b. the aggregate fair market value of all Globex Butterfly Shares and all Globex Common Shares issued and outstanding immediately before that transfer;
- (n) CIM will redeem all of the CIM Redemption Shares issued to Globex in paragraph 3.1(h) and will issue to Globex, as payment, the CIM Redemption Note which will be a non-interest bearing promissory note, payable on demand having a principal amount and fair market value equal to the issue price of the CIM Redemption Shares as described in paragraph 3.1(h). Globex will accept the CIM Redemption Note as full payment for the redemption of the CIM Redemption Shares with the risk that the CIM Redemption Note may not be honoured;
- (o) Globex will redeem all of the Globex Butterfly Shares acquired by CIM as described in paragraph 3.1(f) and will issue to CIM, as payment, the Globex Redemption Note which will be a non-interest bearing promissory note, payable on demand having a principal amount and fair market value equal to the fair market value of the Globex Butterfly Shares as determined in paragraph 3.1(f). CIM will accept the Globex Redemption Note as full payment for redemption of the Globex Butterfly Shares with the risk that the Globex Redemption Note may not be honoured;

- (p) Globex will satisfy its obligations under the Globex Redemption Note by transferring the CIM Redemption Note to CIM, and CIM will accept the CIM Redemption Note in full satisfaction of Globex's obligations under the Globex Redemption Note. CIM will satisfy its obligations under the CIM Redemption Note by transferring the Globex Redemption Note to Globex, and Globex will accept the Globex Redemption Note in full satisfaction of CIM's obligations under the CIM Redemption Note; and
  - (q) the articles of Globex will be amended as set out in Exhibit III annexed to the Plan of Arrangement to remove the Globex Butterfly Shares and Globex Common Shares as shares which Globex is authorized to issue, and to change the designation of the Class A common shares, both issued and unissued, to common shares;
31. Petitioner currently anticipates that subject to the various conditions precedent being fulfilled, the Arrangement will be completed by December 31, 2012;

**E. FAIRNESS AND REASONABLENESS OF THE ARRANGEMENT**

32. The Arrangement is fair and reasonable, has a valid business purpose, and has been put forward in good faith by the Petitioner;
33. As mentioned hereinabove, the Globex Board of Directors (the "**Board**"), acting with the advice and assistance of its advisors, carefully evaluated the transactions contemplated by the Arrangement, including the terms and conditions of the Arrangement Agreement;
34. On September 5, 2012, the Board, based on its own review and consideration of a number of factors, determined unanimously that the Arrangement is fair to Petitioner, CIM and the Shareholders and in the best interests of Petitioner, CIM and the Shareholders;
35. The Board further determined to recommend, as explained in the Circular, that the Shareholders vote in favour of the special resolution approving the Arrangement (the "**Arrangement Resolution**") at the Meeting;
36. In reaching these determinations, and in making its recommendation, the Board considered, among other things, the factors, potential benefits and risks described at page 26 of the Circular (EXHIBIT P-1, en liasse);
37. The Board is of the opinion that the Arrangement is fair and reasonable, for, among others, the following reasons:
- a) the Arrangement has the prospect of an increase in Shareholder value;
  - b) the Arrangement will result in Shareholders continuing to indirectly own, immediately after the Arrangement becomes effective, the same proportionate voting and equity interest in all of the assets currently held by Globex, through their ownership of shares of both Globex and CIM;
  - c) the procedures by which the Arrangement will be approved, including the requirement that the Arrangement be approved by not less than two-thirds of the votes cast by the holders of Globex Common Shares present in person or represented by proxy at the Meeting, and the requirement of Court approval; and
  - d) the tax treatment of Globex and Shareholders under the Arrangement.

38. Given the intrinsic fairness of the Arrangement, and in order to reduce the costs related with the Arrangement process, the Board has not sought a fairness opinion and suggests to the Court that it is appropriate in the circumstances not to obtain such an opinion;
39. As appears from the information provided in the Circular and the allegations made by the Petitioner in this Motion, the Arrangement has a valid business purpose. As also appears from the above, the Arrangement is fair and reasonable as regards all parties and stakeholders involved;

**F. NECESSITY FOR THE ARRANGEMENT**

40. Section 414 of the QBCA provides that in the absence of adequate legal provisions or if existing provisions are impracticable or too onerous in the circumstances, a corporation that is not insolvent may apply to the court for approval of an arrangement proposed by the corporation;
41. It is impracticable, if not impossible, to effect the result contemplated by the Arrangement under any provision of the QBCA other than Section 414 of the QBCA for the following reasons:
- a) The Arrangement is dependent upon the completion of each of a number of interrelated and sequenced operations among the Petitioner, Shareholders and CIM and it is essential that no elements of the Arrangement occur unless there is certainty that all of the elements of the Arrangement will occur;
  - b) The objectives of the Arrangement could not be effected in any way other than through an arrangement pursuant to Section 414 of the QBCA since it would otherwise require the consent of each individual Shareholder, which would be impracticable to obtain; and
  - c) The Arrangement will allow the issuance of securities to United States Shareholders in reliance upon the exemption from registration provided by Section 3(a)(10) of the Securities Act of 1933, as amended (the “**1933 Act**”) thereby avoiding the need to file a registration statement in the United States, which would be impracticable;

**G. SOLVENCY TEST**

42. In similar cases, Courts have generally interpreted the solvency requirement set out by Section 414 of the QBCA with the view to facilitate arrangements rather than bar them on technical grounds;
43. Petitioner is not insolvent within the meaning of Section 414 of the QBCA in that Petitioner is able to pay its liabilities as they become due, the whole as more fully appears from the year-end audited consolidated financial statements as at December 31, 2011 and its interim consolidated financial statements for the six months ended June 30, 2012 filed herewith en liasse as **EXHIBIT P-2**;

**H. THE MEETING**

44. Should this Honourable Court grant the Interim Order sought by Petitioner, the Meeting will be held on October 19, 2012;
45. At the Meeting, the Shareholders will be asked to approve the Arrangement by way of the Arrangement Resolution, a copy of which is annexed as Schedule A to the Circular (EXHIBIT P-1, en liasse);
46. Petitioner requests this Court to order that for the Arrangement to be effective, the Arrangement Resolution must be approved by the affirmative vote of not less than 66⅔% of the votes cast by the holders of Globex Common Shares present in person or by proxy at the Meeting, each such shareholder being entitled to one vote for each Globex Common Share held;

47. Petitioner submits that pursuant to Section 416 of the QBCA, this Court may make any interim Order it thinks fit, including the Orders sought herein, which are fair and appropriate in the circumstances;
48. Notwithstanding the foregoing, the Arrangement Resolution authorizes Petitioner, subject to the terms of the Plan of Arrangement, to amend the Arrangement Agreement or the Plan of Arrangement, to decide not to proceed with the Arrangement and to revoke the Arrangement Resolution at any time prior to the Arrangement becoming effective without it being necessary to give additional notice to the Shareholders;

**I. RIGHT OF SHAREHOLDERS TO DEMAND REPURCHASE OF SHARES**

49. The Plan of Arrangement proposes that pursuant to Subsection 416 al 2(5) of the QBCA, the Shareholders (as defined in the Circular) will be entitled to exercise the right to demand the repurchase of their Globex Common Shares (the “**Repurchase Right**”), and that Sections 377 to 388 of the QBCA (subject to the terms of the Interim Order to be rendered) shall apply *mutatis mutandis* to the exercise of such Repurchase Right, the whole as appears from the Plan of Arrangement attached to the Arrangement Agreement, Schedule D to the Circular, EXHIBIT P-1, en liasse;
50. Petitioner asks this Honourable Court to issue, at the interim stage, an Order permitting holders of Globex Common Shares to exercise their Repurchase Right if the Arrangement Resolution is approved and the Arrangement subsequently implemented, as well as Orders stating that:
- a) In order to validly exercise its Repurchase Right, a holder of Globex Common Shares must provide a notice to Petitioner, *Attention: James Wilson, Secretary, facsimile number (819) 797-1470*, by no later than 5:00 p.m. (Montreal Time) on October 17, 2012, being the second Business Day prior to the Meeting (or any adjournment or postponement thereof) (“**Notice of Exercise of Repurchase Right**”);
  - b) A Globex Shareholder may exercise its Repurchase Right only with respect to all Globex Common Shares held by the registered Globex Shareholder on behalf of any one beneficial owner and registered in the Globex Shareholder’s name;
  - c) Globex Shareholders who validly exercise the Repurchase Right in respect of the Arrangement Resolution and who are ultimately entitled to be paid fair value for their Globex Common Shares (the “**Globex Repurchase Shareholders**”) shall be deemed to have transferred their Globex Common Shares to Petitioner in accordance with the Plan of Arrangement, and Petitioner shall pay to the Globex Repurchase Shareholders the fair value for the Globex Common Shares; and
  - d) A Globex Shareholder that has submitted a Notice of Exercise of Repurchase Right to Petitioner and who votes in favour of the Arrangement Resolution shall no longer be considered as having exercised its Repurchase Right with respect to the Globex Common Shares voted in favour of the Arrangement Resolution, and that a vote against the Arrangement Resolution or an abstention shall not constitute a Notice of Exercise of Repurchase Right;
51. The Petitioner demands that should any dispute arise with respect to the repurchase price for the Globex Common Shares in respect of which the Repurchase Right is duly exercised, any Shareholder making an application concerning same must apply to the Superior Court of Québec;

**J. CONCLUSION**

52. A Judge of the Superior Court, sitting in Chambers, has the jurisdiction to hear the present Motion *ex parte* and dispense Petitioner of the obligation to notify any person other than l’Autorité des marchés financiers (the “AMF”);
53. The AMF has duly been notified of the present Motion and of supporting exhibits and affidavits in accordance with Section 414 of the QBCA;
54. Because of the time requirements imposed by applicable statutes and regulations and the business objectives envisaged by Petitioner, any attempt to delay the Arrangement by purporting to appeal the Interim Order could compromise the Arrangement, and Petitioner is therefore well-founded to ask that the Interim Order be declared executory notwithstanding appeal;
55. In order to avoid the dissemination of the draft Circular before it is in its final form, Petitioner hereby requests that EXHIBIT P-1 be placed under seal in the records of the Superior Court and that it not be disclosed, published or disseminated, directly or indirectly, until the final version thereof has been sent to the various persons entitled to receive same further to the Interim Order;
56. Should the Arrangement Resolution be approved at the Meeting, Petitioner will apply to this Honourable Court for the Final Order sanctioning the Arrangement;
57. The present Motion is well founded in fact and in law.

**FOR THESE REASONS, MAY IT PLEASE THE COURT TO:**

**ON PETITIONER’S APPLICATION FOR THE INTERIM ORDER**

- [1] **GRANT** the Interim Order sought in the Motion;
- [2] **DISPENSE Globex Mining Entreprises Inc. (“Globex”)** of the obligation, if any, to notify any person other than the Autorité des marchés financiers with respect to the Interim Order;
- [3] **ORDER** that all Shareholders be deemed parties, as Impleaded Parties, to the present proceedings and be bound by the terms of any Order rendered herein;

***The Meeting***

- [4] **ORDER** that Globex may convene, hold and conduct the Meeting on October 19, 2012, commencing at 9 a.m.(Montréal time) at the following location, Heenan Blaikie LLP, Bay Adelaide Centre, 333 Bay Street, Suite 2900, Toronto, Ontario, at which time the Shareholders will be asked, among other things, to consider and, if thought appropriate, to pass, with or without variation, the Arrangement Resolution substantially in the form set forth in Schedule A to the Circular, to, among other things, authorize, approve and adopt the Arrangement, and to transact such other business as may properly come before the Meeting, the whole in accordance with the terms, restrictions and conditions of the articles and by-laws of Globex, the *QBCA*, and the Interim Order, provided that to the extent there is any inconsistency between the Interim Order and the terms, restrictions and conditions of the articles and by-laws of Globex or the *QBCA*, the Interim Order shall govern;
- [5] **ORDER** that in respect of the vote on the Arrangement Resolution or any matter determined by the Chair of the Meeting to be related to the Arrangement, each registered holder of Shares shall be entitled to cast one vote in respect of each such Share held;



- [6] **ORDER** that, on the basis that each registered holder of Globex Common Shares be entitled to cast one vote in respect of each such Globex Common Share for the purpose of the vote on the Arrangement Resolution, the quorum for the Meeting shall be fixed at the holders of at least 10% of the Globex Common Shares, present in person or represented by proxy at the Meeting;
- [7] **ORDER** that the only persons entitled to attend, be heard or vote at the Meeting (as it may be adjourned or postponed) shall be the registered Shareholders at the close of business on the Record Date, their proxy holders, and the directors and advisors of Globex, provided however that such other persons having the permission of the Chair of the Meeting shall also be entitled to attend and be heard at the Meeting;
- [8] **ORDER** that for the purpose of the vote on the Arrangement Resolution, or any other vote taken by ballot at the Meeting, any spoiled ballots, illegible ballots and defective ballots shall be deemed not to be votes cast by Shareholders and further **ORDER** that proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution;
- [9] **ORDER** that Globex, if it deems it advisable, be authorized to adjourn or postpone the Meeting on one or more occasions (whether or not a quorum is present), without the necessity of first convening the Meeting or first obtaining any vote of Shareholders respecting the adjournment or postponement; further **ORDER** that notice of any such adjournment or postponement shall be given by press release, newspaper advertisement or by mail, as determined to be the most appropriate method of communication by Globex; further **ORDER** that any adjournment or postponement of the Meeting will not change the Record Date for Shareholders entitled to notice of, and to vote at, the Meeting and further **ORDER** that any subsequent reconvening of the Meeting, all proxies will be voted in the same manner as the proxies would have been voted at the original convening of the Meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent reconvening of the Meeting;
- [10] **ORDER** that Globex may amend, modify and/or supplement the Plan of Arrangement at any time and from time to time, provided that any such amendment, modification and/or supplement is not adverse to the economic interest of any Shareholder and that:
- (a) any such amendment, modification and/or supplement made before the Meeting, shall be communicated in writing to the Shareholders and to the Autorité des marchés financiers as soon as possible and in any event prior to or at the Meeting;
  - (b) any such amendment, modification and/or supplement made after the Meeting and before the hearing of the Motion for the Final Order (as defined below) shall be approved by this Court and subject to such terms and conditions this Court may deem appropriate and required in the circumstances; and
  - (c) any such amendment, modification and/or supplement made after the Final Order hearing shall be approved by this Court and subject to such terms and conditions this Court may deem appropriate and required in the circumstances, unless it is non-material and concerns a matter which is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement.
- [11] **ORDER** that Globex is authorized to use proxies at the Meeting; that Globex is authorized, at its expense, to solicit proxies on behalf of its management, directly or through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic

communication as it may determine; and that Globex may waive, in its discretion, the time limits for the deposit of proxies by the Shareholders if it considers it advisable to do so;

- [12] **ORDER** that, to be effective, the Arrangement Resolution, with or without variation, must be approved by the affirmative vote of not less than 66<sup>2/3</sup> % of the total votes cast on the Arrangement Resolution by the Shareholders present in person or represented by proxy at the Meeting and entitled to vote at the Meeting; and further **ORDER** that such vote shall be sufficient to authorize and direct Globex to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what has been disclosed to the Shareholders in the Notice Materials (as this term is defined below);

### *The Notice Materials*

- [13] **ORDER** that Globex shall give notice of the Meeting, and that service of the Motion for a Final Order shall be made by mailing or delivering, in the manner hereinafter described and to the persons hereinafter specified, a copy of the Interim Order, together with the following documents, with such non-material amendments thereto as Globex may deem to be necessary or desirable, provided that such amendments are not inconsistent with the terms of the Interim Order (collectively, the "**Notice Materials**"):
- (a) the Notice of Meeting substantially in the same form as contained in **Exhibit P-1**;
  - (b) the Circular substantially in the same form as contained in **Exhibit P-1**;
  - (c) a Form of Proxy substantially in the same form as contained in **Exhibit P-3**, which shall be finalized by inserting the relevant names, addresses and other information;
  - (d) a Letter of Transmittal substantially in the same form as contained in **Exhibit P-4**;
  - (e) a notice substantially in the form of the draft filed as **Exhibit P-5** providing, among other things, the date, time and room where the Motion for a Final Order will be heard, and that a copy of the Motion can be found on Globex's Web site (the "**Notice of Presentation**");
- [14] **ORDER** that the Notice Materials shall be distributed:
- (a) to the registered Shareholders by mailing the same to such persons in accordance with the QBCA and Globex's by-laws at least twenty-one (21) days prior to the date of the Meeting;
  - (b) to the non-registered Shareholders, in compliance with National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer;
  - (c) to Globex's directors and auditors, by delivering same at least twenty-one (21) days prior to the date of the Meeting in person or by recognized courier service; and

- (d) to the Autorité des marchés financiers, by delivering same at least twenty-one (21) days prior to the date of the Meeting in person or by recognized courier service;
- [15] **ORDER** that a copy of the Motion be posted on Globex's website (www.globexmining.com) at the same time the Notice Materials are mailed;
- [16] **ORDER** that the Record Date for the determination of Shareholders entitled to receive the Notice Materials and to attend and be heard at the Meeting and vote on the Arrangement Resolution shall be the close of business (Montréal time) on September 11, 2012;
- [17] **ORDER** that Globex may make, in accordance with the Interim Order, such additions, amendments or revision to the Notice Materials as it determines to be appropriate (the "**Additional Materials**"), which shall be distributed to the persons entitled to receive the Notice Materials pursuant to the Interim Order by the method and in the time determined by Globex to be most practicable in the circumstances;
- [18] **DECLARE** that the mailing or delivery of the Notice Materials and any Additional Materials in accordance with the Interim Order as set out above constitutes good and sufficient notice of the Meeting upon all persons, and that no other form of service of the Notice Materials and any Additional Materials or any portion thereof, or of the Motion need be made, or notice given or other material served in respect of the Meeting to any persons;
- [19] **ORDER** that the Notice Materials and any Additional Materials shall be deemed, for the purposes of the present proceedings, to have been received and served upon:
- (a) in the case of distribution by mail, three (3) business days after delivery thereof to the post office;
  - (b) in the case of delivery in person or by courier, upon receipt thereof at the intended recipient's address; and
  - (c) in the case of delivery by facsimile transmission or by e-mail, on the day of transmission;
- [20] **DECLARE** that the accidental failure or omission to give notice of the Meeting to, or the non-receipt of such notice by, one or more of the persons specified in the Interim Order shall not invalidate any resolution passed at the Meeting or the proceedings herein, and shall not constitute a breach of the Interim Order or defect in the calling of the Meeting, provided that if any such failure or omission is brought to the attention of Globex, it shall use reasonable efforts to rectify such failure or omission by the method and in the time it determines to be most reasonably practicable in the circumstances;

### ***Repurchase Right***

- [21] **ORDER**, pursuant to Subsection 416, al 2(5) of the *QBCA*, that the Shareholders of Globex shall be entitled to exercise the right to demand the repurchase of their Shares (the "**Repurchase Right**"), and that Sections 377 to 388 of the *QBCA* (subject to the terms of the Interim Order) shall apply *mutatis mutandis* to the exercise of such Repurchase Right;
- [22] **ORDER** that in accordance with the Repurchase Right set forth in the Plan of Arrangement, any registered Shareholder who wishes to exercise a Repurchase Right

must provide a Notice of Exercise of Repurchase Right so that it is received by the Secretary of Globex, James Wilson, facsimile number (819) 797-1470 on or prior to 5:00 p.m. (Montréal time) on the second Business Day immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time);

- [23] **DECLARE** that a Shareholder who has submitted a Notice of Exercise of Repurchase Right and who votes in favor of the Arrangement Resolution shall no longer be considered as having exercised its Repurchase Right with respect to the Shares voted in favor of the Arrangement Resolution, and that a vote against the Arrangement Resolution or an abstention shall not constitute a Notice of Exercise of Repurchase Right;
- [24] **ORDER** that any Shareholder wishing to apply to a Court to fix a fair value for Shares in respect of which Repurchase Rights have been duly exercised must apply to the Superior Court of Québec;

### *The Final Order Hearing*

- [25] **ORDER** that subject to the approval by the Shareholders of the Arrangement Resolution in the manner set forth in the Interim Order, Globex may apply for this Court to sanction the Arrangement by way of a final judgment (the “**Motion for a Final Order**”);
- [26] **ORDER** that the Motion for a Final Order be presented on **October 24, 2012** before the Superior Court of Québec, sitting in the Commercial Division in and for the district of Montréal at the Montréal Courthouse, located at 1 Notre-Dame Street East in Montréal, Québec, Room **16.12** at **9:15** or so soon thereafter as counsel may be heard, or at any other date this Court may see fit;
- [27] **ORDER** that the mailing or delivery of the Notice Materials constitutes good and sufficient service of the Motion and good and sufficient notice of presentation of the Motion for a Final Order to all persons, whether those persons reside within Québec or in another jurisdiction;
- [28] **ORDER** that the only persons entitled to appear and be heard at the hearing of the Motion for a Final Order shall be Globex and any person that:
- (a) files an appearance with this Court’s registry and serve same on Counsel for Globex (Heenan Blaikie LLP c/o: Mtre Gary Rivard, 1250, boul. René-Lévesque Ouest, Suite 2500, Montréal, Québec, Canada H3B 4Y1, facsimile number (514) 921-1383) on or before October 22, 2012; and
  - (b) if such appearance is with a view to contesting the Motion for a Final Order, serve on the above-mentioned Counsel on or before October 22, 2012, written representations supported as to the facts by affidavit(s), and exhibit(s) if any ;
- [29] **ALLOW** Globex to file any further evidence it deems appropriate, by way of supplementary affidavits or otherwise, in connection with the Motion for a Final Order;

### *Miscellaneous*

- [30] **DECLARE** that Globex shall be entitled to seek leave to vary the Interim Order upon such terms and such notice as this Court deems just;
- [31] **ORDER** provisional execution of the Interim Order notwithstanding any appeal therefrom and without the necessity of furnishing any security;

[32] **THE WHOLE** without costs

**ON PETITIONER'S MOTION FOR A FINAL ORDER**

[33] **GRANT** the Final Order sought in the Motion;

[34] **DECLARE** that service of the Motion has been made in accordance with the Interim Order, is valid and sufficient, and amounts to valid service of same;

[35] **DECLARE** that the Arrangement has been duly adopted in accordance with the Interim Order;

[36] **DECLARE** that the Arrangement conforms with the requirements of the *QBCA*, has a valid business purpose, resolves in a fair and balanced way the objections of those whose legal rights are being arranged, and is fair and reasonable;

[37] **DECLARE** that the Arrangement is hereby approved and ratified and **ORDER** that the Arrangement, as it may be amended in accordance with the Interim Order, shall take effect in accordance with the terms of the Plan of Arrangement on the Effective Date, as defined therein;

[38] **ORDER** provisional execution of this Final Order notwithstanding any appeal therefrom and without the necessity of furnishing any security;

[39] **DECLARE** that this Court shall remain seized of this matter to resolve any difficulty which may arise in relation to, or in connection with the implementation of the Arrangement;

[40] **THE WHOLE** without costs, except in case of contestation.

**MONTREAL**, September 14, 2012

*(signed) Heenan Blaikie LLP*

**HEENAN BLAIKIE LLP**

Attorneys for Petitioner

Globex Mining Enterprises Inc.

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**AFFIDAVIT OF JACK STOCH**

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I, the undersigned, Jack Stoch, businessman, residing and domiciled at 89 Belsize Drive, Toronto, Ontario M4S 1L3, do solemnly affirm that:

1. I am the President of Globex Mining Enterprises Inc., the Petitioner in the present case;
2. As required by Section 414 of the QBCA, the Petitioner Globex Mining Enterprises Inc. is currently capable and will continue to be able to pay its liabilities as they become due;
3. All of the facts alleged in the attached *Motion for Interim and Final Orders Respecting an Arrangement Concerning Globex Mining Enterprises Inc.* are true;
4. All of the facts alleged herein are true.

**AND I HAVE SIGNED:**

*(signed) Jack Stoch*  
\_\_\_\_\_  
**Jack Stoch**

SOLEMNLY AFFIRMED TO before me

at Rouyn-Noranda, Québec, this 14<sup>th</sup> day of  
September, 2012

*(signed) Julia Angers-Morton*  
\_\_\_\_\_  
Notary

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**AFFIDAVIT OF JAMES G. WILSON**

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I, the undersigned, James G. Wilson, businessman, residing and domiciled at 94 Longwater Chase, Markham, Ontario L3R 4B1 do solemnly affirm that:

1. I am the Chief Financial Officer, Treasurer and Corporate Secretary of Globex Mining Enterprises Inc., the Petitioner in the present case;
2. As required by Section 414 of the *Business Corporations Act* (Québec), the Petitioner Globex Mining Enterprises Inc. is not insolvent and is currently capable of paying, and will continue to be able to pay, its liabilities as they become due;
3. All of the facts alleged in the attached *Motion for Interim and Final Orders Respecting an Arrangement Concerning Globex Mining Enterprises Inc.* concerning the solvency of the Petitioner Globex Mining Enterprises Inc. are true;
4. All of the facts alleged herein are true.

**AND I HAVE SIGNED:**

*(signed) James G. Wilson*

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**James G. Wilson**

SOLEMNLY AFFIRMED TO before me  
at Markham, Ontario, this 18<sup>th</sup> day of September,  
2012

*(signed) Graham Nichols*

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Graham John Nichols

Notary Public, Ontario

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**NOTICE OF PRESENTATION OF THE MOTION FOR A FINAL ORDER**

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**TAKE NOTICE** that Globex Mining Enterprises Inc. (the “**Petitioner**”) has filed a *Motion for Interim and Final Orders Respecting an Arrangement Concerning Globex Mining Enterprises Inc.* (the “**Motion**”) before the Superior Court of Québec, district of Montreal.

A copy of the Motion can also be found on Petitioners web site at [www.globexmining.com](http://www.globexmining.com).

The Motion will be presented for adjudication on the final order sought therein (the “**Final Order**”) before the Superior Court of the judicial district of Montreal **in Room 16.12 of the Montreal Courthouse, located at 1 Notre-Dame East, in Montreal, Québec on October 24, 2012 at 9:15 a.m.** or as soon thereafter as Counsel may be heard.

Pursuant to the interim Order issued by the Superior Court of Quebec on September 18, 2012 (the “**Interim Order**”), if you wish to appear or be represented before the Court in order to make representations in connection with the Final Order sought, you are required to file an Appearance form at the office of the Clerk of the Superior Court of the district of Montreal, Commercial Division, **on or before October 22, 2012**, and to serve a copy of the said Appearance form within the same time limit on Petitioner’s Counsel, at the following addresses:

**HEENAN BLAIKIE LLP  
c/o M<sup>c</sup> Gary Rivard  
1250 René-Lévesque Blvd. West, Suite 2500  
Montreal, Quebec H3B 4Y1**

Furthermore, pursuant to the Interim Order, if you wish to contest the issuance by the Court of the Final Order, or make representations in relation thereto, you are required to file written representations supported as to the facts by affidavit(s), and exhibit(s) if any, which must be filed with the office of the Clerk of the Superior Court of the district of Montreal **on or before October 22, 2012**, and served within the same time limit on Petitioners’ Counsel, at the above-mentioned addresses.

**TAKE FURTHER NOTICE** that, if you do not file an appearance and a written contestation within the above-mentioned time limits, you will not be entitled to contest the Final Order or make representations before the Court, and Petitioner may be granted a judgment without further notice or extension.

If you wish to make representations or contest the issuance by the Court of the Final Order, it is important that you take action within the time limits indicated, either by retaining the services of an attorney who will represent you and act in your name, or by doing so yourself in accordance with the formalities of the law.

**DO ACT ACCORDINGLY.**

**MONTREAL**, September 18, 2012

*(signed) Heenan Blaikie LLP*

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**HEENAN BLAIKIE LLP**

Attorneys for Petitioner

Globex Mining Enterprises Inc.



**SCHEDULE D  
ARRANGEMENT AGREEMENT**

This Arrangement Agreement made the 10<sup>th</sup> day of September, 2012.

**B E T W E E N:** **GLOBEX MINING ENTERPRISES INC.**, a corporation continued under the laws of the Province of Québec

(hereinafter referred to as “**Globex**”)

**- and -**

**CHIBOUGAMAU INDEPENDENT MINES INC.**, a corporation incorporated under the laws of Canada

(hereinafter referred to as “**CIM**”)

**WHEREAS** Globex and CIM have agreed to proceed with a proposed transaction by way of Plan of Arrangement (as hereinafter defined) whereby, among other things, Globex and CIM will reorganize their respective share capital, certain assets of Globex will be acquired by CIM and a series of share exchanges and redemptions will take place as a result of which each shareholder of Globex will have the same percentage shareholding in each of Globex and CIM at the effective time of the Arrangement (as hereinafter defined) on the Effective Date (as hereinafter defined); and

**WHEREAS** Globex proposes to ask the shareholders of Globex to consider the Arrangement on the terms set out in the Plan of Arrangement;

**NOW THEREFORE THIS AGREEMENT WITNESSES** that, in consideration of the premises and the respective covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Globex and CIM, the parties hereto hereby covenant and agree as follows:

**ARTICLE 1  
INTERPRETATION**

**1.1 Definitions**

In this Agreement, including the recitals hereto, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) “**Agreement**” means this arrangement agreement, including the appendices annexed hereto, as supplemented or amended from time to time;
- (b) “**Arrangement**” means the arrangement pursuant to sections 414 and following of the QBCA on the terms set out in the Plan of Arrangement, subject to any amendment or supplement thereto made in accordance with this Agreement, the Plan of Arrangement or at the direction of the Court;
- (c) “**Articles of Arrangement**” means the articles of arrangement of Globex which are required by the QBCA to be sent to the Enterprise Registrar after the Final Order is made in order to give effect to the Arrangement;
- (d) “**Business Day**” means any day other than a Saturday, Sunday or statutory holiday in the City of Montreal, Québec;
- (e) “**business property**” means:

- (i) all of the mineral properties, including all exploration expenses incurred thereon, owned by Globex and/or the Subsidiaries, and
- (ii) all depreciable properties, including land and building (excluding mineral properties), mining equipment, office equipment, vehicles and computer systems, owned by Globex and/or the Subsidiaries;

(f) “**Butterfly Proportion**” means the fraction  $A/B$  where:

**A** is the fair market value of the mining properties forming part of the Transferred Assets determined immediately before the distribution of the Transferred Assets to CIM as described in paragraph 3.1(i) of the Plan of Arrangement and calculated using a consolidated look-through approach; and

**B** is the net fair market value of all of the business property owned by Globex determined immediately before the distribution of the Transferred Assets to CIM as described in paragraph 3.1(i) of the Plan of Arrangement calculated using a consolidated look-through approach;

- (g) “**CBCA**” means the *Canada Business Corporations Act*, as amended;
- (h) “**CIM**” means Chibougamau Independent Mines Inc., a corporation incorporated under the CBCA primarily to facilitate the Arrangement;
- (i) “**CIM Common Shares**” means the common shares which CIM is authorized to issue as constituted on the date hereof;
- (j) “**CIM Stock Options**” means the options to purchase CIM Common Shares issued to holders of Globex Stock Options pursuant to the stock option plan of CIM as part of the Plan of Arrangement;
- (k) “**Circular**” means the management information circular of Globex to be prepared and sent to the Shareholders in connection with the Meeting;
- (l) “**consolidated look-through approach**” means, in the calculation of the fair market value of the assets and liabilities owned by Globex and allocated by Globex to each type of property, the addition to the Globex assets and liabilities of (i) 100% of the fair market value of the assets and liabilities of a Subsidiary where Globex owns 100% of the issued shares of the Subsidiary, and (ii) where Globex owns less than 100% of the issued shares of a Subsidiary, the same percentage of the fair market value of each asset and liability of the Subsidiary as the percentage of issued shares of such Subsidiary owned by Globex;
- (m) “**Court**” means the Québec Superior Court;
- (n) “**Effective Date**” means the date set out in the certificate giving effect to the Arrangement issued by the Enterprise Registrar pursuant to section 420 of the QBCA;
- (o) “**Enterprise Registrar**” means the enterprise registrar referred to in the QBCA;
- (p) “**Final Order**” means the final order of the Court approving the Arrangement pursuant to the QBCA;
- (q) “**Globex**” means Globex Mining Enterprises Inc., a corporation continued under the QBCA;
- (r) “**Globex Common Shares**” means the common shares which Globex is authorized to issue as constituted on the date hereof;

- (s) “**Globex New Common Shares**” means the Class A common shares which Globex will be authorized to issue on the Effective Date and having attributes substantially as set out in Exhibit II to the Plan of Arrangement;
- (t) “**Globex Stock Options**” means the options to purchase Globex Common Shares granted pursuant to the stock option plans of Globex, as amended;
- (u) “**Interim Order**” means the interim order of the Court made pursuant to the application therefor contemplated by section 4.3 hereof;
- (v) “**ITA**” means the *Income Tax Act* (Canada), as amended;
- (w) “**Management Agreement**” means the agreement to be entered into between Globex and CIM for the provision of management services and facilities by Globex to CIM;
- (x) “**Meeting**” means the special meeting of the Shareholders to be held to consider the Arrangement, and any adjournment or postponement thereof;
- (y) “**Person**” means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;
- (z) “**Plan of Arrangement**” means a plan of arrangement in substantially the form of the plan of arrangement annexed as Appendix II hereto or in such other form as will result in the Transferred Assets being acquired by CIM and the current shareholders of Globex having the same percentage shareholding in each of Globex and CIM at the effective time of the Arrangement on the Effective Date, in either case as amended, modified or supplemented from time to time in accordance with this Agreement, the Plan of Arrangement or at the direction of the Court;
- (aa) “**QBCA**” means the *Business Corporations Act* (Québec), as amended;
- (bb) “**Shareholders**” means the holders of Globex Common Shares at the applicable time;
- (cc) “**Subsidiaries**” means, collectively, Eco Refractory Solutions Inc., Duparquet Assets Ltd., Globex Nevada, Inc., Worldwide Magnesium Corporation and CIM, and “**Subsidiary**” means any one of the Subsidiaries;
- (dd) “**Tax Ruling**” means the advance income tax ruling applied for by Globex from Canada Revenue Agency confirming the Canadian federal income tax consequences of certain aspects of the Arrangement;
- (ee) “**Transferred Assets**” means all of the mineral resource property interests, cash and other assets acquired by CIM from Globex, as more fully described in Appendix I annexed hereto as such appendix may be amended or replaced from time to time;
- (ff) “**TSX**” means the Toronto Stock Exchange; and
- (gg) “**TSXV**” means the TSX Venture Exchange.

## 1.2 Headings

The division of this Agreement into articles, sections, paragraphs and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement (including the

appendices hereto) as a whole and not to any particular article, section, paragraph or other portion hereof and include any agreement, document or instrument supplementary or ancillary hereto. Unless something in the subject matter or context is inconsistent therewith, all references herein to articles, sections, paragraphs and other portions are to articles, sections, paragraphs and other portions of this Agreement.

### **1.3 Construction**

In this Agreement, unless something in the context is inconsistent therewith:

- (a) the words “include” or “including” when following any general term or statement are not to be construed as limiting the general term or statement to the specific items or matters set out or to similar items or matters, but rather as permitting it to refer to all other items or matters that could reasonably fall within its broadest possible scope;
- (b) a reference to time or date is to the time or date in Montreal, Québec, unless specifically indicated otherwise;
- (c) a word importing the masculine gender includes the feminine gender or neuter and a word importing the singular includes the plural and *vice versa*; and
- (d) a reference to “approval”, “authorization”, “consent”, “designation” or “notice” means written approval, authorization, consent, designation or notice unless specifically indicated otherwise.

### **1.4 Date for Any Action**

In the event that any date on which any action is required to be taken hereunder by either of the parties hereto is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day, unless otherwise agreed to by the parties hereto.

### **1.5 Currency**

All amounts of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

### **1.6 Appendices**

The annexed Appendix I, entitled “Description of Transferred Assets”, and Appendix II, entitled “Plan of Arrangement”, shall be deemed to be incorporated into, and form part of, this Agreement.

### **1.7 Entire Agreement**

This Agreement, together with the appendices, agreements and other documents herein or therein referred to, constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties hereto with respect to the subject matter hereof.

## **ARTICLE 2 THE ARRANGEMENT**

### **2.1 Arrangement**

Globex and CIM agree to effect the Arrangement pursuant to sections 414 and following of the QBCA on the terms and subject to the conditions contained in this Agreement and on the terms set out in the Plan of Arrangement. Immediately prior to the implementation of the Plan of Arrangement, CIM shall purchase for cancellation the one

thousand (1,000) CIM Common Shares owned by Globex for their issue price of ten dollars (\$10), which CIM Common Shares shall then be cancelled.

## **2.2 Effective Date of Arrangement**

The Arrangement shall become effective on the Effective Date.

## **2.3 Commitment to Effect Arrangement**

Subject to the satisfaction of the terms and conditions contained in this Agreement, Globex and CIM shall each use all reasonable efforts and do all things reasonably required to cause the Arrangement to become effective on or about November 30, 2012, or on such other date as Globex may determine and, in conjunction therewith, and to cause the transactions contemplated by the Plan of Arrangement and this Agreement to be completed on the Effective Date. Without limiting the generality of the foregoing, Globex shall proceed forthwith to apply for the Interim Order and, upon obtainment thereof, Globex shall mail the Circular to the Shareholders.

## **2.4 Filing of Articles of Arrangement**

Subject to the rights of termination contained in Article 6 hereof, upon the Shareholders approving the Arrangement by special resolution passed by a majority of not less than two-thirds of the votes cast by Shareholders in respect of such resolution at the Meeting in accordance with the Interim Order and the QBCA, Globex obtaining the Final Order and the other conditions contained in Article 5 hereof being complied with or waived, Globex shall send Articles of Arrangement to the Enterprise Registrar in accordance with section 419 of the QBCA and Globex and CIM shall send such other documents, if any, to the Enterprise Registrar as may be required in order to effect the Arrangement. Upon the issue by the Enterprise Registrar of the certificate giving effect to the Arrangement pursuant to section 420 of the QBCA, Globex and CIM shall exchange (to the extent not previously exchanged) such other documents as may be necessary or desirable in connection with the completion of the transactions contemplated by the Plan of Arrangement and this Agreement.

## **2.5 Other Matters**

Globex and CIM agree to enter into the Management Agreement on the Effective Date as soon as reasonably practicable after the completion of the Arrangement, without any action on the part of the Shareholders.

## **ARTICLE 3 REPRESENTATIONS AND WARRANTIES**

### **3.1 Representations and Warranties of Globex and CIM**

Each of Globex and CIM represents and warrants to the other as follows:

- (a) it is a corporation incorporated and subsisting under the laws of its jurisdiction of incorporation and has full capacity and authority to enter into this Agreement and, subject to obtaining the requisite approvals and consents contemplated hereby, to perform its obligations hereunder;
- (b) it has taken all corporate action necessary to authorize the execution, delivery and performance of this Agreement and this Agreement has been duly authorized by it;
- (c) neither the execution and delivery of this Agreement nor the performance of any of its obligations hereunder will constitute a material default under, or be in any material contravention or breach of,
  - (i) its articles or by-laws;
  - (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it; or

- (iii) any agreement or instrument to which it is a party or by which it is bound; and
- (d) no dissolution, winding-up, bankruptcy, liquidation or similar proceedings have been commenced or are pending or proposed in respect of it;

and, in addition, Globex represents and warrants to CIM as follows:

- (e) it is a “foreign private issuer” within the meaning of Rule 405 of Regulation C adopted by the United States Securities and Exchange Commission under the *United States Securities Act of 1933*, as amended, and the Globex Common Shares are not registered or required to be registered under Section 12 of the *United States Securities Exchange Act of 1934*, as amended; and
- (f) to its knowledge, it is not an “investment company” within the meaning of the *United States Investment Company Act of 1940*, as amended.

The representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and shall expire and terminate on the Effective Date.

## **ARTICLE 4 COVENANTS**

### **4.1 Covenants of Globex**

Globex hereby covenants and agrees with CIM as follows:

- (a) until the Effective Date, Globex shall carry on its business in the ordinary course and shall not enter into any transaction or incur any obligation or liability out of the ordinary course of business, except as otherwise contemplated in this Agreement or consented to in writing by CIM;
- (b) except as otherwise contemplated in this Agreement or consented to in writing by CIM, until the Effective Date, Globex shall not, and shall not suffer or permit any of the Subsidiaries to, merge into or with, or amalgamate, consolidate or enter into any other corporate reorganization with, any other corporation or Person or perform any act or enter into any transaction or negotiation which reasonably could be expected to, directly or indirectly, interfere or be inconsistent with the completion of the Arrangement or the other transactions contemplated by this Agreement;
- (c) Globex shall, in a timely and expeditious manner, file the Circular in all jurisdictions where the Circular is required to be filed by Globex and mail or cause to be mailed the Circular to the Shareholders, and the directors and auditors of Globex, all in accordance with the terms of the Interim Order and applicable law;
- (d) Globex shall perform the obligations required to be performed by it, and shall enter into all agreements required to be entered into by it, under this Agreement and the Plan of Arrangement and shall do all such other acts and things as may be necessary or desirable in order to carry out and give effect to the Arrangement and related transactions as described in the Circular and, without limiting the generality of the foregoing, Globex shall seek:
  - (i) the approval of Shareholders required for the completion of the Arrangement;
  - (ii) the Interim Order and Final Order as provided for in section 4.3 hereof; and
  - (iii) such other consents, orders, rulings, approvals and assurances as counsel may advise are necessary or desirable in connection with the completion of the Arrangement, including those referred to in section 5.1 hereof;

- (e) Globex will convene the Meeting as soon as practicable and will solicit proxies to be voted at the Meeting in favour of the Arrangement and any other resolutions referred to in the Circular; and
- (f) Globex will use all reasonable efforts to cause each of the conditions precedent set out in sections 5.1 and 5.2 hereof to be complied with on or before the Effective Date.

#### **4.2 Covenants of CIM**

CIM hereby covenants and agrees with Globex as follows:

- (a) except as otherwise contemplated in this Agreement or consented to in writing by Globex, until the Effective Date, CIM shall not merge into or with, or amalgamate or consolidate, or enter into any other corporate reorganization with, any other corporation or Person, or perform any act or enter into any transaction or negotiation which reasonably could be expected to, directly or indirectly, interfere or be inconsistent with the completion of the Arrangement or the other transactions contemplated by this Agreement;
- (b) CIM shall perform the obligations required to be performed by it, and shall enter into all agreements required to be entered into by it, under this Agreement and the Plan of Arrangement and shall do all such other acts and things as may be necessary or desirable in order to carry out and give effect to the Arrangement and related transactions as described in the Circular and, without limiting the generality of the foregoing, to the extent requested by Globex, CIM shall seek and cooperate with Globex in seeking:
  - (i) the Interim Order and Final Order as provided for in section 4.3 hereof; and
  - (ii) such other consents, orders, rulings, approvals and assurances as counsel may advise are necessary or desirable in connection with the completion of the Arrangement, including those referred to in section 5.1 hereof; and
- (c) CIM will use all reasonable efforts to cause each of the conditions precedent set out in sections 5.1 and 5.2 hereof to be complied with on or before the Effective Date.

#### **4.3 Interim Order and Final Order**

Globex covenants and agrees that it will, as soon as reasonably practicable, apply to the Court pursuant to section 414 of the QBCA for the Interim Order providing for, among other things, the calling and holding of the Meeting for the purpose of, among other matters, Shareholders considering and, if deemed advisable, approving the Arrangement and that, if the approval of Shareholders of the Arrangement as set out in the Interim Order is obtained by Globex, Globex thereafter will take the necessary steps to submit the Arrangement to the Court and apply for the Final Order in such fashion as the Court may direct. As soon as practicable thereafter, and subject to compliance with the other conditions provided in Article 5 hereof, Globex shall send to the Enterprise Registrar, in accordance with section 419 of the QBCA, the Articles of Arrangement to give effect to the Arrangement.

### **ARTICLE 5 CONDITIONS**

#### **5.1 Mutual Conditions Precedent**

The respective obligations of Globex and CIM to complete the transactions contemplated by this Agreement, including the Arrangement, the obligation of Globex to send the Articles of Arrangement to the Enterprise Registrar and the obligation of each of Globex and CIM to send any other documents required to give effect to the Arrangement to the Enterprise Registrar, shall be subject to the satisfaction, on or before the Effective Date, of the following conditions:

- (a) the Interim Order shall have been granted in form and substance satisfactory to Globex;
- (b) the Arrangement, with or without amendment, shall have been approved at the Meeting, with or without variation, by the requisite majority of the votes cast by the Shareholders thereon at the Meeting;
- (c) the Final Order shall have been granted in form and substance satisfactory to Globex and shall include a declaration of the Court that the terms and conditions of the Arrangement are fair to the Shareholders and that the Court is aware that such finding of fairness will form the basis of an exemption from the registration requirements of the *United States Securities Act of 1933*, as amended;
- (d) the Globex Common Shares shall continue to be listed on the TSX or, to the extent necessary, the TSX shall have conditionally approved the listing thereon of the Globex New Common Shares to be issued pursuant to the Arrangement (including the Globex New Common Shares which, as a result of the Arrangement, are issuable upon the exercise of the Globex Stock Options) as of the Effective Date, or as soon as possible thereafter, subject only to compliance with the usual requirements of the TSX;
- (e) the TSX or TSXV shall have conditionally approved the listing of the CIM Common Shares (including the CIM Common Shares which, as a result of the Arrangement, are issuable upon the exercise of the CIM Stock Options), subject only to compliance with the usual requirements of the TSX or TSXV, as the case may be;
- (f) all governmental, court, regulatory, third person and other approvals, consents, expiry of waiting periods, waivers, permits, exemptions, orders and agreements and all amendments and modifications to, and terminations of, agreements, indentures and arrangements considered by Globex to be necessary or desirable for the Arrangement to become effective and for the transfer of the Transferred Assets to CIM shall have been obtained or received on terms that are satisfactory to Globex;
- (g) there shall not be in force any order or decree restraining or enjoining the completion of the transactions contemplated by this Agreement;
- (h) the Tax Ruling shall have been obtained by Globex in form and substance satisfactory to Globex confirming that, based on the current provisions of the ITA, the regulations thereunder and all specific proposals to amend the ITA and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Agreement, the Arrangement will be treated for purposes of the ITA as a tax-deferred “butterfly” reorganization pursuant to paragraph 55(3)(b) of the ITA with no material Canadian federal income tax payable by any of Globex, CIM or the Shareholders who hold their Globex Common Shares as capital property; and
- (i) this Agreement shall not have been terminated pursuant to Article 6 hereof.

## **5.2 Conditions and Obligations of Each Party**

The obligation of each of Globex and CIM to complete the transactions contemplated by this Agreement, including the Arrangement, is further subject to the condition, which may be waived by either Globex or CIM without prejudice to the right of such party hereto to rely on any other condition in favour of such party hereto, that each and every one of the covenants of the other party hereto to be performed on or before the Effective Date pursuant to the terms of this Agreement shall have been performed by such party hereto and that, except as affected by the transactions contemplated by this Agreement, the representations and warranties of the other party hereto shall be true and correct in all material respects on the Effective Date, with the same effect as if such representations and warranties had been made on the Effective Date.



**ARTICLE 6  
AMENDMENT AND TERMINATION**

**6.1 Amendment**

Subject to any restrictions under the QBCA or in the Final Order, this Agreement (including the appendices annexed hereto) may, at any time and from time to time before or after the holding of the Meeting, but not later than the Effective Date, be amended by written agreement of the parties hereto without, subject to applicable law, further notice to, or authorization on the part of, the Shareholders.

**6.2 Termination**

This Agreement may, at any time before or after the holding of the Meeting but prior to the Effective Date, be unilaterally terminated by Globex without further notice to, or action on the part of, the Shareholders for whatever reason Globex may consider appropriate.

**6.3 Effect of Termination**

Upon the termination of this Agreement pursuant to section 6.2 hereof, neither party hereto shall have any liability or further obligation to the other party.

**ARTICLE 7  
SATISFACTION**

**7.1 Satisfaction of Conditions**

The conditions set out in sections 5.1 and 5.2 hereof shall be conclusively deemed to have been satisfied or waived upon the Enterprise Registrar issuing a certificate of arrangement pursuant to section 420 of the QBCA giving effect to the Arrangement.

**7.2 Satisfaction of Covenants**

Sections 4.1 and 4.2 hereof shall be conclusively deemed to have been satisfied in all respects upon the Enterprise Registrar issuing a certificate of arrangement pursuant to section 420 of the QBCA giving effect to the Arrangement.

**ARTICLE 8  
GENERAL**

**8.1 Notices**

All notices which may or are required to be given pursuant to this Agreement shall be given or made in writing and shall be deemed to be validly given if served personally or by facsimile, in each case to the attention of the senior officer at the following addresses or at such other address as shall be specified by a party hereto by like notice:

- (a) if to Globex:

Globex Mining Enterprises Inc.  
86 14<sup>th</sup> Street  
Rouyn-Noranda, Québec  
J9X 2J1

Attention: Jack Stoch  
President and Chief Executive Officer  
Facsimile: (819) 797-1470

with a copy to:

Heenan Blaikie LLP  
1250 René-Lévesque Blvd. West  
Suite 2500  
Montreal, Québec  
H3B 4Y1

Attention: Neil Wiener  
Facsimile: (514) 921-1208

(b) if to CIM:

Chibougamau Independent Mines Inc.  
86 14<sup>th</sup> Street  
Rouyn-Noranda, Québec  
J9X 2J1

Attention: Jack Stoch  
President and Chief Executive Officer  
Facsimile: (819) 797-1470

with a copy to:

Heenan Blaikie LLP  
1250 René-Lévesque Blvd. West  
Suite 2500  
Montreal, Québec  
H3B 4Y1

Attention: Neil Wiener  
Facsimile: (514) 921-1208

Any notice that is delivered to such address shall be deemed to be delivered on the date of delivery if delivered on a Business Day prior to 5:00 p.m. (local time at the place of receipt) or on the next Business Day if delivered after 5:00 p.m. or on a non-Business Day. Any notice delivered by facsimile transmission shall be deemed to be delivered on the date of transmission if delivered on a Business Day prior to 5:00 p.m. (local time at the place of receipt) or on the next Business Day if delivered after 5:00 p.m. or on a non-Business Day.

## **8.2 Time of the Essence**

Time shall be of the essence in this Agreement.

## **8.3 Assignment**

Neither Globex nor CIM may assign its rights or obligations under this Agreement or the Arrangement without the prior written consent of the other.

## **8.4 Binding Effect**

This Agreement and the Plan of Arrangement shall be binding upon and shall enure to the benefit of each of Globex and CIM and the respective successors and permitted assigns thereof.

## **8.5 Waiver**

Any waiver or release of any of the provisions of this Agreement, to be effective, must be in writing executed by the party hereto granting such waiver or release.

## **8.6 Further Assurances**

Each party hereto shall, from time to time, and at all times hereafter, at the request of the other, but without further consideration, do, or cause to be done, all such other acts, and execute and deliver, or cause to be executed and delivered, all such further agreements, transfers, assurances, instruments or documents as may be reasonably required in order to fully perform and carry out the terms and intent hereof including, without limitation, the Arrangement.

## **8.7 Governing Law**

This Agreement shall be governed by, and be construed in accordance with, the laws of the Province of Québec and the laws of Canada applicable therein. Each party hereto hereby irrevocably attorns to the jurisdiction of the courts of the Province of Québec in respect of all matters arising under or in relation to this Agreement.

## **8.8 Expenses**

All expenses incurred in connection with this Agreement, the Arrangement and the transactions contemplated hereby and thereby shall be borne by CIM.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement on the date first set out above.

**GLOBEX MINING ENTERPRISES INC.**

per: (signed) Jack Stoch  
Jack Stoch  
President and Chief Executive Officer

**CHIBOUGAMAU INDEPENDENT MINES INC.**

per: (signed) Jack Stoch  
Jack Stoch  
President and Chief Executive Officer

**APPENDIX I**

**TO THE ARRANGEMENT AGREEMENT DATED SEPTEMBER 10, 2012**

**BETWEEN GLOBEX MINING ENTERPRISES INC. AND CHIBOUGAMAU INDEPENDENT MINES INC.**

**DESCRIPTION OF TRANSFERRED ASSETS**

1. Berrigan Lake Property

100% interest in the Berrigan Lake property, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
19	11	16	5277074
20	11	16	5277066
19	15	16	5276715
21	9	16	5276716
20	9	16	5276717
18	9	16	5276718
21	14	16	5276719
21	13	16	5276720
21	11	16	5276721
19	13	16	5277076
17	10	9	5276723
20	12	16	5277067
17	11	16	5278256
20	10	16	5277080
19	10	16	5277079
21	10	5.2	5276722
20	13	16	5277077
18	13	16	5277075
18	11	16	5277073
18	12	16	5277072
19	12	16	5277071
20	15	16	5277070
20	14	16	5277069
19	14	16	5277068
18	10	16	5277078

2. Berrigan South Property

100% interest in the Berrigan South property, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
3	19	42.12	2329878
3	18	42.12	2329877
3	17	42.12	2329876
2	18	42.74	2329875
4	16	42.48	2293630
4	15	42.52	2293629
4	24	42.48	2314033

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
4	23	42.42	2314032
2	17	42.74	2305041
2	19	42.75	2311796
3	16	42.11	2291097
4	22	42.48	2314031
18	13	20.34	2311788
19	13	31.59	2311789
20	13	31.79	2311790
20	14	55.44	2311791
20	15	55.44	2311792
21	13	27.38	2311793
4	25	42.48	2311798
21	15	47.6	2311795
4	30	42.47	2311803
2	20	42.68	2311797
3	15	42.13	2291096
4	26	42.48	2311799
4	27	42.48	2311800
4	28	42.48	2311801
4	29	42.48	2311802
21	14	47.52	2311794
19	15	55.45	2331200
19	14	55.45	2331199
4	31	42.38	2311804
3	14	42.12	2291095
3	20	42.12	2329879

3. Bateman Bay Mine (including a portion of the Jaculet Mine)

100% interest in the Bateman Bay Mine, consisting of the following claims in McKenzie and Roy Townships, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
9	41	16	5253589
20	30	36.53	2274355
21	30	2.34	2274356
5	40	11.7	5253596
5	41	16	5253595
6	1	5.5	5253895
6	40	16	5253597
6	41	16	5253594
9	2	16	5253592
block	K	17.77	P014297
block	B14	68.18	P014296
20	29	27.83	2274354
9	40	11.25	5253593
9	1	16	5253590
10	2	16	5253591
20	30	0.67	2274363
20	29	0.16	2274362
20	29	5.48	2274361

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
20	28	2.76	2274360
19	30	4.45	2274359
19	29	31.74	2274358
19	28	2.9	2274357
19	29	2	2274353

4. Chibougamau Lake Property (including S-3 and Tommy Zones, down dip of Henderson 1 & 2 Mines and Portage Mine)

100% interest in the Chibougamau Lake property, consisting of the following claims in Lemoine, McKenzie, Obalski and Roy Townships, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
7	16	16	5274501
6	16	16	5274504
6	17	16	5274503
7	17	16	5274502
6	15	16	5274505
6	15	55.57	2250328
6	14	55.57	2250327
16	36	4.72	2260499
15	36	6.22	2260493
5	15	16	5274506
16	35	18.97	2260497
5	16	16	5274507
5	17	16	5274508
41	38	16	5276923
41	39	16	5276924
40	38	16	5276925
40	39	16	5276926
11	15	16	5276927
10	15	16	5276928
9	15	16	5276929
15	34	19.55	2260489
12	14	16	5276931
7	12	16	5274816
11	14	16	5276932
10	13	16	5276930
7	14	16	5274814
16	37	55.48	2238230
41	35	16	5266770
41	36	16	5266771
40	35	16	5266772
40	36	16	5266773
39	35	16	5274794
39	36	16	5274799
41	37	16	5274800
41	34	9.63	5274802
4	14	16	5274809
5	14	16	5274810
39	1	16	5277045

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
7	15	16	5274813
6	13	55.57	2262102
7	13	16	5274815
40	40	16	5277935
7	11	12.5	5274817
10	14	16	5276933
39	2	16	5277046
39	3	16	5277047
39	4	16	5277048
37	1	16	5277054
37	2	16	5277055
40	5	16	5277056
40	6	16	5277057
39	5	1.6	5277058
6	14	16	5274811
14	35	55.5	2234501
12	15	16	5277930
16	36	50.76	2238227
15	37	31.53	2238226
15	36	47.57	2238225
15	35	30.33	2238224
15	34	35.93	2238223
15	38	31.54	2238229
14	36	55.5	2234502
16	38	55.48	2239964
14	34	55.5	2234500
14	33	55.5	2234499
14	32	55.5	2234498
14	31	55.5	2234497
14	30	55.5	2234496
8	16	16	5278255
14	37	55.5	2234503
16	39	55.48	2239971
15	31	21.48	2329553
15	30	41.16	2329552
15	29	41.8	2329551
15	28	3.87	2329550
14	28	0.59	2329549
14	29	55.5	2329548
17	36	55.95	2238228
16	40	55.48	2239972
11	16	16	5278252
18	39	55.46	2239970
18	37	33.41	2239969
17	40	55.47	2239968
17	39	55.47	2239967
17	38	55.47	2239966
17	37	55.47	2239965
18	38	55.37	2239973
38	1	16	5277941
40	3	16	5277952
1	2	16	5277951

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
2	3	16	5277950
38	2	16	5277948
40	2	16	5277946
1	1	16	5277945
9	16	16	5278254
2	1	11.1	5277943
1	3	16	5277957
40	1	16	5277939
1	41	16	5277938
15	35	25.16	2260491
41	40	16	5277934
11	13	0.5	5276936
8	14	16	5276935
2	2	16	5277944
3	6	16	5277969
9	14	16	5276934
12	16	16	5278251
8	15	16	5278243
1	6	16	5277976
2	7	16	5277975
3	7	16	5277974
38	3	16	5277954
2	6	16	5277970
2	4	16	5277956
4	6	16	5277968
1	4	16	5277964
2	5	16	5277963
3	5	16	5277962
38	4	16	5277960
40	4	16	5277958
10	16	16	5278253
1	5	16	5277971
10	18	16	5253885
10	17	16	5280400
16	34	14.6	2260495

5. Copper Cliff Property

100% interest in the Copper Cliff property, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
19	25	9.32	2273259
18	24	11.32	2273256
19	26	1.24	2273260
18	26	5.69	2273258
18	25	52.27	2273257
17	24	0.38	2273254
17	25	10.69	2273255



6. Grandroy Mine

100% interest in the Grandroy Mine, consisting of the following claims in Roy Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
14	12	16	5274518
15	10	16	5274516
block	M	59.1	16291
14	11	16	5274517
17	8	16	5274512
16	9	16	5274514
16	8	16	5274513
17	10	16	5274515
17	9	16	5274511

7. Kokko Creek Mine

100% interest in the Kokko Creek Mine, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
17	19	23.79	2257933
16	19	51.71	2257929
16	20	18.19	2257930
17	18	18.29	2257932
16	19	3.23	2257927
17	20	16.64	2257934
16	18	28.97	2257928
16	21	10.87	2257931

8. Québec Chibougamau Goldfields Mine

100% interest in the Québec Chibougamau Goldfields Mine, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
18	20	14.53	2257938
18	23	10.44	2257941
17	20	2.15	2257935
18	21	38.06	2257939
17	22	31.01	2257937
17	21	51.16	2257936
18	22	40.56	2257940

9. Virginia Property

100% interest in the Virginia Property, consisting of the following claims in Obalski Township, Québec, subject to a 1% net smelter return in favour of a third party:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
41	20	13.2	5278265
40	21	16	5278266

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
40	22	7.2	5278267
39	22	16	5278268
39	21	16	5278269

10. Sulphur Converting/Magnetite Bay

100% interest in the Sulphur Converting/Magnetite Bay property, consisting of the following claims in Roy Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
10	21	16	5280086
9	21	16	5280087
10	24	16	5280088
9	20	16	5280090
10	20	16	5280149
11	20	16	5280150
11	21	16	5280085
12	19	16	5280152
10	23	16	5280080
8	20	16	5280075
12	20	16	5280151
12	21	16	5280084
12	22	16	5280083
11	19	16	5253881
10	22	16	5280081
10	21	11.8	5280076
11	23	16	5280079
12	23	16	5280078
12	17	16	5279915
11	17	16	5253883
11	18	16	5253882
10	22	16	5280077
11	22	16	5280082
10	19	16	5253884
12	18	16	5280153

the whole subject to a “Gross Metal Royalty” in an amount of three percent (3%). For the purposes hereof, the term “Gross Metal Royalty” shall have the meaning set out in Section 14 below.

11. Other

All agreements to which Globex is a party and all other rights and assets of Globex which pertain to any of the above-listed assets and which will be assigned or transferred by Globex to CIM as part of the Arrangement.

12. Cash

Cash of Globex in an amount obtained by multiplying all cash held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion.

13. Investments

Securities held by Globex having a fair market value equal to the amount obtained by multiplying the fair market value of all securities held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion.

14. Gross Metal Royalty

“Gross Metal Royalty” (“**GMR**”) shall be defined as three percent (3%) of all metals, including, but not limited to, gold, silver, copper and zinc, produced from the properties transferred by Globex to CIM pursuant to the Arrangement Agreement and Plan of Arrangement (collectively, the “**Transferred Properties**”), as processed at a processing facility owned by CIM or at a refinery or smelter owned by an arm’s-length third party. No fees, taxes, deductions or costs, whether direct or indirect, of any kind whatsoever shall be included in the calculation of the GMR.

The GMR shall be paid, at Globex’s exclusive option, in cash or in kind based upon the London Morning Price Fix for gold, silver and base metals, as applicable, or any other internationally-accepted price fix, as agreed upon by Globex and CIM, for all other minerals or elements produced, upon the date of delivery of said metals.

Globex shall be paid at the processing facility, refinery or smelter, as the case may be, immediately upon production and delivery of the metal. CIM shall cause the processing facility, refinery or smelter which produces the metals that are derived from the Transferred Properties to deposit, without any instruction from CIM other than an initial instruction, the GMR in a separate account in the name of Globex, over which account CIM shall have no control and in which CIM shall have no ownership or other legal interest.

The GMR shall be separate as to ownership, such that the GMR shall be, immediately upon production of the metals, the exclusive property of Globex and not subject to any charges, costs, liens or actions in favour of, or relating to, CIM.

CIM shall register the Arrangement Agreement and GMR against title of the Transferred Properties in all appropriate legal registries, at CIM’s expense.

CIM shall provide Globex, on a quarterly basis within thirty (30) days of the end of each fiscal quarter of CIM, with an accurate accounting of all metal or other production from the Transferred Properties and shall provide Globex, within forty-five (45) days of the end of each fiscal year of CIM, with an audited statement of metal or other production and the GMR payable to Globex as at such fiscal year end.

Globex shall have free and complete authority to request data and receive written responses to questions from any refinery, smelter or other processing facility which processes metals or concentrates derived from the Transferred Properties and to all records generated or commissioned by CIM related in any way to the Transferred Properties.

In order to secure the prompt payment and performance of the GMR as and when due, as well as CIM’s other obligations towards Globex relating to the GMR, CIM shall grant a first-priority hypothec and security interest in favour of Globex over all of CIM’s right, title and interest in the Transferred Properties which hypothec shall be for a sum of \$50,000,000. On or before the Effective Date, CIM and Globex shall enter into a deed of hypothec in order to grant such hypothec, which deed shall be in form and content acceptable to Globex in its sole discretion, contain such representations, warranties and covenants which are usual for transactions of this nature, and which shall be registered in all appropriate registries.

Subject to the prior written approval of Globex, CIM may sell or transfer its ownership interest in the Transferred Properties to a financially-capable third party if such third party agrees in writing to abide by all the terms of the GMR.

## APPENDIX II

### TO THE ARRANGEMENT AGREEMENT DATED SEPTEMBER 10, 2012

### BETWEEN GLOBEX MINING ENTERPRISES INC. AND CHIBOUGAMAU INDEPENDENT MINES INC.

#### PLAN OF ARRANGEMENT

#### UNDER SECTION 414 OF THE *BUSINESS CORPORATIONS ACT* (QUÉBEC)

#### ARTICLE 1 INTERPRETATION

##### 1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) “**Arrangement**” means the statutory arrangement pursuant to section 414 of the QBCA on the terms set out in this Plan of Arrangement;
- (b) “**Arrangement Agreement**” means the arrangement agreement dated September 10, 2012 between Globex and CIM, including the appendices annexed thereto, as supplemented or amended from time to time;
- (c) “**Articles of Arrangement**” means the articles of arrangement of Globex sent to the Enterprise Registrar in connection with the Arrangement;
- (d) “**Business Day**” means any day other than a Saturday, Sunday or statutory holiday in the City of Montreal, Québec;
- (e) “**business property**” means:
  - (i) all of the mineral properties, including all exploration expenses incurred thereon, owned by Globex and/or the Subsidiaries, and
  - (ii) all depreciable properties, including land and building (excluding mineral properties), mining equipment, office equipment, vehicles and computer systems, owned by Globex and/or the Subsidiaries;
- (f) “**Butterfly Proportion**” means the fraction  $A/B$  where:

**A** is the fair market value of the mining properties forming part of the Transferred Assets determined immediately before the distribution of the Transferred Assets to CIM as described in paragraph 3.1(i) hereof and calculated using a consolidated look-through approach; and

**B** is the net fair market value of all of the business property owned by Globex determined immediately before the distribution of the Transferred Assets to CIM as described in paragraph 3.1(i) hereof calculated using a consolidated look-through approach;
- (g) “**cash or near cash**” means the aggregate of:
  - (i) cash and cash equivalents (except restricted cash),
  - (ii) accounts receivable, and

- (iii) refundable tax credits and mining duties,  
owned by Globex and/or the Subsidiaries;
- (h) “**Certificate of Arrangement**” means the certificate of arrangement issued by the Enterprise Registrar pursuant to the QBCA giving effect to the Arrangement;
- (i) “**CIM**” means Chibougamau Independent Mines Inc., a corporation incorporated under the *Canada Business Corporations Act* primarily to facilitate the Arrangement;
- (j) “**CIM Common Shares**” means the common shares which CIM is authorized to issue;
- (k) “**CIM Redemption Note**” means the promissory note issued to Globex by CIM as payment of the CIM Redemption Share Redemption Amount;
- (l) “**CIM Redemption Share Redemption Amount**” means the aggregate amount for which the CIM Redemption Shares are redeemable by CIM;
- (m) “**CIM Redemption Shares**” means the class of preferred shares which CIM is authorized to issue;
- (n) “**CIM Stock Options**” means the options to purchase CIM Common Shares issued to holders of Globex Stock Options pursuant to the stock option plan of CIM as part of the Plan of Arrangement;
- (o) “**Circular**” means the management information circular of Globex prepared and sent to the Shareholders in connection with the Meeting;
- (p) “**consolidated look-through approach**” means, in the calculation of the fair market value of the assets and liabilities owned by Globex and allocated by Globex to each type of property, the addition to the Globex assets and liabilities of (i) 100% of the fair market value of the assets and liabilities of a Subsidiary where Globex owns 100% of the issued shares of the Subsidiary, and (ii) where Globex owns less than 100% of the issued shares of a Subsidiary, the same percentage of the fair market value of each asset and liability of the Subsidiary as the percentage of issued shares of such Subsidiary owned by Globex;
- (q) “**Court**” means the Québec Superior Court;
- (r) “**Depository**” means Computershare Investor Services Inc., the depository appointed by Globex and CIM for the purpose of, among other things, delivering certificates representing Globex New Common Shares and CIM Common Shares in connection with the Arrangement;
- (s) “**Effective Date**” means the date set out in the certificate giving effect to the Arrangement issued by the Enterprise Registrar pursuant to section 420 of the QBCA;
- (t) “**Effective Time**” means 12:01 a.m., Montreal time, on the Effective Date;
- (u) “**Enterprise Registrar**” means the enterprise registrar referred to in the QBCA;
- (v) “**Exercise Price Proportion**” means the fraction  $A/B$  where:

A is the volume-weighted average trading price of CIM Common Shares on the TSX or TSXV, as the case may be, on the first five days of trading following completion of the transactions described in this Plan of Arrangement, and

**B** is the aggregate of (i) the average volume-weighted trading price on such days of CIM Common Shares on the TSX or TSXV, as the case may be, and (ii) the average volume-weighted trading price on such days of Globex New Common Shares on the TSX;

- (w) “**Final Order**” means the final order of the Court approving the Arrangement pursuant to the QBCA;
- (x) “**Globex**” means Globex Mining Enterprises Inc., a corporation continued under the QBCA;
- (y) “**Globex Butterfly Shares**” means the butterfly shares which Globex will be authorized to issue on the Effective Date and having attributes set out in Exhibit II annexed to this Plan of Arrangement;
- (z) “**Globex Butterfly Share Redemption Amount**” means the aggregate amount for which the Globex Butterfly Shares are redeemable by Globex;
- (aa) “**Globex Common Shares**” means the common shares which Globex is authorized to issue immediately prior to the implementation of the Plan of Arrangement;
- (bb) “**Globex New Common Shares**” means the Class A common shares which Globex will be authorized to issue on the Effective Date and having attributes set out in Exhibit II annexed to this Plan of Arrangement and, after the change of the designation of such Class A common shares to common shares as provided in Exhibit III annexed to this Plan of Arrangement, means the common shares which Globex will then be authorized to issue;
- (cc) “**Globex Preference Shares**” means the preference shares, issuable in series, which Globex will be authorized to issue on the Effective Date and having attributes set out in Exhibit II annexed to this Plan of Arrangement;
- (dd) “**Globex Redemption Note**” means the promissory note issued to CIM by Globex as payment of the Globex Butterfly Share Redemption Amount;
- (ee) “**Globex Stock Options**” means the options to purchase Globex Common Shares granted pursuant to the stock option plans of Globex, as amended;
- (ff) “**holder**” means, when not qualified by the adjective “registered”, the person entitled to a share hereunder whether or not registered or entitled to be registered in respect thereof in a register of holders of shares of Globex or CIM, as the case may be;
- (gg) “**investment property**” means all marketable securities owned by Globex, except the shares of the Subsidiaries and all reclamation bonds;
- (hh) “**ITA**” means the *Income Tax Act* (Canada), as amended;
- (ii) “**Meeting**” means the special meeting of the Shareholders held to consider the Arrangement, and any adjournment or postponement thereof;
- (jj) “**Plan of Arrangement**” means this plan of arrangement;
- (kk) “**Procedures to Demand Repurchase of Shares**” means the procedures set out in sections 372 and following of the QBCA required to be taken by a registered holder of Globex Common Shares to exercise the right to demand repurchase of Globex Common Shares in connection with the Arrangement;
- (ll) “**QBCA**” means the *Business Corporations Act* (Québec);

- (mm) **“Repurchase Demanding Shareholder”** means a registered holder of Globex Common Shares who demands repurchase of Globex Common Shares in respect of the Arrangement in strict compliance with the Procedures to Demand Repurchase of Shares;
- (nn) **“Shareholders”** means the holders of Globex Common Shares at the applicable time;
- (oo) **“Subsidiaries”** means, collectively, Eco Refractory Solutions Inc., Duparquet Assets Ltd., Globex Nevada, Inc., Worldwide Magnesium Corporation and CIM, and **“Subsidiary”** means any one of the Subsidiaries;
- (pp) **“Transferred Assets”** means the mining properties, cash, securities and other assets described in Exhibit I annexed to this Plan of Arrangement;
- (qq) **“TSX”** means the Toronto Stock Exchange;
- (rr) **“TSXV”** means the TSX Venture Exchange; and
- (ss) **“types of property”** means cash or near cash, investment property and business property.

## **1.2 Interpretation Not Affected By Headings**

The division of this Plan of Arrangement into articles, sections, paragraphs and other portions and the insertion of headings are for the convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms “this Plan of Arrangement”, “hereof”, “herein”, “hereunder” and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, paragraph or part hereof. Unless something in the subject matter or context is inconsistent therewith, all references herein to articles, sections, paragraphs and other portions are to articles, sections, paragraphs and other portions of this Plan of Arrangement.

## **1.3 Number and Gender**

In this Plan of Arrangement, words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine gender and neuter and words importing persons shall include individuals, partnerships, associations, forms, trusts, unincorporated organizations and corporations.

## **1.4 Statutes**

A reference to a statute shall be deemed to include every regulation made pursuant thereto, all amendments to the statute or to any such regulation enforced from time to time, and any statute or regulation that supplements or supersedes such statute or any such regulation.

## **1.5 Currency**

All references to currency herein are to lawful money of Canada unless otherwise specified herein.

# **ARTICLE 2 ARRANGEMENT AGREEMENT**

## **2.1 Arrangement Agreement**

This Plan of Arrangement is made pursuant and subject to the Arrangement Agreement.

**ARTICLE 3  
THE ARRANGEMENT**

**3.1 The Arrangement**

On the Effective Date, the following shall occur and be deemed to occur in the following order without further act or formality and with each transaction or event being deemed to occur immediately after the occurrence of the transaction or event immediately preceding it:

- (a) the aggregate stated capital and paid-up capital of the Globex Common Shares will be divided by the number of Globex Common Shares outstanding immediately prior to the Effective Time;
- (b) Globex will purchase for cancellation the Globex Common Shares of all Repurchase Demanding Shareholders who have exercised their repurchase right in strict compliance with the Procedures to Demand Repurchase of Shares. All such Globex Common Shares will be cancelled at such time and the name of the Repurchase Demanding Shareholder will be deleted from the register of Globex Shareholders. The stated capital and paid-up capital of the Globex Common Shares will be reduced by an amount equal to the number of Globex Common Shares purchased pursuant to the exercise of the repurchase right multiplied by the stated capital and paid-up capital, as the case may be, as calculated in paragraph 3.1(a) above;
- (c) the articles of Globex will be amended as set out in Exhibit II annexed to this Plan of Arrangement to authorize Globex to issue:
  - (i) an unlimited number of Globex New Common Shares;
  - (ii) an unlimited number of Globex Butterfly Shares; and
  - (iii) an unlimited number of Globex Preference Shares, issuable in series, having the rights, privileges, restrictions and conditions set out in such Exhibit;
- (d) the articles of CIM will be amended to create the CIM Redemption Shares, which will have the following attributes:
  - (i) each CIM Redemption Share will be redeemable, subject to applicable law, at any time at the option of CIM at a redemption amount equal to the CIM Redemption Share Redemption Amount;
  - (ii) each CIM Redemption Share will be retractable, subject to applicable law, at any time at the option of the holder at a retraction amount equal to the CIM Redemption Share Redemption Amount;
  - (iii) the holders of the CIM Redemption Shares will be not entitled to any dividends;
  - (iv) for purposes of subsection 191(4) of the ITA, the amount specified in respect of each CIM Redemption Share which is to be redeemed, acquired or cancelled, will be the amount specified by a director or officer of CIM in a certificate that is made (i) effective concurrently with the issuance of such CIM Redemption Share; and (ii) pursuant to a resolution of the Board of Directors of CIM duly passed and evidenced in writing authorizing the issuance of such CIM Redemption Share, such amount to be expressed as a dollar amount (and not expressed as a formula), such amount to be not subject to change thereafter, and such amount to be equal to the fair market value of the consideration for which such CIM Redemption Share is issued;



- (v) the holder of each CIM Redemption Share will be entitled, upon the liquidation, dissolution or winding-up of CIM, to a payment in priority to all other classes of shares of CIM of an amount equal to the CIM Redemption Share Redemption Amount to the extent of the amount of value of property available under applicable law for payment to Shareholders upon such liquidation, dissolution or winding-up, and no other amount; and
  - (vi) each CIM Redemption Share will entitle its holder to one vote at meetings of Shareholders of CIM;
- (e) each Globex Common Share outstanding on the Effective Date will be exchanged for one Globex New Common Share and one Globex Butterfly Share. Each Shareholder will cease to be the holder of the Globex Common Shares so exchanged and will become the holder of the same number of Globex New Common Shares and of Globex Butterfly Shares as the number of Globex Common Shares then owned by such Shareholder. The name of such Shareholder will be removed from the register of holders of Globex Common Shares and will be added to the registers of holders of both Globex New Common Shares and Globex Butterfly Shares with respect to the Globex New Common Shares and the Globex Butterfly Shares issued to such Shareholder. The aggregate addition to the stated capital of both the Globex New Common Shares and the Globex Butterfly Shares issued by Globex on the exchange described in this paragraph 3.1(e) will equal the aggregate paid-up capital of the Globex Common Shares subject to this exchange and as calculated in paragraph 3.1(a). This paid-up capital will be allocated to the Globex New Common Shares and to the Globex Butterfly Shares based on the ratio that the fair market value of the Globex New Common Shares and the Globex Butterfly Shares, as the case may be, is of the aggregate fair market value of all of the Globex New Common Shares and the Globex Butterfly Shares. All Globex Common Shares exchanged for Globex New Common Shares and Globex Butterfly Shares will be cancelled;
- (f) each holder of Globex Butterfly Shares will transfer all of the Globex Butterfly Shares held by such holder to CIM in consideration for the issuance by CIM of one CIM Common Share for each Globex Butterfly Share, subject to the condition that registered holders of fewer than one hundred (100) Globex Common Shares will receive, in lieu of CIM Common Shares, a cash payment equal to the number of CIM Common Shares they otherwise would have received multiplied by the volume weighted average trading price of the CIM Common Shares on the TSX or TSXV, as the case may be, for the first day of trading following the Effective Date, subject to such registered holders complying with the procedures set out in Article 4 below. Each holder of Globex Butterfly Shares will cease to be the holder of the Globex Butterfly Shares so transferred and will become the holder of the identical number of CIM Common Shares as the number of Globex Butterfly Shares transferred by such Shareholder to CIM. The name of such holder will be removed from the register of holders of Globex Butterfly Shares with respect to the Globex Butterfly Shares so transferred and will be added to the register of holders of CIM Common Shares as the holder of the number of CIM Common Shares so issued to such holder. CIM will be the owner of the Globex Butterfly Shares so transferred and the name of CIM will be entered in the register of holders of Globex Butterfly Shares in respect of the Globex Butterfly Shares so transferred to CIM, and CIM shall add to the stated capital account maintained for the CIM Common Shares an amount equal to the aggregate paid-up capital of the Globex Butterfly Shares acquired by CIM. If requested by a Shareholder, CIM and the Shareholder (except a registered holders of fewer than one hundred (100) Globex Common Shares) will jointly elect, in prescribed form and within the time limit referred to in subsection 85(6) of the ITA, to have the provisions of subsection 85(1) of the ITA apply to the transfer of Globex Butterfly Shares by the Shareholder to CIM;
- (g) immediately following the transfer of the Globex Butterfly Shares to CIM described in paragraph 3.1(f), each holder of Globex Stock Options will dispose of its Globex Stock Options to each of Globex and CIM in consideration for the issuance to the particular holder of a new Globex Stock Option granted by Globex to acquire a Globex New Common Share and a CIM Stock Option granted by CIM to acquire a CIM Common Share in such a manner that:

- (i) holders of Globex Stock Options will receive no consideration for the exchange of their Globex Stock Options other than a new Globex Stock Option and CIM Stock Option;
- (ii) the original exercise price of each Globex Stock Option to each holder of Globex Stock Options will be allocated to the new Globex Stock Option and the CIM Stock Option such that an amount equal to the Exercise Price Proportion of the exercise price of each Globex Stock Option will be payable to CIM on exercise of the CIM Stock Option and an amount equal to the remainder of the original Globex Stock Option exercise price will be payable to Globex on exercise of the new Globex Stock Option. In the event that CIM is listed on the TSXV, where the allocation described in this paragraph with respect to the exercise price of a CIM Stock Option results in an exercise price that is less than \$0.10, the exercise price for the CIM Stock Option shall increase to \$0.10 (without resulting in an equivalent reduction in the exercise price of a new Globex Stock Option);
- (iii) the expiry date of a new Globex Stock Option and a CIM Stock Option will, aside from certain differences in termination provisions, be the same as that of the corresponding Globex Stock Option;
- (iv) the other material commercial terms and conditions of the new Globex Stock Options and the CIM Stock Options will generally parallel those of the Globex Stock Options, subject to the condition that there may be certain differences in recognition of the fact that Globex is listed on the TSX and CIM may be listed on the TSXV; and
- (v) the Globex Stock Options will be cancelled upon the foregoing transfers.

The issuance by CIM of the CIM Stock Options will be in anticipation of the distribution described in paragraph 3.1(i) below and will form part of the non-share consideration paid by CIM;

- (h) immediately prior to the distribution described in paragraph 3.1(i) below, the property owned by Globex will be classified into the following three types of property for the purpose of the distribution, as follows:
  - i. cash or near cash;
  - ii. investment property; and
  - iii. business property.

All tax accounts of Globex, including non-capital losses, and CCEE (within the meaning assigned by subsection 66.1(6) of the ITA) will not be considered property of Globex and the fair market value of such accounts will be nil. In determining the net fair market value of its cash or near cash, investment property and business property immediately before the distribution described in paragraph 3.1(i) below, the liabilities of Globex will be allocated to, and be deducted from, the calculation of the fair market value of each type of property as follows:

- D. No amount will be considered to be a liability unless it represents a true legal liability which is capable of quantification;
- E. Current liabilities of Globex will be deducted from cash or near cash; and
- F. Deferred income tax will not be considered a liability.

Globex will calculate the net fair market value of each type of property in the manner described in this paragraph 3.1(h);

- (i) Globex will transfer to CIM each of the Transferred Assets for an amount equal to its fair market value. Immediately following the transfers, the percentage of the net fair market value of each of the type of property of Globex so transferred to CIM will, for greater certainty, approximate the Butterfly Proportion;

For the purposes of this paragraph, the expression “approximate the Butterfly Proportion” means that a discrepancy in the Butterfly Proportion, if any, will not exceed one percent (1%), as determined as a percentage of the net fair market value of each type of property that CIM will receive as compared to what CIM would have received had it received its appropriate *pro rata* share of the net fair market value of that type of Globex’s property;

- (j) as consideration for the property transferred by Globex, CIM will:
  - (i) have issued the CIM Stock Options as described in paragraph 3.1(g) above, and
  - (ii) issue five million (5,000,000) CIM Redemption Shares having an aggregate fair market value equal to the amount by which the fair market value of the Transferred Assets exceeds the fair market value of the CIM Stock Options issued pursuant to paragraph 3.1(g) above;
- (k) CIM and Globex will jointly elect, in prescribed form and within the time limit referred to in subsection 85(6) of the ITA, to have the provisions of subsection 85(1) of the ITA apply to the transfer of each Transferred Asset that is an eligible property within the meaning assigned by subsection 85(1.1) of the ITA. The agreed amount for purposes of subsection 85(1) of the ITA in respect of such Transferred Asset will not exceed its fair market value;
- (l) CIM will add to the stated capital maintained for the CIM Redemption Shares (i) the aggregate of the agreed amount in respect of each eligible property in respect of which an election under subsection 85(1) of the ITA will be made, and (ii) the fair market value of each of the other Transferred Assets;
- (m) immediately after the distribution described in paragraph 3.1(i) above, the fair market value of each type of property forming part of the Transferred Assets, determined using a net fair market value consolidated look-through approach, will be equal to or approximate that proportion of the net fair market value of each type of property of Globex using a consolidated net fair market value consolidated look-through approach, determined immediately before that transfer, that:
  - a. The aggregate fair market value of the Globex Butterfly Shares owned by CIM, immediately before that transfer, is of
  - b. The aggregate fair market value of all Globex Butterfly Shares and all Globex Common Shares issued and outstanding immediately before that transfer;
- (n) CIM will redeem all of the CIM Redemption Shares issued to Globex in paragraph 3.1(h) above and will issue to Globex, as payment, the CIM Redemption Note which will be a non-interest bearing promissory note, payable on demand having a principal amount and fair market value equal to the issue price of the CIM Redemption Shares as described in paragraph 3.1(h). Globex will accept the CIM Redemption Note as full payment for the redemption of the CIM Redemption Shares with the risk that the CIM Redemption Note may not be honoured;
- (o) Globex will redeem all of the Globex Butterfly Shares acquired by CIM as described in paragraph 3.1(f) above and will issue to CIM, as payment, the Globex Redemption Note which will be a non-interest bearing promissory note, payable on demand having a principal amount and fair market value equal to the fair market value of the Globex Butterfly Shares as determined in

paragraph 3.1(f). CIM will accept the Globex Redemption Note as full payment for redemption of the Globex Butterfly Shares with the risk that the Globex Redemption Note may not be honoured;

- (p) Globex will satisfy its obligations under the Globex Redemption Note by transferring the CIM Redemption Note to CIM, and CIM will accept the CIM Redemption Note in full satisfaction of Globex's obligations under the Globex Redemption Note. CIM will satisfy its obligations under the CIM Redemption Note by transferring the Globex Redemption Note to Globex, and Globex will accept the Globex Redemption Note in full satisfaction of CIM's obligations under the CIM Redemption Note; and
- (q) the articles of Globex will be amended as set out in Exhibit III annexed to this Plan of Arrangement to remove the Globex Butterfly Shares and Globex Common Shares as shares which Globex is authorized to issue, and to change the designation of the Class A common shares, both issued and unissued, to common shares.

### **3.2 Post-Effective Time Procedures**

- (a) On or as soon as practicable after the Effective Date, Globex and CIM shall deliver or arrange to be delivered to the Depository certificates representing the Globex New Common Shares and the CIM Common Shares, respectively, required to be issued to the Shareholders in accordance with section 3.1 above, which certificates shall be held by the Depository as agent and nominee for the Shareholders for delivery to the Shareholders in accordance with Article 4 hereof.
- (b) Subject to Article 4 hereof, the Shareholders shall be entitled to receive the certificates representing the Globex New Common Shares and CIM Common Shares to which they are entitled pursuant to section 3.1 above.

### **3.3 Arrangement Effectiveness**

The Arrangement shall become finally and conclusively binding upon the issue of the Certificate of Arrangement and shall thereupon be deemed effective as of the Effective Time.

### **3.4 Deemed Fully Paid and Non-Assessable Shares**

All Globex New Common Shares and CIM Common Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully-paid and non-assessable shares for all purposes of the QBCA and CBCA, respectively.

### **3.5 Supplementary Actions**

Notwithstanding that the transaction and events set out in section 3.1 above shall occur, and shall be deemed to occur, in the order therein set out without any other act or formality, each of Globex and CIM shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to further document or evidence any of the transactions or events set out in section 3.1 above, including, without limitation, any resolution of directors authorizing the issue, transfer or purchase for cancellation of shares, any share-transfer powers evidencing the transfer of shares and any receipt therefor, any promissory notes and receipts therefor and any necessary additions to, or deletions from, share registers.

**ARTICLE 4**  
**DELIVERY OF CERTIFICATES**

**4.1 Delivery of Globex New Common Shares and CIM Common Shares**

- (a) Upon surrender to the Depository for cancellation of a certificate which immediately prior to the Effective Time represented one or more outstanding Globex Common Shares which were exchanged for Globex New Common Shares and ultimately CIM Common Shares in accordance with section 3.1 above, together with such other documents and instruments as would have been required to effect the transfer of the Globex Common Shares formerly represented by such certificate under the QBCA and the by-laws of Globex and such additional documents and instruments as the Depository may reasonably require, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depository shall deliver to such holder following the Effective Time, a certificate representing the Globex New Common Shares and a certificate representing the CIM Common Shares which such holder is entitled to receive in accordance with section 3.2 above.
- (b) After the Effective Time and until surrendered for cancellation as contemplated by paragraph 4.1(a) hereof, each certificate which immediately prior to the Effective Time represented one or more Globex Common Shares shall be deemed at all times to represent only the right to receive in exchange therefor a certificate representing the New Globex Common Shares and a certificate representing the CIM Common Shares which the holder of such certificate is entitled to receive in accordance with paragraph 4.1(a) above.

**4.2 Lost Certificates**

In the event that any certificate which immediately prior to the Effective Time represented one or more outstanding Globex Common Shares which were exchanged for Globex New Common Shares and ultimately CIM Common Shares in accordance with section 3.1 above shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depository shall deliver in exchange for such lost, stolen or destroyed certificate a certificate representing the Globex New Common Shares and a certificate representing the CIM Common Shares which such holder is entitled to receive in accordance with section 3.2 above. When requesting such delivery of a certificate representing the Globex New Common Shares and a certificate representing the CIM Common Shares which such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom a certificate representing such Globex New Common Shares and a certificate representing such CIM Common Shares is to be delivered shall, as a condition precedent to the delivery of a certificate representing such Globex New Common Shares and a certificate representing such CIM Common Shares, give a bond satisfactory to Globex, CIM and the Depository in such amount as Globex, CIM and the Depository may direct, or otherwise indemnify Globex, CIM and the Depository in a manner satisfactory to Globex, CIM and the Depository against any claim that may be made against Globex, CIM or the Depository with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the by-laws of Globex.

**4.3 Distributions with Respect to Unsurrendered Certificates**

No dividend or other distribution declared or made after the Effective Time with respect to the Globex New Common Shares or CIM Common Shares with a record date on or after the Effective Date shall be delivered to the holder of any unsurrendered certificate which, immediately prior to the Effective Time, represented outstanding Globex Common Shares unless and until the holder of such certificate shall have complied with section 4.1 or section 4.2 above. Subject to applicable law and to section 4.4 below, at the time of such compliance there shall, in addition to the delivery of a certificate representing the Globex New Common Shares and a certificate representing the CIM Common Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date on or after the Effective Date theretofore paid or made with respect to such Globex New Common Shares or CIM Common Shares.

#### **4.4 Withholding Rights**

Globex, CIM and the Depositary shall be entitled to deduct and withhold from all dividends or other distributions otherwise payable to any holder of Globex New Common Shares or CIM Common Shares such amounts as Globex, CIM or the Depositary is required or permitted to deduct and withhold with respect to such payment under the ITA and the regulations thereunder, the United States Internal Revenue Code of 1986 or any provision of any applicable federal, provincial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

#### **4.5 Limitation**

To the extent that a Shareholder has not complied with section 4.1 or section 4.2 above on or before the date which is one (1) year after the Effective Date, the CIM Common Shares which such Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof, the certificate representing the CIM Common Shares shall be delivered to CIM by the Depositary for cancellation and shall be cancelled by CIM, and the interest of the Shareholder in such CIM Common Shares shall be terminated as of the date which is one (1) year after the Effective Date.

#### **4.6 No Fractional Shares**

No fractional Globex Butterfly Shares will be issued to Shareholders upon the exchange of Globex Common Shares for, among other things, the Globex Butterfly Shares and the number of Globex Butterfly Shares to which each Shareholder is entitled will be rounded down to the next whole number and no payment will be made in respect of such fractional share.

### **ARTICLE 5 RIGHT TO DEMAND REPURCHASE OF SHARES**

#### **5.1 Procedures to Demand Repurchase of Shares**

Holders of Globex Common Shares may exercise the right to demand repurchase of their Globex Common Shares in connection with the Arrangement in accordance with the Procedures to Demand Repurchase of Shares provided that, notwithstanding section 376 of the QBCA, a written notice informing Globex of the intention of the holder to exercise the right to demand the repurchase of Globex Common Shares contemplated by section 376 of the QBCA is received by Globex not later than 5:00 p.m. (Montreal time) on the Business Day immediately prior to the date of the Meeting and provided further that holders who exercise such right to demand repurchase and who:

- (a) are ultimately entitled to be paid fair value for their Globex Common Shares, shall be deemed to have transferred such Globex Common Shares to Globex for cancellation at the Effective Time; or
- (b) are ultimately not entitled, for any reason, to be paid fair value for their Globex Common Shares, shall be deemed to have participated in the Arrangement on the basis set out in section 3.1 above,

but further provided that in no case shall Globex, CIM or any other person be required to recognize Repurchase Demanding Shareholders as holders of Globex Common Shares after the Effective Time and the names of such Repurchase Demanding Shareholders shall be deleted from the register of holders of Globex Common Shares at the Effective Time.

**ARTICLE 6  
AMENDMENT**

**6.1 Amendment**

This Plan of Arrangement may at any time and from time to time before or after the holding of the Meeting, but not later than the Effective Date, be amended provided that such amendment is filed with the Court.

**EXHIBIT I TO THE PLAN OF ARRANGEMENT**

**TRANSFERRED ASSETS**

1. Berrigan Lake Property

100% interest in the Berrigan Lake property, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
19	11	16	5277074
20	11	16	5277066
19	15	16	5276715
21	9	16	5276716
20	9	16	5276717
18	9	16	5276718
21	14	16	5276719
21	13	16	5276720
21	11	16	5276721
19	13	16	5277076
17	10	9	5276723
20	12	16	5277067
17	11	16	5278256
20	10	16	5277080
19	10	16	5277079
21	10	5.2	5276722
20	13	16	5277077
18	13	16	5277075
18	11	16	5277073
18	12	16	5277072
19	12	16	5277071
20	15	16	5277070
20	14	16	5277069
19	14	16	5277068
18	10	16	5277078

2. Berrigan South Property

100% interest in the Berrigan South property, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
3	19	42.12	2329878
3	18	42.12	2329877
3	17	42.12	2329876
2	18	42.74	2329875
4	16	42.48	2293630
4	15	42.52	2293629
4	24	42.48	2314033
4	23	42.42	2314032
2	17	42.74	2305041
2	19	42.75	2311796
3	16	42.11	2291097
4	22	42.48	2314031



<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
18	13	20.34	2311788
19	13	31.59	2311789
20	13	31.79	2311790
20	14	55.44	2311791
20	15	55.44	2311792
21	13	27.38	2311793
4	25	42.48	2311798
21	15	47.6	2311795
4	30	42.47	2311803
2	20	42.68	2311797
3	15	42.13	2291096
4	26	42.48	2311799
4	27	42.48	2311800
4	28	42.48	2311801
4	29	42.48	2311802
21	14	47.52	2311794
19	15	55.45	2331200
19	14	55.45	2331199
4	31	42.38	2311804
3	14	42.12	2291095
3	20	42.12	2329879

3. Bateman Bay Mine (including a portion of the Jaculet Mine)

100% interest in the Bateman Bay Mine, consisting of the following claims in McKenzie and Roy Townships, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
9	41	16	5253589
20	30	36.53	2274355
21	30	2.34	2274356
5	40	11.7	5253596
5	41	16	5253595
6	1	5.5	5253895
6	40	16	5253597
6	41	16	5253594
9	2	16	5253592
block	K	17.77	P014297
block	B14	68.18	P014296
20	29	27.83	2274354
9	40	11.25	5253593
9	1	16	5253590
10	2	16	5253591
20	30	0.67	2274363
20	29	0.16	2274362
20	29	5.48	2274361
20	28	2.76	2274360
19	30	4.45	2274359
19	29	31.74	2274358
19	28	2.9	2274357
19	29	2	2274353

4. Chibougamau Lake Property (including S-3 and Tommy Zones, down dip of Henderson 1 & 2 Mines and Portage Mine)

100% interest in the Chibougamau Lake property, consisting of the following claims in Lemoine, McKenzie, Obalski and Roy Townships, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
7	16	16	5274501
6	16	16	5274504
6	17	16	5274503
7	17	16	5274502
6	15	16	5274505
6	15	55.57	2250328
6	14	55.57	2250327
16	36	4.72	2260499
15	36	6.22	2260493
5	15	16	5274506
16	35	18.97	2260497
5	16	16	5274507
5	17	16	5274508
41	38	16	5276923
41	39	16	5276924
40	38	16	5276925
40	39	16	5276926
11	15	16	5276927
10	15	16	5276928
9	15	16	5276929
15	34	19.55	2260489
12	14	16	5276931
7	12	16	5274816
11	14	16	5276932
10	13	16	5276930
7	14	16	5274814
16	37	55.48	2238230
41	35	16	5266770
41	36	16	5266771
40	35	16	5266772
40	36	16	5266773
39	35	16	5274794
39	36	16	5274799
41	37	16	5274800
41	34	9.63	5274802
4	14	16	5274809
5	14	16	5274810
39	1	16	5277045
7	15	16	5274813
6	13	55.57	2262102
7	13	16	5274815
40	40	16	5277935
7	11	12.5	5274817
10	14	16	5276933
39	2	16	5277046
39	3	16	5277047

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
39	4	16	5277048
37	1	16	5277054
37	2	16	5277055
40	5	16	5277056
40	6	16	5277057
39	5	1.6	5277058
6	14	16	5274811
14	35	55.5	2234501
12	15	16	5277930
16	36	50.76	2238227
15	37	31.53	2238226
15	36	47.57	2238225
15	35	30.33	2238224
15	34	35.93	2238223
15	38	31.54	2238229
14	36	55.5	2234502
16	38	55.48	2239964
14	34	55.5	2234500
14	33	55.5	2234499
14	32	55.5	2234498
14	31	55.5	2234497
14	30	55.5	2234496
8	16	16	5278255
14	37	55.5	2234503
16	39	55.48	2239971
15	31	21.48	2329553
15	30	41.16	2329552
15	29	41.8	2329551
15	28	3.87	2329550
14	28	0.59	2329549
14	29	55.5	2329548
17	36	55.95	2238228
16	40	55.48	2239972
11	16	16	5278252
18	39	55.46	2239970
18	37	33.41	2239969
17	40	55.47	2239968
17	39	55.47	2239967
17	38	55.47	2239966
17	37	55.47	2239965
18	38	55.37	2239973
38	1	16	5277941
40	3	16	5277952
1	2	16	5277951
2	3	16	5277950
38	2	16	5277948
40	2	16	5277946
1	1	16	5277945
9	16	16	5278254
2	1	11.1	5277943
1	3	16	5277957
40	1	16	5277939

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
1	41	16	5277938
15	35	25.16	2260491
41	40	16	5277934
11	13	0.5	5276936
8	14	16	5276935
2	2	16	5277944
3	6	16	5277969
9	14	16	5276934
12	16	16	5278251
8	15	16	5278243
1	6	16	5277976
2	7	16	5277975
3	7	16	5277974
38	3	16	5277954
2	6	16	5277970
2	4	16	5277956
4	6	16	5277968
1	4	16	5277964
2	5	16	5277963
3	5	16	5277962
38	4	16	5277960
40	4	16	5277958
10	16	16	5278253
1	5	16	5277971
10	18	16	5253885
10	17	16	5280400
16	34	14.6	2260495

5. Copper Cliff Property

100% interest in the Copper Cliff property, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
19	25	9.32	2273259
18	24	11.32	2273256
19	26	1.24	2273260
18	26	5.69	2273258
18	25	52.27	2273257
17	24	0.38	2273254
17	25	10.69	2273255

6. Grandroy Mine

100% interest in the Grandroy Mine, consisting of the following claims in Roy Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
14	12	16	5274518
15	10	16	5274516
block	M	59.1	16291
14	11	16	5274517

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
17	8	16	5274512
16	9	16	5274514
16	8	16	5274513
17	10	16	5274515
17	9	16	5274511

7. Kokko Creek Mine

100% interest in the Kokko Creek Mine, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
17	19	23.79	2257933
16	19	51.71	2257929
16	20	18.19	2257930
17	18	18.29	2257932
16	19	3.23	2257927
17	20	16.64	2257934
16	18	28.97	2257928
16	21	10.87	2257931

8. Québec Chibougamau Goldfields Mine

100% interest in the Québec Chibougamau Goldfields Mine, consisting of the following claims in McKenzie Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
18	20	14.53	2257938
18	23	10.44	2257941
17	20	2.15	2257935
18	21	38.06	2257939
17	22	31.01	2257937
17	21	51.16	2257936
18	22	40.56	2257940

9. Virginia Property

100% interest in the Virginia Property, consisting of the following claims in Obalski Township, Québec, subject to a 1% net smelter return in favour of a third party:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
41	20	13.2	5278265
40	21	16	5278266
40	22	7.2	5278267
39	22	16	5278268
39	21	16	5278269

10. Sulphur Converting/Magnetite Bay

100% interest in the Sulphur Converting/Magnetite Bay property, consisting of the following claims in Roy Township, Québec:

<u>Range</u>	<u>Lot</u>	<u>Hectares</u>	<u>Claim Number</u>
10	21	16	5280086
9	21	16	5280087
10	24	16	5280088
9	20	16	5280090
10	20	16	5280149
11	20	16	5280150
11	21	16	5280085
12	19	16	5280152
10	23	16	5280080
8	20	16	5280075
12	20	16	5280151
12	21	16	5280084
12	22	16	5280083
11	19	16	5253881
10	22	16	5280081
10	21	11.8	5280076
11	23	16	5280079
12	23	16	5280078
12	17	16	5279915
11	17	16	5253883
11	18	16	5253882
10	22	16	5280077
11	22	16	5280082
10	19	16	5253884
12	18	16	5280153

the whole subject to a “Gross Metal Royalty” in an amount of three percent (3%). For the purposes hereof, the term “Gross Metal Royalty” shall have the meaning set out in Section 14 below.

11. Other

All agreements to which Globex is a party and all other rights and assets of Globex which pertain to any of the above-listed assets and which will be assigned or transferred by Globex to CIM as part of the Arrangement.

12. Cash

Cash of Globex in an amount obtained by multiplying all cash held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion.

13. Investments

Securities held by Globex having a fair market value equal to the amount obtained by multiplying the fair market value of all securities held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion.

14. Gross Metal Royalty

“Gross Metal Royalty” (“**GMR**”) shall be defined as three percent (3%) of all metals, including, but not limited to, gold, silver, copper and zinc, produced from the properties transferred by Globex to CIM pursuant to the Arrangement Agreement and Plan of Arrangement (collectively, the “**Transferred Properties**”), as processed at a processing facility owned by CIM or at a refinery or smelter owned by an arm’s-length third party. No fees, taxes,

deductions or costs, whether direct or indirect, of any kind whatsoever shall be included in the calculation of the GMR.

The GMR shall be paid, at Globex's exclusive option, in cash or in kind based upon the London Morning Price Fix for gold, silver and base metals, as applicable, or any other internationally-accepted price fix, as agreed upon by Globex and CIM, for all other minerals or elements produced, upon the date of delivery of said metals.

Globex shall be paid at the processing facility, refinery or smelter, as the case may be, immediately upon production and delivery of the metal. CIM shall cause the processing facility, refinery or smelter which produces the metals that are derived from the Transferred Properties to deposit, without any instruction from CIM other than an initial instruction, the GMR in a separate account in the name of Globex, over which account CIM shall have no control and in which CIM shall have no ownership or other legal interest.

The GMR shall be separate as to ownership, such that the GMR shall be, immediately upon production of the metals, the exclusive property of Globex and not subject to any charges, costs, liens or actions in favour of, or relating to, CIM.

CIM shall register the Arrangement Agreement and GMR against title of the Transferred Properties in all appropriate legal registries, at CIM's expense.

CIM shall provide Globex, on a quarterly basis within thirty (30) days of the end of each fiscal quarter of CIM, with an accurate accounting of all metal or other production from the Transferred Properties and shall provide Globex, within forty-five (45) days of the end of each fiscal year of CIM, with an audited statement of metal or other production and the GMR payable to Globex as at such fiscal year end.

Globex shall have free and complete authority to request data and receive written responses to questions from any refinery, smelter or other processing facility which processes metals or concentrates derived from the Transferred Properties and to all records generated or commissioned by CIM related in any way to the Transferred Properties.

In order to secure the prompt payment and performance of the GMR as and when due, as well as CIM's other obligations towards Globex relating to the GMR, CIM shall grant a first-priority hypothec and security interest in favour of Globex over all of CIM's right, title and interest in the Transferred Properties which hypothec shall be for a sum of \$50,000,000. On or before the Effective Date, CIM and Globex shall enter into a deed of hypothec in order to grant such hypothec, which deed shall be in form and content acceptable to Globex in its sole discretion, contain such representations, warranties and covenants which are usual for transactions of this nature, and which shall be registered in all appropriate registries.

Subject to the prior written approval of Globex, CIM may sell or transfer its ownership interest in the Transferred Properties to a financially-capable third party if such third party agrees in writing to abide by all the terms of the GMR.

## EXHIBIT II TO THE PLAN OF ARRANGEMENT

In accordance with the Final Order (as defined in the Plan of Arrangement) approving the Arrangement (as defined in the Plan of Arrangement), the articles of Globex Mining Enterprises Inc. (the “**Corporation**”) are amended as follows in accordance with the Plan of Arrangement.

1. The articles of the Corporation are amended to authorize the Corporation to issue:
  - (a) an unlimited number of Class A common shares;
  - (b) an unlimited number of preference shares, issuable in series; and
  - (c) an unlimited number of butterfly shares;

having the rights, privileges, restrictions and conditions set out below, by inserting the following provision under the heading “Capital-actions autorisé” in the articles of the Corporation:

“The Corporation is authorized to issue:

- (a) an unlimited number of Class A common shares (“**Common Shares**”);
- (b) an unlimited number of preference shares, issuable in series (“**Preference Shares**”); and
- (c) an unlimited number of butterfly shares (“**Butterfly Shares**”).

### ARTICLE 1 INTERPRETATION

#### Section 1.1 References to Act

In these provisions, as from time to time amended, unless there is something in the context inconsistent herewith, “**Act**” means the *Business Corporations Act* (Québec), or the successor thereof, as amended from time to time. These provisions shall be governed by and are subject to the applicable provisions of the Act and, except as otherwise expressly provided herein, all words and terms used herein that are defined in the Act shall have the respective meanings ascribed thereto in the Act.

#### Section 1.2 Headings, Gender and Number

These provisions, as from time to time amended, shall be read without regard to article, section or subsection headings which are included for ease of reference only and shall not affect the construction or interpretation hereof, and with all changes in gender and number required by the context.

### ARTICLE 2 COMMON SHARES

The Common Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

- 2.1 To vote at all meetings of shareholders, except meetings at which only holders of a specified class of shares are entitled to vote;
- 2.2 To receive any dividend declared by the Corporation on the common shares; and
- 2.3 Subject to the rights and restrictions attaching to any other class of shares of the Corporation, to receive the remaining property of the Corporation on liquidation of the Corporation.



**ARTICLE 3  
PREFERENCE SHARES**

The rights, privileges, restrictions and conditions attaching to the Preference Shares shall be as follows:

- 3.1 The Preference Shares may at any time and from time to time be issued in one or more series, each series to consist of such number of shares as may, before the issue thereof, be determined by resolution of the directors of the Corporation.
- 3.2 The directors of the Corporation shall, by resolution duly passed before the issue of any Preference Shares of any series, determine the designation, rights, privileges, conditions and restrictions to be attached to the Preference Shares of such series, including but without in any way limiting or restricting the generality of the foregoing, the rate of preferential dividends, if any, the dates of payment thereof, the terms and conditions of redemption, if any, and conversion rights, if any, the whole as may be confirmed and declared by articles of amendment. Notwithstanding the foregoing, no Preference Shares shall have attached to them any right to vote at any meeting of shareholders other than as provided for pursuant to the Act.
- 3.3 For the purposes hereof, the term “**redemption price**” for any preferred share shall mean:
  - (i) Where such share was issued for money, the amount for which such share was issued; and
  - (ii) Where such share was issued in whole or in part for a consideration other than money, then the amount in money (if any) paid for the issue of such share, plus an amount equal to the fair market value of such other consideration received; such fair market value shall be calculated as at the date of issue of such share and shall be determined in accordance with recognized standards of valuation.

The redemption price shall be reduced by the amount of any return of capital paid to the holder of any preferred share as of the date of such return of capital.

- 3.4 In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or any other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Preference Shares of each series shall receive, before any distribution of the assets of the Corporation is made among the holders of the common shares and any other shares ranking junior to the Preference Shares of the Corporation, an amount equal to the redemption price for such shares plus an amount equal to any dividends declared thereon but unpaid and no more. The Preference Shares of each series shall also be given such other preferences over the common shares and any other shares ranking junior to the Preference Shares as may be determined as to their respective series authorized to be issued.
- 3.5 The Preference Shares of each series shall be on a parity basis with the Preference Shares of every other series with respect to payment of dividends and return of capital.
- 3.6 Subject to the issuance of a Certificate of Amendment by the Enterprise Registrar under the Act, the Corporation may at any time or times or from time to time pass a special resolution or resolutions whereby all or any of the rights, privileges, conditions and restrictions attaching to or affecting the Preference Shares may be amended, modified, altered and/or repealed, or the application thereof suspended in any particular case, but no such special resolution shall be effective or acted upon unless and until it has been sanctioned by the affirmative vote of the holders of not less than two-thirds (2/3) of the Preference Shares represented and voted at a meeting duly called for considering the same, in addition to such other vote of other classes of shareholders as may be required by the Act.

**ARTICLE 4  
BUTTERFLY SHARES**

The Butterfly Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

Section 4.1 Voting Rights

The holders of Butterfly Shares are entitled to receive notice of, and to attend, all meetings of the shareholders of the Corporation, except meetings at which only holders of another specified class or series of shares of the Corporation are

entitled to vote. Each holder of Butterfly Shares is entitled, voting together with the holders of shares of all other classes of shares, or series thereof, of the Corporation, if any, entitled to vote at such meetings, to one vote for each Butterfly Share held on all votes taken at such meetings

#### Section 4.2 Dividends

The holders of Butterfly Shares shall not be entitled to any dividends.

#### Section 4.3 Redemption

- (i) The Corporation may, subject to the Act, upon giving notice as hereinafter provided, redeem at any time the whole, or from time to time any part, of the Butterfly Shares then outstanding on payment of a redemption price equal to the amount obtained by multiplying the aggregate fair market value of all of the Globex Common Shares outstanding immediately prior to the Effective Time by the percentage which the fair market value of the mining properties forming part of the Transferred Assets determined immediately before the distribution of the Transferred Assets to the Corporation and calculated using a consolidated look-through approach represents of the net fair market value of all of the business property assets owned by Globex determined immediately prior to the distribution by Globex of the Transferred Assets to Chibougamau Independent Mines Inc. calculated using a consolidated look-through approach and then dividing such product by the number of Globex Butterfly Shares issued and outstanding immediately prior to the Effective Time plus all declared and unpaid cash dividends thereon, the whole constituting and being herein referred to in these provisions as the “**Redemption Amount**” and the aggregate amount required to redeem all of the Butterfly Shares then outstanding being the “**Aggregate Redemption Amount**”.
- (ii) In the case of redemption of Butterfly Shares under paragraph (i) of this section 4.3, the Corporation shall, unless waived in writing by the holders of all of the Butterfly Shares, at least five (5) days before the date specified for redemption deliver or mail to each person who at the date of mailing is a registered holder of Butterfly Shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Butterfly Shares. Such notice shall be delivered or mailed by letter, postage prepaid, addressed to each such holder at the address appearing on the records of the Corporation, or in the event of the address of any such holder not so appearing, then to the last known address of such holder or if delivered, delivered to each such holder at such address; provided, however, that accidental failure to give any such notice to one or more of such holders shall not affect the validity of such redemption. Such notice shall set out the Redemption Amount and the date on which redemption is to take place and, if part only of the Butterfly Shares held by the holder to whom such notice is addressed is to be redeemed, the number thereof to be redeemed; provided, however, that if a part only of the Butterfly Shares then outstanding is to be redeemed, then the Butterfly Shares to be redeemed shall be selected by lot in such manner as the directors of the Corporation in their discretion shall decide or if the directors of the Corporation so determine may be redeemed *pro rata* (disregarding fractions) unless otherwise agreed in writing by the holders of all of the Butterfly Shares. On or after the date specified for redemption, the Corporation shall pay or cause to be paid to, or to the order of, the holders of the Butterfly Shares to be redeemed the Redemption Amount in respect of the Butterfly Shares to be redeemed on presentation and surrender at the registered office of the Corporation or at any other place designated in such notice of the certificates representing the Butterfly Shares called for redemption. Such payment shall be made by cheque payable at par at any branch of the bank of the Corporation in Canada. If less than all of the Butterfly Shares entitled to be represented by any certificate are redeemed, the holder thereof shall be entitled to receive a new certificate for that number of Butterfly Shares represented by the original certificate which are not redeemed. From and after the date specified for redemption in such notice, the holders of Butterfly Shares called for redemption shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders in respect thereof unless payment of the Redemption Amount in respect thereof shall not be made upon presentation of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. The Corporation shall have the right, at any time after the mailing of notice of its intention to redeem any Butterfly Shares, to deposit the Redemption Amount of the Butterfly Shares so called for redemption or of such of the Butterfly Shares to be redeemed represented by certificates as have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption to a special account at any chartered bank in Canada named in such notice, to be paid without interest to or to the order of the respective holders of the Butterfly Shares called for redemption upon presentation and surrender to such bank of the certificates representing such Butterfly Shares. Upon such deposit being

made or upon the date specified for redemption in such notice, whichever is the later, the Butterfly Shares in respect of which such deposit shall have been made shall be redeemed and the rights of the holders thereof after such deposit or such redemption date, as the case may be, shall be limited to receiving without interest their proportionate share of the amount so deposited against presentation and surrender of the certificates representing the Butterfly Shares called for redemption held by them respectively and any interest on the amount so deposited shall be for the account of the Corporation. If the amount so deposited has not been paid to or to the order of the respective holders of Butterfly Shares called for redemption within two (2) years after the date upon which such deposit was made or the date specified for redemption in the notice, whichever is later, the balance remaining in such special account shall be returned to the Corporation without prejudice to the rights of the holders of the Butterfly Shares redeemed to thereafter claim the Redemption Amount in respect of each Butterfly Share redeemed without interest from the Corporation.

#### Section 4.4 Retraction

Any holder of Butterfly Shares shall be entitled to require the Corporation to redeem, subject to the requirements of the Act, at any time all of the Butterfly Shares registered in the name of such holder on the books of the Corporation by tendering to the Corporation at the registered office of the Corporation a certificate or certificates representing all of the Butterfly Shares held by such holder together with a notice in writing specifying (i) that the holder desires to have the Butterfly Shares represented by such certificate or certificates redeemed by the Corporation and (ii) the business day (“**Retraction Date**”) on which the holder desires to have the Corporation redeem such Butterfly Shares. The Retraction Date shall not be less than five (5) days after the day on which the notice in writing is given to the Corporation without the consent of the Corporation. Upon receipt of a certificate or certificates representing all of the Butterfly Shares held by such holder together with such notice the Corporation shall, subject to the Act, redeem on the Retraction Date such Butterfly Shares by paying to such holder the Redemption Amount for each Butterfly Share being redeemed. Such payment shall be made by a cheque payable at par at any branch of the bank of the Corporation in Canada. Such Butterfly Shares shall be redeemed on the Retraction Date and from and after the Retraction Date the holder of the Butterfly Shares redeemed shall cease to be entitled to dividends and shall not be entitled to exercise any of the rights of holders of Butterfly Shares in respect thereof unless payment of the Redemption Amount is not made on the Retraction Date, in which event the rights of the holder of the Butterfly Shares in respect of which payment has not been made shall remain unaffected.

#### Section 4.5 Liquidation, Dissolution or Winding-Up

The holders of Butterfly Shares shall be entitled to receive from the assets of the Corporation an amount equal to the Aggregate Redemption Amount for all of the Butterfly Shares before any amount shall be paid or any assets of the Corporation distributed upon any liquidation, dissolution or winding-up of the Corporation to the holders of Common Shares, Preference Shares or any other shares of the Corporation. After payment to the holders of Butterfly Shares of the amount so payable to them such holders shall not be entitled to share in any further distribution of the assets of the Corporation.

#### Section 4.6 Tax Provision

For purposes of subsection 191(4) of the ITA, the amount specified in respect of each Butterfly Share which is to be redeemed, acquired or cancelled, will be the amount specified by a director or officer of the Corporation in a certificate that is made (i) effective concurrently with the issuance of such Butterfly Share; and (ii) pursuant to a resolution of the Board of Directors of the Corporation duly passed and evidenced in writing authorizing the issuance of such Butterfly Share, such amount to be expressed as a dollar amount (and not expressed as a formula), such amount to be not subject to change thereafter, and such amount to be equal to the fair market value of the consideration for which such Butterfly Share is issued.”

### EXHIBIT III TO THE PLAN OF ARRANGEMENT

In accordance with the Final Order (as defined in the Plan of Arrangement) approving the Arrangement (as defined in the Plan of Arrangement), the articles of Globex Mining Enterprises Inc. (the “**Corporation**”) are amended as follows in accordance with the Plan of Arrangement.

1. The articles of the Corporation are amended to remove the Butterfly Shares (as defined in Exhibit II to the Plan of Arrangement) as shares which the Corporation is authorized to issue, and to change the designation of the Class A common shares which the Corporation is authorized to issue to common shares, by:
  - A. removing the Butterfly Shares as shares which the Corporation is authorized to issue and deleting Article Four, entitled “Butterfly Shares”, under the heading “Capital-actions autorisé”; and
  - B. changing the designation of the Class A common shares, both issued and unissued, to common shares and defining such common shares as “Common Shares”.

**SCHEDULE E  
FINANCIAL DISCLOSURE**

	Page No.
1. Independent Auditor's Consent.	122
2. Audited financial statements of Chibougamau Independent Mines Inc. for the period from December 13, 2010 (date of incorporation) to December 31, 2010 and for the year ended December 31, 2011, and unaudited interim financial statements of Chibougamau Independent Mines Inc. for the six months ended June 30, 2012 and 2011.	123
3. Management Discussion and Analysis of Chibougamau Independent Mines Inc. for the years ended December 31, 2011 and 2010 and for the six-month periods ended June 30, 2012 and 2011.	135
4. Unaudited pro forma statement of financial position of Chibougamau Independent Mines Inc. as at June 30, 2012, taking into account the closing of the Arrangement.	140
5. Audited "carve-out" financial statements of the Properties for the fiscal year ended December 31, 2011 and unaudited "carve-out" financial statements of the Properties for the fiscal year ended December 31, 2010 and for the six months ended June 30, 2012 and 2011.	146
6. Management Discussion and Analysis of the Properties for the years ended December 31, 2011 and 2010 and for the six-month periods ended June 30, 2012 and 2011.	162

## INDEPENDENT AUDITOR'S CONSENT

We have read the management information circular of Globex Mining Enterprises Inc. (“**Globex**”) dated September 19, 2012 relating to the special meeting of shareholders of Globex to be held on October 19, 2012. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned circular of our report to the shareholder of Chibougamau Independent Mines Inc. (“**CIM**”) on the statements of financial position of CIM as at December 31, 2011 and 2010, and the statements of loss and comprehensive loss, statements of equity and statements of cash flows for the year ended December 31, 2011 and the period of 18 days ended December 31, 2010. Our report is dated September 10, 2012.

We also consent to the use in the above-mentioned circular of our report to the directors of Globex on the carve-out statement of financial position of the Chibougamau Independent Mines Inc. Properties as at December 31, 2011, and the carve-out statement of loss and comprehensive loss and owner's net investment and the carve-out statement of cash flows for the year then ended. Our report is dated September 5, 2012.

We also consent to the incorporation by reference in the above-mentioned circular of our report to the shareholders of Globex on the consolidated statements of financial position as at December 31, 2011, December 31, 2010 and January 1, 2010 and the consolidated statements of income and comprehensive income (loss), consolidated statements of equity and consolidated statements of cash flows for the years ended December 31, 2011 and December 31, 2010. Our report is dated March 12, 2012.

*(signed) Samson Bélair/Deloitte & Touche s.e.n.c.r.l.* <sup>(1)</sup>

Rouyn-Noranda, Québec  
September 19, 2012

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<sup>1</sup> CPA auditor, CA, public accountancy permit No. A116207

**AUDITED FINANCIAL STATEMENTS**  
**CHIBOUGAMAU INDEPENDENT MINES INC.**

**Samson Bélair/Deloitte &  
Touche s.e.n.c.r.l.**  
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Rouyn-Noranda QC J9X 4T3  
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### **Independent Auditor's Report**

To the Shareholder of  
Chibougamau Independent Mines Inc.

We have audited the accompanying financial statements of Chibougamau Independent Mines Inc., which comprise the statements of financial position as at December 31, 2011 and December 31, 2010, and the statements of loss and comprehensive loss, statements of equity and statements of cash flows for the year ended December 31, 2011 and the period of 18 days ended December 31, 2010, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chibougamau Independent Mines Inc. as at December 31, 2011 and December 31, 2010 and its financial performance and its cash flows for the year ended December 31, 2011 and the period of 18 days ended December 31, 2010 in accordance with International Financial Reporting Standards.

## **Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 2 to the financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about Chibougamau Independent Mines Inc.'s ability to continue as a going concern.

*(signed) Samson Béclair/Deloitte & Touche s.e.n.c.r.l.*<sup>(1)</sup>

Date September 10, 2012

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<sup>1</sup> CPA auditor, CA, public accountancy permit No. A116207



**Chibougamau Independent Mines Inc.**  
(Exploration Stage Corporation)  
**Statement of Loss and Comprehensive Loss**  
(In Canadian dollars)

	Notes	Unaudited		Audited	
		Six months ended		Year-ended	18 days ended
		June 30,	June 30,	December 31,	December 31,
		2012	2011	2011	2010
<b>Expenses</b>					
Professional fees and outside services		1,360	-	546	-
		1,360	-	546	-
<b>Loss</b>		<b>(1,360)</b>	-	(546)	-
<b>Loss and comprehensive loss for the period</b>		<b>\$ (1,360)</b>	<b>\$ -</b>	<b>\$ (546)</b>	<b>\$ -</b>

The accompanying notes are an integral part of these financial statements

Chibougamau Independent Mines Inc. was incorporated on December 13, 2010. See note 1.

**Chibougamau Independent Mines Inc.**  
(Exploration Stage Corporation)  
**Statements of Cash Flows**  
(In Canadian dollars)

	Notes	Unaudited		Audited	
		Six months ended		Year-ended	18 days ended
		June 30,	June 30,	December 31,	December 31,
		2012	2011	2011	2010
<b>Operating activities</b>					
Loss and comprehensive loss for the period		\$ (1,360)	-	\$ (546)	-
Changes in non-cash operating working capital items					
Increase in amounts due to Globex Mining Enterprises Inc.		1,360	-	546	-
		-	-	-	-
<b>Financing activities</b>					
Issuance of share capital		-	-	-	10
		-	-	-	10
Net increase in cash and cash equivalents		-	-	-	10
Cash and cash equivalents, beginning of period		10	10	10	-
<b>Cash and cash equivalents, end of period</b>		<b>\$ 10</b>	<b>\$ 10</b>	<b>\$ 10</b>	<b>\$ 10</b>

The accompanying notes are an integral part of these financial statements

**Chibougamau Independent Mines Inc.**  
(Exploration Stage Corporation)  
**Statements of Financial Position**  
(In Canadian dollars)

Notes	Unaudited as at June 30, 2012	as at December 31, 2011	Audited as at December 31, 2010
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 10	\$ 10	\$ 10
	10	10	10
	\$ 10	\$ 10	\$ 10
<b>Liabilities</b>			
Current liabilities			
Due to Globex Mining Enterprises Inc.	\$ 1,906	\$ 546	\$ -
	1,906	546	-
<b>Owners' equity</b>			
Share capital	6	10	10
Deficit	(1,906)	(546)	-
	(1,896)	(536)	10
	\$ 10	\$ 10	\$ 10

The accompanying notes are an integral part of these financial statements

The nature of operations and ability to continue as a going concern, contingencies, and subsequent events are outlined in Notes 1, 2, 9 and 10 respectively.

Approved by the board

*(signed) Jack Stoch*  
Jack Stoch, Director

*(signed) Dianne Stoch*  
Dianne Stoch, Director

**Chibougamau Independent Mines Inc.**  
(Exploration Stage Corporation)  
**Statements of Equity**  
(In Canadian dollars)

	Unaudited Six months ended June 30, 2012	Audited Year-ended December 31, 2011	Audited 18 days ended December 31, 2010
<b>Common shares</b>			
Beginning of period	\$ 10	\$ 10	\$ -
Common shares issued for cash	-	-	10
End of period	10	10	10
<b>Deficit</b>			
Beginning of period	(546)	-	-
Loss attributable to shareholders	(1,360)	(546)	-
End of period	(1,906)	(546)	-
<b>Total Equity</b>	<b>\$ (1,896)</b>	<b>\$ (536)</b>	<b>\$ 10</b>

The accompanying notes are an integral part of these financial statements

**Chibougamau Independent Mines Inc.**  
(Exploration Stage Corporation)  
**Notes to Financial Statements**  
(In Canadian dollars)

**1. General business description**

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

The Corporation is in the business of acquiring, exploring, and evaluating mineral resource properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. Its head office and principal business offices are located at 86, 14<sup>th</sup> Street, Rouyn-Noranda, Québec, J9X 2J1.

**2. Basis of presentation and Going Concern**

These financial statements have been prepared in accordance with International Financial Reporting Standards with the assumption that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Corporation is in the development stage and is subject to the risks and challenges particular to companies at this stage. There is no assurance that the Corporation’s projects will be successful. As a result, there is substantial doubt regarding the Corporation’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. While the Corporation is expending its best efforts to achieve the above plans, there is no assurance that any such activity will generate sufficient funds for continued operations.

**3. Revised International Financial Reporting Standards**

**New and amended standards not yet adopted:**

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

- Amendments to IAS 1, Presentation of Items of Other Comprehensive Income, introduce changes to the presentation of items of other comprehensive income that may be reclassified to income or loss in the future and are presented separately from items that would never be reclassified;
- Amendments to IAS 19, Employee Benefits, deal with the recognition of actuarial gains and losses recognized in other comprehensive income as well as the expected measurement and recording of the expected return on plan assets;
- Amendments to IAS 32, Financial Instruments: Presentation and IFRS 7 Financial Instruments: Disclosures. These amendments were issued in December 2011, clarify the offsetting criteria in IAS 32 to address inconsistencies in their application. Most will find that the amendments to IAS 32 will not change current offsetting practices significantly. The clarifying amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014, and the new disclosure requirements for annual or interim periods beginning on or after January 1, 2013. Both require retrospective application for comparative periods;
- IFRS 9, Financial Instruments, simplifies the measurement and classification for financial assets by reducing the number of measurement categories and removing complex rule-driven embedded derivative guidance in IAS 39, Financial Instruments: Recognition and Measurement. The new standard also provides for a fair value option in the designation of a non-derivative financial instrument and its related classification and measurement. IFRS 9 is effective from periods beginning January 1, 2015 with early adoption permitted;

- IFRS 10, Consolidated Financial Statements, IFRS 11, Joint Arrangements, IFRS 12, Disclosure of Interests in Other Entities and amendments to IAS 27, Separate Financial Statements, and IAS 28, Investments in Associates and Joint Ventures. The suite of five new standards establishes control as the basis for consolidation and provides enhanced disclosure requirements for the Corporation's interests in other entities and the effects of those interests on the Corporation's consolidated financial statements;
- IFRS 12, Disclosure of Interest in Other Entities, outlines the disclosure requirements for interests held in other entities including joint arrangements, associates, special purpose entities and other off balance sheet entities;
- IFRS 13, Fair Value Measurement, defines fair value, requires disclosures regarding fair value measurements and provides a framework for measuring fair value when it is required or permitted within the IFRS standards.

All of these standards are applicable to the Corporation with the exception of the Amendments to IAS 19 as the Corporation does not have a pension plan in place. None of these standards are expected to have a significant effect on the financial statements. All of these standards are effective January 1, 2013 with the exception of IAS 1, which has a July 1, 2012 effective date, IAS 32 which has a January 1, 2012 effective date and IFRS 9, which has a January 1, 2015 effective date. Early adoption is permitted. The Corporation did not early adopt.

#### **4. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### **(a) Statement of compliance with International Financial Reporting Standards (IFRS)**

The Corporation has adopted IFRS with an adoption date of December 13, 2010 (the incorporation date of the Corporation).

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

##### **(b) Basis of Presentation**

The financial statements have been prepared on the historical cost basis. These financial statements were approved by the Board of Directors on September 10, 2012.

##### **(c) Use of Estimates**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities. 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 carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Corporation's principal accounting policies are outlined below:

##### **(d) Functional and Presentation Currency**

The financial statements are presented in Canadian dollars, which is the Corporation's functional currency and presentation currency.

##### **(e) Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

**(f) Financial assets**

Financial assets and liabilities are recognized when the Corporation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally-enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Corporation classifies its financial assets in the following categories depending on the purpose for which the instruments were acquired.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Corporation's loans receivables are comprised of cash and cash equivalents and are included in current assets due to their short-term nature. Loans and receivables are initially recognized at the amount expected to be received less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through the profit or loss, or other financial liabilities, as appropriate.

The Corporation determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value. The Corporation's other financial liabilities include accrued liabilities. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

**(g) Mineral properties**

All direct costs related to the acquisition of mineral properties are capitalized, at their cost at the date of acquisition, by property.

**(h) Deferred exploration and evaluation expenses**

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

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

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

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

**(i) Current and deferred taxes**

Taxes, comprising both income and resource taxes accounted for as income taxes, are recognized in the statement of loss, except where they relate to items recognized in other comprehensive income or directly in equity, in which case the related taxes are recognized in other comprehensive income or equity. Taxes on income are recorded using the tax rate that would be applicable to expected annual income.

The current income tax charge is based on taxable income for the period. Taxable income differs from net income as reported in the statement of comprehensive loss because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible.

Deferred tax is recognized, using the asset and liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At the end of each reporting period, the Corporation reassesses unrecognized deferred tax assets. The Corporation recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profits will enable the deferred tax asset to be recovered. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is adjusted to the extent that it is no longer probable that sufficient taxable income will be available to ensure that all or part of the asset will be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

**(j) Share Capital**

The Corporation's common shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

**5. Financial Instruments**

**(a) Fair Value**

At June 30, 2012, the Corporation's financial instruments consist of cash and cash equivalents and amount due to Globex. The fair value of these financial instruments approximates their carrying values due to the relatively short-term maturity of these instruments.

**(b) Credit Risk**

Credit risk is the risk of potential loss to the Corporation if the counterparty to a financial instrument fails to meet its contractual obligations. Currently, the Corporation is not exposed to any significant credit risks.

**(c) Interest Rate Risk**

The Corporation is not exposed to any significant interest rate risk.

**(d) Liquidity Risk**

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation is not exposed to any significant liquidity risk.



## 6. Share capital

### Authorized:

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

Common: Voting

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

### Issued: Common shares

	June 30, 2012	
Fully paid common shares	Number of shares	Capital Stock
Balance, beginning of period	1,000	\$ 10
Balance, end of period	1,000	\$ 10

	December 31, 2011	
Fully paid common shares	Number of shares	Capital Stock
Balance, beginning of period	1,000	\$ 10
Balance, end of period	1,000	\$ 10

	December 31, 2010	
Fully paid common shares	Number of shares	Capital Stock
Balance, beginning of period	-	\$ -
Issuance of shares	1,000	10
Balance, end of period	1,000	\$ 10

## **7. Management of Capital**

The Corporation's capital currently consists of common shares. Its principal source of cash is from the issuance of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to identify, evaluate and then acquire properties, a business or 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, the Corporation may attempt to issue new shares. In order to maximize ongoing exploration efforts, the Corporation does not pay dividends. The Corporation's investment policy is to invest its short-term excess cash in highly-liquid short-term interest-bearing investments with short-term maturities, selected with regards to the expected timing of expenditures related to continuing operations.

## **8. Risk Management**

The Corporation is engaged primarily in mineral exploration and manages related industry risk issues directly. The Corporation may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

## **9. Commitments and Contingencies**

- (a) 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 preparation date, management believes to the best of its knowledge that the Corporation is in conformity with applicable laws and regulations. Restoration costs, if any, will be accrued in the financial statements and reflected in the statement of profit and loss when they can be reasonably estimated at that time.
- (b) The Corporation will be partly financed by the issuance of flow-through shares. Management will undertake its best efforts to ensure that eligible expenditures are incurred; however, there are no guarantees that the funds spent by the Corporation will qualify as Canadian Eligible Exploration Expenses as defined in the Income Tax Act, even if the Corporation takes all of the necessary measures to mitigate this risk.

## **10. Subsequent Events**

Globex is engaged in the exploration and development of mineral resource properties in Canada and the United States. The Corporation was incorporated under the Canada Business Corporations Act on December 13, 2010 to allow Globex to transfer, among other things, certain of Globex's mineral resource property interests known as the "Chibougamau Mining Camp" in the Chibougamau region of Québec to the Corporation, subject to a 3% "gross metal royalty" in favour of Globex. In order to complete this transaction, on September 10, 2012, Globex entered into an Arrangement Agreement with the Corporation. Pursuant to the Arrangement, among other things, Globex will transfer the Transferred Assets to the Corporation and each shareholder will ultimately be entitled to receive one Globex "new" common shares and one common share of the Corporation in exchange for each Globex common share. Based on the number of Globex common shares outstanding at August 31, 2012, this would result in approximately 24 million common shares of the Corporation being issued.

On September 7, 2012, the directors of the Corporation 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.

The Arrangement will require the approval of not less than two-thirds of the votes cast by Globex shareholders at a Special Shareholders Meeting which has been scheduled for October 19, 2012. In addition, it will require Court approval in the Province of Québec and other regulatory approvals. It is currently anticipated that the effective date for the transactions will be on or about November 30, 2012.

## MANAGEMENT DISCUSSION AND ANALYSIS

### CHIBOUGAMAU INDEPENDENT MINES INC.

The following discussion and analysis of the financial condition and results of operations of CIM should be read together with the audited financial statements and related notes included elsewhere in this Circular. See “Risk Factors” for a discussion of the risks inherent in the business of CIM.

#### FORWARD-LOOKING STATEMENTS

This discussion contains statements that are not historical facts and are forward-looking statements. These statements are subject to a number of risks described under “Risk Factors”. These risks and uncertainties may cause actual results to differ materially from those contained in such forward-looking statements. Such statements reflect the current views of CIM’s management and are based on certain assumptions. They are, by necessity, only estimates of future developments and actual developments may differ materially from these statements due to a number of factors. Shareholders are cautioned not to place undue reliance on such forward-looking statements. No forward-looking statement is a guarantee of future results. See “Forward-Looking Statements” for a discussion of the risks, uncertainties and assumptions relating to these statements.

#### OVERVIEW

Over the past years, Globex acquired a significant land package in the Chibougamau region of Québec, known as the “Chibougamau Mining Camp”. The Chibougamau Mining Camp includes five former copper/gold mines, one unmined historical copper/gold deposit, one historical zinc/gold/silver deposit in respect of which two technical reports compliant with NI 43-101 were prepared, a new historical iron-titanium deposit and a large package of partially-outlined gold/copper zones and isolated gold intersections as well as volcanogenic massive sulphide targets.

The following properties comprise the Chibougamau Mining Camp:

- Bateman Bay Mine (including mining blocks of the former Jaculet Mine), McKenzie and Roy Townships, Québec (gold, copper);
- Berrigan Lake (Taché) Property, McKenzie Township, Québec (gold, silver, zinc);
- Berrigan South Property, McKenzie Township, Québec (gold, silver, zinc);
- Chibougamau Lake Property (including S-3 and Tommy Zones, down dip of Henderson 1 and 2 and Portage), Lemoine, McKenzie, Roy and Obalski Townships, Québec (gold, copper);
- Copper Cliff Property, McKenzie and Roy Townships, Québec (gold, copper);
- Grandroy Mine, Roy Township, Québec (gold, copper);
- Kokko Creek Mine, McKenzie Township, Québec (gold, copper);
- Québec Chibougamau Goldfields Mine, McKenzie Township, Québec (gold, silver, zinc);
- Sulphur Converting/Magnetite Bay, Roy Township, Québec (iron, gold, zinc, copper); and
- Virginia Property, Obalski Township, Québec (gold).

With the recent surge in gold, silver and base metal prices, Globex concluded that a re-evaluation of the mining properties hosting earlier producers and also depth and/or lateral extensions of other producers was justified. It is believed that the mineralization which was mined near to surface, extends at depth well below the sections tested by previous surface and underground drilling. Parallel zones have also been identified by exploration drilling. Numerous relatively recent drill holes (in the late 1990s) intersected gold values of potential economic interest which were never followed up.

CIM was incorporated on December 13, 2010 under the CBCA to allow Globex to transfer, among other things, the Chibougamau Mining Camp to CIM, subject to a 3% gross metal royalty in favour of Globex. In order to effect this transaction, on September 10, 2012, Globex and CIM entered into the Arrangement Agreement. Pursuant to the Arrangement Agreement, among other things, Globex will transfer the Transferred Assets to CIM and each Shareholder (other than a registered shareholder who exercises the Repurchase Right in respect of the Arrangement Resolution and Small Registered Shareholders) will ultimately be entitled to receive one Globex New Common Share and one CIM Common Share in exchange for each Globex Common Share. Based on the number of Globex Common Shares outstanding at August 31, 2012, this would result in approximately 24 million Globex New Common Shares and CIM Common Shares being issued.

An NI 43-101 compliant technical report dated May 17, 2011 and amended and restated on August 15, 2012 was prepared for the Berrigan Lake property, consisting of 25 claims in McKenzie Township, Québec.

During the winter of 2012, a series of deep-penetration induced polarization test surveys over the known mineralization and inferred potential lateral and vertical extensions of the Bateman Bay, S-3 and K Zones were undertaken. The survey method was shown to be effective in outlining the known test targets and indicated that the mineralization may extend to depth. CIM anticipates launching more extensive surveys in the winter of 2013 using this method as one of the guides in developing and laying out drill campaigns.

A technical report dated August 16, 2012 entitled “Technical Review (NI 43-101 compliant) and Evaluation of the Exploration Potential of the ‘Lac Chibougamau’ Mining Properties in McKenzie, Roy, Obalski and Lemoine Townships, Abitibi Mining District, Province of Québec, NTS 32G-16” prepared by Claude P. Larouche has been delivered to Globex and CIM, and was filed on SEDAR by Globex. An extract of the technical report can be found in Schedule H of this Circular.

The technical reports highlight that the claims controlled by Globex as well as those to be transferred to CIM have been intermittently explored from the early 1900s to 2008. They also demonstrate that the area has been flown a number of times by the Québec government using a variety of airborne electromagnetic and magnetic systems, some of which have confirmed a number of weak anomalies in the general area of the mineralized occurrences. These surveys have contributed to a better understanding of the spatial distribution of the regional lithologies and general stratigraphic relationships.

Each of the reports outlines a two-phase work program that includes studies and exploration drilling (phase 1) followed by systematic surface drilling (phase 2) in order to confirm and upgrade historical copper and gold resources to meet NI 43-101 requirements.

- **Phase 1** - Includes four activities, namely: (a) geophysical grid construction and specific geophysical surveys, (b) compilation and transformation of available technical information into digital format, (c) surface stripping and sampling, and (d) preliminary surface exploration drilling.
- **Phase 2** - Based on results of systematic compilation and preliminary drilling recommended in phase 1, surface diamond drilling will be aimed at probing and confirming areas of historical resources in order to convert some of these resources into current resources (or reserves) as per the Council of the Canadian Institute of Mining Metallurgy and Petroleum standards. An aggregate preliminary drill program of 46,000 linear meters of NQ-size drilling is recommended in the technical reports.

All of the activities as outlined above are designed to gain a better understanding of the geology of this important mining camp with a view towards advancing these properties as a large block towards advanced exploration and potential development.

From CIM’s incorporation on December 13, 2010 to date, its operations have been limited to organizing the transaction with Globex referred to in this Circular. CIM did not carry out any exploration work during this period. CIM anticipates raising necessary financing through a combination of private placements and public financings which will consist of common shares and “flow-through” common shares.

## **EXPLORATION ACTIVITIES AND MINING PROPERTIES**

CIM will conduct 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 will be 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 will be retained for future reference. Other elements will 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 if appropriate, 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.

In addition, the source and date of the historical estimate will be provided.

## SUMMARY OF QUARTERLY RESULTS

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

	2012			2011			2010	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total expenses	-	1,360	546	-	-	-	-	-
Income (loss)	-	(1,360)	(546)	-	-	-	-	-

CIM is currently inactive and the differences in the quarterly results relate mainly to legal costs incurred in the respective periods.

### Six-Month Period Ended June 30, 2012 Compared to Six-Month Period Ended June 30, 2011

The \$1,360 loss in the six-month period ended June 30, 2012 is greater than the loss in the six-month period ended June 30, 2011 (no income or loss). The loss in the current period is attributable to legal fees.

#### Balance sheet review

##### Total assets

At June 30, 2012, December 31, 2011 and June 30, 2011, Total assets were \$10, represented by cash and cash equivalents generated from the issuance of the initial 1,000 shares to Globex as the parent company of CIM.

##### Total liabilities

At June 30, 2012, CIM owed Globex \$1,906 (December 31, 2011 — \$546) for professional fees which had been paid by Globex on behalf of CIM, compared to \$Nil at June 30, 2011.

##### Share capital

At June 30, 2012, December 31, 2011 and June 30, 2011, the share capital of CIM totalled \$10, representing 1,000 common shares outstanding.

##### Owners' equity

Owners' equity, consisting of Share Capital and Deficit, reflected a deficiency of \$1,896 at June 30, 2012, compared to a deficiency of \$536 at December 31, 2011 and \$Nil at June 30, 2011. The change in the period reflects professional fees and outside services as set out in the Statement of Loss and Comprehensive Loss.

##### Liquidity, capital resources and cash flow

At June 30, 2012, CIM had a working capital deficiency (based on current assets minus current liabilities) of \$1,896, compared to \$Nil at June 30, 2011.

At the present time, CIM is inactive and therefore has no ongoing cash flow.

## Selected Annual Information

### Fiscal Year Ended December 31, 2011 Compared to Fiscal Year Ended December 31, 2010

	2011	2010
Total revenues	\$ -	\$ -
Total expenses	546	-
Income (loss)	(546)	-

The loss in the year ended December 31, 2011 was \$546, compared to a loss of \$Nil in the year ended December 31, 2010.

#### Balance sheet review

##### Total assets

At December 31, 2011 and December 31, 2010, Total assets were \$10, represented by cash and cash equivalents generated from the issuance of the initial 1,000 shares to Globex as the parent company.

##### Total liabilities

At December 31, 2011, CIM owed Globex \$546 for professional fees which had been paid by Globex on behalf of CIM, compared to \$Nil at December 31, 2010.

##### Share capital

At December 31, 2011 and December 31, 2010, the share capital of CIM totalled \$10, representing 1,000 common shares outstanding.

##### Owners' equity

Owners' equity, consisting of Share Capital and Deficit, represented a deficiency of \$536 at December 31, 2011, compared to \$10 at December 31, 2010.

##### Liquidity, working capital and cash flow

At December 31, 2011, CIM had a working capital deficiency (based on current assets minus current liabilities) of \$536, compared to working capital of \$10 at December 31, 2010.

At the present time, CIM is inactive and therefore has no ongoing cash flow.

#### CRITICAL ACCOUNTING ESTIMATES

##### Critical 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, income 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. Revisions 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.

#### **Changes in accounting policies including initial adoption**

See Note 4 to the audited financial statements of CIM for the period from December 13, 2010 (date of incorporation) to December 31, 2010 and for the year ended December 31, 2011, and unaudited interim financial statements of CIM for the six months ended June 30, 2012 and 2011.

#### **Outlook**

Efforts are being directed at exploring and upgrading CIM's understanding of the Chibougamau Mining Camp. CIM believes that it is well positioned with a combination of first-class assets as well as the human and corporate resources necessary to continue the exploration and development of the Chibougamau Mining Camp and achieve CIM's strategic objective of enhancing shareholder value.

**PRO FORMA FINANCIAL STATEMENTS**  
**CHIBOUGAMAU INDEPENDENT MINES INC.**

**Chibougamau Independent Mines Inc.**

(Exploration Stage Corporation)

Pro Forma Statement of Financial Position - Post Plan of Arrangement

(unaudited)

As at June 30, 2012

(In Canadian dollars)

	Statement of		Pro forma Adjustments		Notes	Pro Forma as at June 30, 2012
	Financial Position as at June 30, 2012		Asset Transfer	Reorganization		
<b>Assets</b>						
Current assets						
Cash and cash equivalents	\$ 10	\$ 63,630			2.7, 3.2, 4.	\$ 63,640
Investments	-	88,149			2.7, 3.2, 5.	88,149
Globex Butterfly Shares	-	1,651,779	(1,651,779)		2.3, 2.4, 2.10.	-
Globex Redemption Note	-	-	-		2.11, 6.	-
	10	1,803,558	(1,651,779)			151,789
Non-Current assets						
Mineral properties	-	1,500,000	-		2.7, 7	1,500,000
Deferred exploration expenses	-	-	-		-	-
	\$ 10	\$ 3,303,558	\$ (1,651,779)			\$ 1,651,789
<b>Liabilities</b>						
Current liabilities						
Due to Globex Mining Enterprises Inc.	\$ 1,906	\$ 185,000	\$ -		3.4, 8.	\$ 186,906
	1,906	185,000				186,906
Redemption Note - Issued to Globex	-	-	-		2.11, 6.	-
<b>Owners' equity</b>						
Common Shares	10	1,488,779	-		2.4, 10.1.	1,488,789
Redemption Shares	-	1,651,779	(1,651,779)		10.2.	-
Contributed surplus - Equity settled reserve	-	-	-		3.3.	-
Deficit	(1,906)	(22,000)	-		3.4, 11.	(23,906)
	(1,896)	3,118,558	(1,651,779)			1,464,883
	\$ 10	\$ 3,303,558	\$ (1,651,779)			\$ 1,651,789



## 1. Basis of Presentation

This Pro forma Statement of Financial Position has been prepared as part of the Notice of Special Meeting for Globex Mining Enterprises Inc. (“**Globex**”) to be held on October 19, 2012 and the Management Information Circular, dated September 19, 2012. On September 10, 2012, Globex and its wholly-owned subsidiary Chibougamau Independent Mines Inc. (“**CIM**”) entered into an arrangement agreement (the “**Arrangement**”) which will result in the reorganization of the capital of Globex and CIM, transfer of cash and cash equivalents, certain investments held by Globex as well as the transfer of ten properties from Globex to CIM subject to a 3% “gross metal royalty” in favour of Globex. Globex will continue to hold its other mineral resource properties.

Management has prepared the Pro forma Statement of Financial Position based on information from the Statement of Financial Position of CIM as at June 30, 2012 and other information available to management as if the Arrangement occurred on June 30, 2012. A pro forma income statement has not been prepared as the properties being transferred are in the exploration stage and have no operations associated with them. In the opinion of management the pro forma financial statements contain all the necessary adjustments for a fair presentation in accordance with IFRS principles.

At the present time, Management has undertaken preliminary discussions and plans are developing to secure a combination of “Hard Dollar” financing to meet the ongoing operating needs of CIM for the next twelve to eighteen months as well as “Flow-through” financing which would be needed to undertake the planned exploration programs. These financings have not been included in the Pro forma Statements of Financial Position as agreements are not in place and therefore reasonable estimates could not be made at this time.

The Pro forma Statement of Financial Position is not necessarily indicative of the financial position that would have prevailed if transactions had actually occurred on June 30, 2012. The Pro forma statement of financial position was prepared based on the assumptions described in the following notes.

## 2. Arrangement

The directors of Globex believe that the Arrangement will enhance shareholder value by, among other things, providing access to appropriate financing and allowing each of Globex and CIM to focus on exploring and developing its own mineral projects.

The Plan of Arrangement provides Shareholders with the right to demand repurchase of the Globex Common Shares for their fair value. Registered holders of fewer than 100 Globex Common Shares will receive, in lieu of CIM shares, a cash payment equal to the number of CIM shares they otherwise would have received multiplied by the volume weighted average trading price of the CIM Common Shares on the TSX or TSX Venture Exchange, as the case may be, for the first day of trading following the Effective Date.

A detailed description of the Arrangement is set out in the Circular. The following paragraphs provide an overview of the key transactions which are reflected in the pro forma financial statements as well as some of the risks and uncertainties.

### Asset Transfer Transactions

- 2.1 The articles of Globex will be amended to authorize Globex to issue an unlimited number of Globex:
  - i) New Common Shares;
  - ii) Butterfly Shares; and
  - iii) Preference Shares, issuable in series.
- 2.2 The articles of CIM will be amended to create CIM Redemption Shares.
- 2.3 Each Globex Common Share outstanding on the Effective Date will be exchanged for one Globex New Common Share and one Globex Butterfly Share.
- 2.4 Each Shareholder will transfer its Globex Butterfly Shares to CIM and receive one CIM Common Share as consideration,

2.5 On September 7, 2012, the CIM Directors approved the adoption of the 2012 Stock Option Plan for directors, officers, employees and consultants who share primary responsibility for the management, growth and protection of the business of the Corporation.

The key terms of the plan are as follows:

- i) The maximum number of shares that can be issued pursuant to the plan is 4,000,000.
- ii) The maximum number of shares that can be reserved for issuance during any 12 month period is limited to a certain percentage, as follows, of issued and outstanding shares:
  - a. 5% for any one optionee;
  - b. 2% for any one consultant;
  - c. 2% for persons conducting investor-relations.
- iii) The option exercise price shall be fixed by the Board of Directors at the time of granting the option and shall not be less than the Market Price of the Shares, less the maximum discount permitted under the policies of the TSX Venture Exchange.
- iv) The options are not transferable and the term cannot exceed five (5) years.

2.6 The holders of each of the 2,227,900 Globex Stock Options will dispose of their Stock Options in consideration of a Globex New Stock Option granted by Globex to acquire a Globex New Common Share and a CIM Stock Option granted by CIM. The original exercise price of each Globex Stock Option will be allocated to the Globex New Stock Option and the CIM Stock Option such that an amount equal to the Exercise Price Proportion of the exercise price of each Globex Stock Option will be payable to CIM on exercise of the CIM Stock Option and an amount equal to the remainder of the original Globex Stock Option exercise price will be payable to Globex on exercise of the Globex New Stock Option. The Exercise Price Proportion is defined in the Plan of Arrangement and is based on the volume-weighted average trading price of the CIM shares on the first five days of trading following completion of the transactions and the weighted average trading price of the Globex New Common Shares on the TSX on the same days. The expiry date of a Globex New Stock Option and the CIM Stock Options will be the same as that of the corresponding Globex Stock Option.

2.7 Globex will classify its property into the following three types of property for the purpose of distribution; (i) cash or near cash, (ii) investment property; and (c) business property (collectively, the “**Transferred Assets**”). Globex will transfer to CIM the Transferred Assets at the fair market value of each of the Transferred Assets. As consideration, for the property transferred by Globex, CIM will: (i) have issued the CIM Stock Options, and issue 5,000,000 CIM Redemption Shares having an aggregate fair market value equal to the amount by which the fair market value of the Transferred Assets exceeds the fair market value of the CIM Stock Options.

2.8 Under the Arrangement, the following properties will be acquired by CIM from Globex (“**Chibougamau Properties**”):

- Bateman Bay Mine (including a portion of the Jaculet Mine),
- Berrigan Lake (Taché) Property,
- Berrigan South Property,
- Chibougamau Lake, (including S-3 & Tommy Zones, down dip of Henderson 1 & 2 and Portage Mines),
- Copper Cliff Property (including much of the mine),
- Grandroy Mine,
- Kokko Creek Mine,
- Québec Chibougamau Goldfields Mine,

- Sulphur Converting (massive sulphide)/Magnetite Bay (Iron-titanium deposit),
- Virginia Property.

### **Debt Reorganization Transactions**

- 2.9 CIM will redeem all of the CIM Redemption Shares issued to Globex and will issue to Globex, as payment, a CIM Redemption Note.
- 2.10 Globex will redeem all of the Globex Butterfly Shares acquired by CIM as described in note 2.4 and will issue to CIM, as payment, the Globex Redemption Note which will be a non-interest bearing promissory note.
- 2.11 Globex will satisfy its obligations under the Globex Redemption Note by transferring the CIM Redemption Note to CIM, and CIM will accept the CIM Redemption Note in full satisfaction of Globex's obligations under the Globex Redemption Note. Similarly, CIM will satisfy its obligations under the CIM Redemption Note by transferring the Globex Redemption Note to Globex, and Globex will accept the Globex Redemption Note in full satisfaction of CIM's obligations under the CIM Redemption Note.

The completion of the Arrangement is conditional upon, among other things, approval by Shareholders and by the Québec Superior Court, receipt by Globex of an advance income tax ruling from Canada Revenue Agency which confirms that the Arrangement may be completed on a tax-neutral basis for Globex and the Shareholders, and receipt of all other regulatory and third-person consents and approvals required in connection with the Arrangement.

### **3. Pro forma assumptions**

- 3.1 As outlined in the Arrangement, registered holders of fewer than 100 Globex Common Shares will receive, in lieu of CIM shares, a cash payment. Currently, Globex has approximately 152 small registered shareholders with fewer than 100 Globex Common Shares which represent 4,664 Common Shares. For the purpose of estimating the number of CIM Common Shares to be issued, 5,000 Common Shares has been deducted from the current 24,098,378 Globex shares outstanding resulting in the issuance of 24,093,378 at the Effective Date of the Arrangement.
- 3.2 Under the Arrangement Agreement, Globex management has estimated the fair market value of the mining properties to be transferred from Globex to CIM as well as the proportion that these properties represent of Globex's total mining properties immediately prior to the distribution. This proportion will be updated at the Effective Date.

The fair value of the CIM properties to be transferred has been determined based on management's current knowledge of the properties which will be further developed through the review of existing data and planned future exploration activities. Management has combined its current estimate of the property size and grade with recent comparable option agreements on properties of similar size and grade to generate an estimated fair value of \$1,500,000. Management believes that this is a reasonable estimate for this pro forma statement; however, changes in metal prices and the ability of potential optionors to raise adequate financing may impact similar valuations.

Management is in the process of obtaining an independent confirmation of the fair value of the CIM properties which will be available at the effective date of these transactions which is currently anticipated around the end of November 2012.

Based on the estimated fair value of the CIM properties and the fair value of Globex's Business Properties and its other Mining Properties, management has calculated the Butterfly Proportion to be 6.45%. This Proportion has been applied to the Globex cash and cash equivalents as well as the investments to determine the fair value of the Transferred Assets.

- 3.3 In accordance with the Arrangement and the 2012 CIM Stock Option Plan, 2,227,900 CIM Stock Options will be issued at the Plan Effective Date, assuming that all holders of Globex Stock Options who receive CIM Stock Options pursuant to the Arrangement are otherwise eligible to receive CIM Stock Options under the CIM Stock Option Plan. In calculating the estimate of the stock-based compensation, it has been assumed that the CIM shares will be listed on either the TSX or TSXV at the effective date. It has been assumed that the expiry date for these options will be the same as those of the corresponding Globex options which were terminated as the Globex shares

were replaced with Globex New Common Shares. Management has applied IFRS 2, Share-based Payments and determined that the fair value of these options before and after the effective date (around November 30, 2012) should be equivalent and therefore would not result in a stock based compensation expense.

- 3.4 In order to implement the Arrangement, Management has estimated transaction costs of \$185,000 which represent legal, accounting and auditing, tax advisory as well as printing and mailing costs. In order to fully implement the Arrangement, the process will involve a tax ruling requested from the Canada Revenue Agency, preparation and presentation of materials to the Québec Superior Court, as well as the preparation and mailing of a Management Information Circular to all Globex Shareholders in advance of a Special Meeting of Shareholders. For the purposes of the Pro forma Statement, \$22,000 of expenses have been charged to Deficit and the remaining \$163,000 has been reflected as share issuance costs. These expenses have been funded by Globex which is reflected in Due to Globex Mining Enterprises Inc.

#### **4. Cash and cash equivalents**

At June 30, 2012, Globex reported cash and cash equivalents of \$1,549,293 as well accounts receivable and refundable tax credits and mining duties of \$253,053. At that date, the current liabilities totalled \$815,894. Under the Arrangement, \$63,630 would be transferred to CIM.

#### **5. Investments**

At June 30, 2012, Globex reflected equity investments with a fair market value of \$1,366,566 in the Statement of Financial Position. Under the Arrangement, \$88,149 would be transferred to CIM.

#### **6. Butterfly Shares and Globex Redemption Note**

As outlined in notes 2.3 and 2.4, each Globex Common Share outstanding on the Effective Date will be exchanged for one Globex New Common Share and one Globex Butterfly Share. Management estimates that 24,093,378 Butterfly Shares will be issued. Each Shareholder will transfer its Globex Butterfly Share to CIM and receive one CIM Common Share as consideration.

As outlined in paragraph 2.10, Globex will redeem all of the Globex Butterfly Shares acquired by CIM and Globex will issue to CIM as payment, the Globex Redemption Note.

As outlined in paragraph 2.11, Globex and CIM will satisfy their obligations under the Globex Redemption Note and the CIM Redemption Note by transferring and offsetting these assets and obligations.

#### **7. Mineral Properties and Deferred Exploration Expenses**

As outlined in paragraph 2.7, Globex will transfer to CIM, (i) cash or near cash, (ii) investment property, and (c) business property. For the purposes of the agreement, management has estimated the fair market value of the properties to be transferred at \$1,500,000. As outlined in paragraph 3.2, the fair value of the properties represents management's best estimate and is subject to change as a result of a number of factors. This treatment is consistent with IFRS Standards.

#### **8. Due to Globex Mining Enterprises Inc.**

The increase of \$185,000 in the balance from \$1,906 at June 30, 2012, represents the advances to CIM required for it to pay the transaction costs related to the implementation of the Arrangement.

#### **9. Redemption Note – Issued to Globex**

As outlined in paragraph 2.9, a Redemption Note for \$1,651,779 was issued when the CIM Redemption Shares were redeemed. This note has been offset against the Globex Redemption Note as outlined in paragraph 2.11 and note 6.

## 10. Share Capital:

### Authorized:

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

Common: Voting

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

### 10.1 Amendments to Articles and Pro Forma Share Capital

Under the Plan of Arrangement, the articles of CIM will be amended to create CIM Redemption Shares, which will; (a) be redeemable at any time at the option of CIM at a redemption amount equal to the CIM Redemption Share Amount, and (b) be retractable at the option of CIM at a retraction amount equal to the CIM Redemption Amount. The holders of the CIM Redemption Shares will not be entitled to any dividends and they will not be entitled to vote at meetings of CIM Shareholders, other than as provided by the *Canada Business Corporations Act*.

<b>Issued: Common Shares</b>	<b>Pro Forma</b>	
	Number of Shares	Capital Stock
Fully paid common shares, June 30, 2012	1,000	\$ 10
Issuance for Globex Butterfly Shares received (notes 2.4 and 3.1)	24,093,378	1,651,779
Share issuance costs (note 3.4)		(163,000)
	24,094,378	\$ 1,488,789

### 10.2 Redemption Shares

<b>Issued: Redemption Shares</b>	<b>Pro Forma</b>	
	Number of Shares	Capital Stock
	-	\$ -
Issuance of Redemption Shares equal to fair value of Transferred Assets (note 2.7). (Cash - \$63,630; Investments - \$88,149; Properties - \$1,500,000).	5,000,000	\$1,651,779
Redemption of Redemption Shares (note 2.9) and replacement with CIM Redemption Note (note 2.9).	(5,000,000)	(1,651,779)
	-	\$ -

## 11. Deficit

	<b>Pro Forma</b>
Balance, at June 30, 2012	\$ 1,906
Stock-based compensation (notes 3.3)	-
Accounting and auditing expenses	22,000
	\$ 23,906

## AUDITED “CARVE-OUT” FINANCIAL STATEMENTS

**Samson Bélair/Deloitte & Touche s.e.n.c.r.l.**  
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### **Independent Auditor’s Report**

To the Directors of  
Globex Mining Enterprises Inc.

We have audited the accompanying carve-out financial statements of Chibougamau Independent Mines Inc. Properties, mineral properties owned by Globex Mining Enterprises Inc., which comprise the statement of financial position as at December 31, 2011, and the statement of loss and comprehensive loss and owner’s net investment and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management’s Responsibility for the Financial Statements**

Management of Globex Mining Enterprises Inc. is responsible for the preparation and fair presentation of Chibougamau Independent Mines Inc. Properties’ financial statements in accordance with the financial reporting framework specified in subsection 3.11(6) of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* for carve-out financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on Chibougamau Independent Mines Inc. Properties’ financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, Chibougamau Independent Mines Inc. Properties’ financial statements present fairly, in all material respects, the financial position of Chibougamau Independent Mines Inc. Properties as at December 31, 2011, and its financial performance and its cash flows for the year then ended in accordance with the financial reporting framework specified in subsection 3.11(6) of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* for carve-out financial statements.

### **Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 2 to the carve-out financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about Chibougamau Independent Mines Inc. Properties' ability to continue as a going concern.

### **Other Matter**

The statements of financial position as at June 30, 2012 and December 31, 2010 and the statement of loss and comprehensive loss and owner's net investment and statement of cash flows for the year ended December 31, 2010 and for the six months ended June 30, 2012 and June 30, 2011 are unaudited.

*(signed) Samson Bélair/Deloitte & Touche s.e.n.c.r.l.* <sup>(1)</sup>

Date September 5, 2012

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<sup>1</sup> CPA auditor, CA, public accountancy permit No. A116207

**Chibougamau Independent Mines Inc. Properties**

(Exploration Stage Properties)

**Carve-Out Statement of Loss and Comprehensive Loss, and Owner's Net Investment**

(In Canadian dollars)

		Unaudited		Audited	Unaudited
		Six months ended		Year-ended	Year-ended
	Notes	June 30,	June 30,	December 31,	December 31,
		2012	2011	2011	2010
<b>Expenses</b>					
Salary		\$ 69,531	\$ 1,672	\$ 8,147	\$ 1,576
Administration	7	47,689	1,345	6,286	1,176
Professional fees and outside services	7	47,118	1,368	8,974	1,129
Share-based compensation and payments		12,540	1,046	3,865	908
Impairment of mineral properties and deferred exploration expenses		-	-	1,629	3,860
		<b>176,878</b>	<b>5,431</b>	<b>28,901</b>	<b>8,649</b>
<b>Loss and comprehensive loss for period</b>		<b>(176,878)</b>	<b>(5,431)</b>	<b>(28,901)</b>	<b>(8,649)</b>
<b>Owner's net investment, beginning of period</b>		<b>96,574</b>	<b>31,923</b>	<b>31,923</b>	<b>-</b>
<b>Contributions</b>		<b>354,092</b>	<b>12,659</b>	<b>93,552</b>	<b>40,572</b>
<b>Owner's net investment, end of period</b>		<b>\$ 273,788</b>	<b>\$ 39,151</b>	<b>\$ 96,574</b>	<b>\$ 31,923</b>

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



**Chibougamau Independent Mines Inc. Properties**  
(Exploration Stage Properties)  
**Carve-Out Statement of Cash Flows**  
(In Canadian dollars)

	Notes	Unaudited		Audited	Unaudited
		Six months ended		Year-ended	Year-ended
		June 30,	June 30,	December 31,	December 31,
		2012	2011	2011	2010
<b>Operating activities</b>					
Loss and comprehensive loss for period	\$	(176,878)	\$ (5,431)	\$ (28,901)	\$ (8,649)
Adjustments for:					
Share-based compensation and payments		12,540	1,046	3,865	908
Impairment of mineral properties and deferred exploration expenses		-	-	1,629	3,860
		(164,338)	(4,385)	(23,406)	(3,882)
<b>Investing activities</b>					
Mineral properties acquisitions		(2,832)	(2,550)	(22,766)	(29,410)
Deferred exploration expenses		(174,382)	(4,678)	(43,514)	(6,373)
		(177,214)	(7,228)	(66,280)	(35,784)
<b>Financing activities</b>					
Contributions		341,552	11,613	89,686	39,665
		341,552	11,613	89,686	39,665
Increase in cash and cash equivalents		-	-	-	-
Cash and cash equivalents, beginning of period		-	-	-	-
<b>Cash and cash equivalents, end of period</b>	<b>\$</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

**Chibougamau Independent Mines Inc. Properties**  
 (Exploration Stage Properties)  
**Carve-Out Statement of Financial Position**  
 (In Canadian dollars)

		Unaudited as at June 30, 2012	Audited as at December 31, 2011	Unaudited as at December 31, 2010
	Notes			
<b>Non current assets</b>				
Mineral properties	5	55,008	52,176	29,410
Deferred exploration expenses	6	218,780	44,398	2,513
		\$ 273,788	\$ 96,574	\$ 31,923
<b>Net Investment</b>				
Owner's net Investment		273,788	96,574	31,923
		\$ 273,788	\$ 96,574	\$ 31,923

The accompanying notes are an integral part of these carve-out financial statements

Background and Basis of Presentation (Note 1)  
 Nature of operations and going concern (Note 2)  
 Commitments and Contingencies (Note 8)

Approved by the board

**"Jack Stoch"**  
 Jack Stoch, Director

**"Dianne Stoch"**  
 Dianne Stoch, Director

## **Chibougamau Independent Mines Inc. Properties**

(Exploration Stage Properties)

### **Notes to Carve-out Financial Statements**

(In Canadian dollars)

#### **1. Background and Basis of Presentation**

On September 10, 2012, Globex Mining Enterprises Inc. (the “**Company**” or “**Globex**”) and its wholly-owned subsidiary Chibougamau Independent Mines Inc. (“**CIM**”) entered into an arrangement agreement (the “**Arrangement**”) which will result in the reorganization of the capital of Globex and CIM and a transfer of assets including ten properties from Globex to CIM subject to a 3% “gross metal royalty” in favour of Globex.

Under the Arrangement, the following properties will be acquired by CIM from Globex (“**Chibougamau Properties**”):

- Bateman Bay Mine (including a portion of the Jaculet Mine),
- Berrigan Lake (Taché) Property,
- Berrigan South Property,
- Chibougamau Lake (including S-3 & Tommy Zones, down dip of Henderson 1 & 2 and Portage Mines),
- Copper Cliff Property,
- Grandroy Mine,
- Kokko Creek Mine,
- Québec Chibougamau Goldfields Mine,
- Sulphur Converting / Magnetite Bay,
- Virginia Property.

The Arrangement calls for the share capital of Globex to be reorganized into a new class of common shares which will be distributed with CIM common shares, to the existing Globex common shareholders. Based on the number of Globex Common Shares outstanding on August 31, 2012, this would result in approximately 24 million Globex New Common Shares and the equivalent number of CIM Common Shares being issued.

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.

As of the report date, the various transactions contemplated by the Arrangement have not been completed. The Arrangement has been approved by the Board of Directors of Globex and CIM and is subject to approval by two-thirds of the votes cast by holders of Globex common shares, at a special meeting of Globex shareholders scheduled for October 19, 2012. The Arrangement is also subject to court and regulatory approval.

These carve-out financial statements have been prepared for purposes of the Arrangement, and reflect the assets, liabilities, operations, and cash flows of the Chibougamau Properties derived from the accounting records of Globex. The statements consist of a statement of loss and comprehensive loss, and owner’s net investments, a statement of cash flows, and a statement of financial position as if the Chibougamau Properties had been operating independently during the periods presented.

The Statements of Loss and Comprehensive Loss for the years ended December 31, 2011 and 2010 and the six-month periods ended June 30, 2012 and 2011 include exploration and evaluation expenses, the direct general and administrative expenses incurred by Globex on the Chibougamau Properties and an allocation of Globex’s general and administrative expenses incurred in each of these periods. During the year ended December 31, 2009, no exploration expenses were incurred on the Chibougamau Properties and as a result none of Globex’s direct general and administrative expenses have been reflected in the Carve-Out Statement of Loss and Comprehensive Loss, and Owner’s Net Investment. For the same reason, unaudited results for the year ended December 31, 2009 have not been included in the Carve-Out Statement of Cash Flows.

Management cautions readers of these carve-out financial statements that the allocation of expenses in the statement of loss and comprehensive loss does not necessarily reflect the nature and level of the Chibougamau Properties’ future operating expenses.

The Company's investment in the Chibougamau Properties, which is presented as the net investment in the Chibougamau Independent Mines Inc. Properties carve-out financial statements, consists of accumulated net loss and accumulated net contributions from the Company.

## **2. Nature of Operations and Going Concern**

These carve-out financial statements have been prepared in accordance with the financial reporting framework specified in subsection 3.11 (6) of *National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards* for carve-out financial statements applicable to a going concern, which assumes that the Chibougamau Properties will be able to meet their obligations and continue their operations for the next fiscal year.

Globex is in the process of exploring the Chibougamau Properties and has not yet determined whether the mineral properties contain mineral reserves that are economically recoverable. The continuing operations of the Chibougamau Properties and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability to obtain the necessary financing to complete the exploration and development of the mineral property interests and on future profitable production or proceeds from the disposition of the mineral property interests.

Realization values may be substantially different from carrying values as shown and these carve-out financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Chibougamau Properties be unable to continue as a going concern.

As at June 30, 2012 and December 31, 2011, the Chibougamau Properties had no source of operating cash flows and had not yet achieved profitable operations, and accumulated losses since acquisition and expect to incur further losses in the development of the property, all of which casts substantial doubt about their ability to continue as a going concern. The Chibougamau Properties' ability to continue as a going concern is dependent upon the ability to generate future profitable operations and/or to obtain the necessary financing to meet obligations and repay liabilities arising from normal business operations when they come due.

## **3. Summary of significant accounting policies**

These carve-out financial statements have been prepared in accordance with the financial reporting framework specified in subsection 3.11 (6) of *National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards* for carve-out financial statements.

### **a) Carve-out Financial Statements**

The carve-out financial statements presented herein have been extracted from the books and records of the Company. Certain financial statement items were maintained by the Company on a combined basis, rather than on a property-by-property basis and accordingly, it was necessary to make allocations of amounts reported in the financial statements of the Company in order to prepare these carve-out financial statements. The allocations that were made include:

- i. Salary, administrative expenses, professional fees and share-based compensation and payments were allocated based on the ratio of mineral exploration expenditures on the Chibougamau Properties to the total mineral exploration expenditures by the Company.
- ii. As the determination of certain assets, liabilities, and expenses is dependent upon future events, the preparation of these carve-out financial statements requires the use of estimates and assumptions which have been made using careful judgment. In the opinion of management, these carve-out financial statements have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized as follows.

### **b) Use of Estimates**

The preparation of carve-out financial statements requires management to make estimates and assumptions that affect the reported amount of assets, disclosure of contingent assets at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to

impairment of assets and mineral property carrying values, useful lives for depreciation and amortization. Financial results as determined by actual events could differ from those estimates.

**c) Statement of Compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

**d) Functional and Presentation Currency**

The financial statements are presented in Canadian dollars, which is the Corporation’s functional currency and presentation currency.

**e) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

**f) Mineral Properties**

All direct costs related to the acquisition of mineral properties are capitalized, at their cost at the date of acquisition, by property.

**g) Deferred Exploration and Evaluation Expenses**

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

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

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

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

**h) Impairment of non-financial assets**

Whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, the asset is reviewed for impairment. An asset’s carrying value is written down to its estimated recoverable amount (being the higher of the fair value less cost to sell and value in use) if that is less than the asset’s carrying amount.

Impairment reviews for deferred exploration and evaluation expenses are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances applies:

- i. the right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- ii. no further exploration or evaluation expenditures in the area are planned or budgeted;
- iii. no commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;

- iv. sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Reversals of impairment losses are recognized in respect of exploration and evaluation expenditures where this is justified by a change of circumstances.

#### **i) Financial Instruments**

Financial assets are classified into the following specified categories: financial assets “at fair value through profit or loss” (FVTPL), “held-to-maturity” instruments, “available-for-sale” (AFS) financial assets and “loans and receivables.” The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

#### **j) Revenue Recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods or arising from the use by others of the Corporation’s assets yielding option income, royalties, interest and dividends. The Corporation recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the specific criteria have been met for each of the Corporation’s activities.

#### **k) Current and Deferred Taxes**

Taxes, comprising both income and resource taxes accounted for as income taxes, are recognized in the statement of income and loss, except where they relate to items recognized in other comprehensive income or directly in equity, in which case the related taxes are recognized in other comprehensive income or equity. Taxes on income are recorded using the tax rate that would be applicable to expected annual income.

The current income tax charge is based on taxable income for the period. Taxable income differs from net income as reported in the carve-out statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible.

Deferred tax is recognized, using the asset and liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At the end of each reporting period, the Corporation reassesses unrecognized deferred tax assets. The Corporation recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profits will enable the deferred tax asset to be recovered. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is adjusted to the extent that it is no longer probable that sufficient taxable income will be available to ensure that all or part of the asset will be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis. Taxes, comprising both income and resource taxes accounted for as income taxes, are recognized in the statement of income and loss, except where they relate to items recognized in other comprehensive income or directly in equity, in which case the related taxes are recognized in other comprehensive income or equity. Taxes on income are recorded using the tax rate that would be applicable to expected annual income.

The current income tax charge is based on taxable income for the period. Taxable income differs from net income as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible.

#### **l) Share-based Compensation**

The Corporation uses the fair value method to record stock options. The fair value of all share purchase options is expensed over their vesting period with a corresponding increase to contributed surplus. Upon exercise of share purchase options, the consideration paid by the option holder, together with the amount previously recognized in contributed surplus, is recorded as an increase to share capital. The Corporation uses the Black-Scholes option pricing model to calculate the fair value of share purchase options at the date of the grant. Option pricing models require the input of highly-subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate and, therefore, do not necessarily provide a reliable single measure of the fair value of the Corporation's share purchase options.

#### **m) Flow-Through Shares**

The Corporation raises funds through the issuance of "flow-through" shares which entitle investors to prescribed resource tax benefits and credits once the Corporation has renounced these benefits to the investors in accordance with applicable tax legislation.

Currently there is no specific IFRS guidance related to the accounting and reporting of these arrangements. The Corporation has adopted the CICA Viewpoint which considers the issuance of flow-through shares in substance: (a) an issue of an ordinary share; and (b) the sale of tax deductions. The sale of tax deductions has been measured based on the relative fair value method.

At the time the flow-through shares are issued, the sale of tax deductions is deferred and presented as a liability in accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets". When the Corporation fulfills its obligation: the liability is reduced; the sale of tax deductions is recognized in the income statement as a reduction of the deferred tax expense; and a deferred tax liability is recognized in accordance with IAS 12, Income Taxes, for the taxable temporary differences between the carrying value of eligible expenditures capitalized as an asset in the statement of financial position and its tax base.

#### **n) Related Party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence; related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. All transactions are in the normal course of operations and are measured at the exchange value, that is, the amount of consideration established and agreed to by the related parties which approximates the arm's length equivalent value.

### **4. Summary of significant accounting policies**

#### **New and amended standards not yet adopted:**

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

- Amendments to IAS 1, Presentation of Items of Other Comprehensive Income, introduce changes to the presentation of items of other comprehensive income that may be reclassified to income or loss in the future and are presented separately from items that would never be reclassified;
- Amendments to IAS 19, Employee Benefits, deal with the recognition of actuarial gains and losses recognized in other comprehensive income as well as the expected measurement and recording of the expected return on plan assets;
- Amendments to IAS 32, Financial Instruments: Presentation and IFRS 7 Financial Instruments: Disclosures. These amendments which were issued in December 2011, clarify the offsetting criteria in IAS 32 to address inconsistencies in their application. The amendments to IAS 32 will not change current offsetting practices significantly. The clarifying amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014, and the new disclosure requirements for annual or interim periods beginning on or after January 1, 2013. Both require retrospective application for comparative periods;

- IFRS 9, Financial Instruments, simplifies the measurement and classification for financial assets by reducing the number of measurement categories and removing complex rule-driven embedded derivative guidance in IAS 39, Financial Instruments: Recognition and Measurement. The new standard also provides for a fair value option in the designation of a non-derivative financial instrument and its related classification and measurement. IFRS 9 is effective from periods beginning January 1, 2015 with early adoption permitted;
- IFRS 10, Consolidated Financial Statements, IFRS 11, Joint Arrangements, IFRS 12, Disclosure of Interests in Other Entities and amendments to IAS 27, Separate Financial Statements, and IAS 28, Investments in Associates and Joint Ventures. The suite of five new standards establishes control as the basis for consolidation and provides enhanced disclosure requirements for a corporation's interests in other entities and the effects of those interests on a corporation's consolidated financial statements;
- IFRS 12, Disclosure of Interest in Other Entities, outlines the disclosure requirements for interests held in other entities including joint arrangements, associates, special purpose entities and other off balance sheet entities;
- IFRS 13, Fair Value Measurement, defines fair value, requires disclosures regarding fair value measurements and provides a framework for measuring fair value when it is required or permitted within the IFRS standards.

All of these standards are applicable to the Corporation with the exception of the Amendments to IAS 19 as the Corporation does not have a pension plan in place. None of these standards are expected to have a significant effect on the financial statements. All of these standards are effective January 1, 2013 with the exception of IAS 1, which has a July 1, 2012 effective date, IAS 32, which has a January 1, 2012 effective date and IFRS 9, which has a January 1, 2015 effective date. Early adoption is permitted. These standards have not been early adopted in these "carve-out" financial statements.



## 5. Mineral properties

Expenditures/Area/Property/Claims	Six months ended June 30, 2012	Year ended December 31, 2011	Year ended December 31, 2010	Period ended June 30, 2012
<b>Balance, beginning of period</b>	\$ 52,176	\$ 29,410	\$ -	\$ -
Bateman Bay Mines	-	-	-	-
Berrigan Lake (Taché)	360	1,606	10,305	12,271
Berrigan South	-	-	-	-
Chibougamau Lake (Including S-3 & Tommy Zones)	1,200	2,250	18,793	22,243
Copper Cliff Mine	-	-	-	-
Grandroy Mine	-	-	-	-
Kokko Creek Mine	-	-	-	-
Québec Chibougamau Goldfield Mine	1,272	7,854	312	9,438
Sulphur Converting/Magnetite Bay Virginia Property	-	11,056	-	11,056
	-	-	-	-
<b>Expenditures during period</b>	<b>\$ 2,832</b>	<b>22,766</b>	<b>29,410</b>	<b>55,008</b>
<b>Balance, end of period</b>	<b>\$ 55,008</b>	<b>\$ 52,176</b>	<b>\$ 29,410</b>	<b>\$ 55,008</b>

## 6. Deferred exploration expenses

Expenditures/Area/Property/Claims	Six months ended June 30, 2012	Year ended December 31, 2011	Year ended December 31, 2010	Period ended June 30, 2012
<b>Balance, beginning of period</b>	\$44,398	\$2,513	\$-	\$-
Bateman Bay Mines	13,450	652	682	14,784
Berrigan Lake (Taché)	-	32,044	-	32,044
Berrigan South	-	-	-	-
Chibougamau Lake (including S-3 & Tommy Zones)	160,932	9,841	2,513	173,286
Copper Cliff Mine	-	-	-	-
Grandroy Mine	-	977	3,178	4,155
Kokko Creek Mine	-	-	-	-
Québec Chibougamau Goldfield Mine	-	-	-	-
Sulphur Converting/Magnetite Bay Virginia Property	-	-	-	-
	-	-	-	-
<b>Expenditures during period</b>	<b>174,382</b>	<b>43,514</b>	<b>6,373</b>	<b>224,269</b>
Impairment provisions	-	(1,629)	(3,860)	(5,489)
<b>Net deferred exploration expenses</b>	<b>174,382</b>	<b>41,885</b>	<b>2,513</b>	<b>218,780</b>
<b>Balance, end of period</b>	<b>\$218,780</b>	<b>\$44,398</b>	<b>\$2,513</b>	<b>\$218,780</b>

## Deferred exploration expenses by type

	2012	2011	2010
<b>Balance, beginning of period</b>	\$ 44,398	\$ 2,513	\$ -
<b>Exploration expenditures</b>			
Consulting	-	29,800	-
Geology	64,544	1,393	-
Geophysics	75,343	-	2,425
Labour	8,352	2,633	1,255
Line cutting	17,610	-	-
Mining Property tax and permits	5,378	1,166	632
Prospecting and surveying	2,460	-	-
Reports, maps and supplies	695	8,522	2,061
<b>Expenditures during period</b>	<b>174,382</b>	<b>43,514</b>	<b>6,373</b>
<b>Impairment provision</b>	<b>-</b>	<b>(1,629)</b>	<b>(3,860)</b>
<b>Balance, end of period</b>	<b>\$ 218,780</b>	<b>\$ 44,398</b>	<b>\$ 2,513</b>

## 7. Expenses by nature

The following is a breakdown of the nature of expenses included in the administration expenses and professional fees and outside services.

	2012	Six months ended June 30, 2011
Administration		
Office expenses	\$ 20,917	\$ 482
Conventions and meeting	16,828	254
Advertising, and shareholder information	5,125	251
Other administration expenses	4,819	358
	<b>\$ 47,689</b>	<b>\$ 1,345</b>
Professional fees and outside services		
Investor relations	\$ 11,707	\$ 501
Legal fees	15,416	366
Audit and accounting fees	12,337	276
Other professional fees	7,658	225
	<b>\$ 47,118</b>	<b>\$ 1,368</b>
	Year ended December 31, 2011	2010
Administration		
Office expenses	2,361	482
Conventions and meeting	1,119	271
Advertising, and shareholder information	1,574	136
Other administration expenses	1,232	287
	<b>\$ 6,286</b>	<b>\$ 1,176</b>
Professional fees and outside services		
Investor relations	1,821	335
Legal fees	1,950	186
Audit and accounting fees	1,206	325
Other professional fees	3,997	283
	<b>\$ 8,974</b>	<b>\$ 1,129</b>

## **8. Commitments and Contingencies**

At the period end, the Corporation had no outstanding commitments other than in the normal course of business.

The Corporation's operations are subject to governmental laws and regulations regarding environmental protection. The environmental consequences are difficult to identify and evaluate. At the date of the financial statements and to the best of management's knowledge, at present, the Corporation is in conformity with the applicable laws and regulations.

Where required, Restoration costs will be accrued in the financial statements only when they can be reasonably estimated and will be charged to the earnings at that time.

## **9. Management of Capital**

The Corporation manages its owner's net investment as capital. 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 enhancing projects, properties or the development of properties to the benefit of all stakeholders. As a Canadian exploration Corporation, its principal sources of funds consist of: (a) Option income on properties; (b) Metal royalty income; (c) Investment income; (d) proceeds from the issuance of common and flow-through shares; and (e) other working capital items.

The Corporation manages the capital structure and makes adjustments to it in light of operating results in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation issues shares, enters into joint venture property arrangements or disposes of properties.

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, restricted cash and accounts receivable equal to or greater than the committed exploration expenditures,
- Retain equity investments and debt instruments with a combined fair market value which is greater than projected operating and administrative expenditures for the next twelve months.

The Corporation may 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 and its overall strategy has remained unchanged since 2010.

## **10. Corporation Risks and Risk Management**

### **a) Financing Risk**

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

### **b) Cash Flow**

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

### c) Exploration and Development Risks

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

### d) Title Matters

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

### e) Government Legislation and Taxation

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

The Québec government has proposed changes to Québec's Mining Law which will include a number of significant changes that will negatively affect Globex such as the following:

- Access (surface rights owners and municipalities will now have absolute control over access to mineral rights and can prevent access and any and all work with no compensation to mineral right holders);
- Ownership of Surface Minerals Substances (*surface mineral substances found in land granted by the State for purposes other than mining will belong to the owner of the soil*);
- Credit for Exploration Work on Claims (*it will continue to be possible to make a payment in lieu of carrying on mining exploration on claims. However, the payment will be double the cost of the work requirement*);
- Areas within Urbanization Perimeter and Areas Dedicated to Recreation were designated as special areas where exploration and mining operations require the consent of the municipality, and/ or surface rights owner as well as provincial government agencies involved in regulating such activities;
- Mine Rehabilitation (*Mining leases will be granted by the Minister only if a rehabilitation and restoration plan is approved. The proposed amendments include deposits to cover 100% of the anticipated costs to cover rehabilitation and site restoration*);
- Bulk Sampling (*Sampling of more than 50 metric tonnes by a claim holder will continue to be possible with the authorization of the Minister, for the purposes of determining the characteristics of the ore*); and

- Plan of Work (*notice of staking or the map designation of a claim will have to be accompanied by a plan of work to be performed in the coming year*).

Globex has completed a preliminary analysis of the proposed changes and Management believes that a number of measures being proposed by the Québec Government could slow the exploration and development process and result in additional costs.

On July 24, 2012, the Québec government created a new municipality covering the area formerly called the Municipality of James Bay. The new municipality, Eeyou Istchee, will have vast powers including those of a municipality, a regional government and input into resource development. Globex's Chibougamau assets fall into this area. It is not clear at this time the extent of the decisional powers given to the new entity nor its effect on potential exploration or resource development by CIM.

## 11. Related party information

The related parties include Globex, and its subsidiaries, key management and their family members, and the Corporation's directors.

### Management Compensation

Outlined below is a summary of 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 which have been allocated to the Chibougamau Properties in these carve-out financial statements.

	2012	Six months ended June 30, 2011
Salary cost		
Salaries and other benefits	\$ 38,674	\$ 939
Other administration expenses	-	893
	<u>\$ 38,674</u>	<u>\$ 1,832</u>

	2011	Year ended December 31, 2010
Salary cost		
Salaries and other benefits	\$ 4,969	\$ 1,076
Other administration expenses	2,644	15
	<u>\$ 7,613</u>	<u>\$ 1,091</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### CHIBOUGAMAU PROPERTIES CARVE-OUT FINANCIAL STATEMENTS

The following discussion and analysis of the financial condition and results of operations of the Chibougamau Independent Mines Inc. Properties should be read together with the “carve-out” financial statements and related notes included elsewhere in this Circular. See “Risk Factors” for a discussion of the risks inherent in the business of CIM.

#### FORWARD-LOOKING STATEMENTS

See “Management Discussion and Analysis - Chibougamau Independent Mines Inc. - Forward-looking Statements” above.

#### OVERVIEW

See “Management Discussion and Analysis - Chibougamau Independent Mines Inc. - Overview” above.

#### BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

On September 10, 2012, Globex and CIM entered into the Arrangement Agreement which will result in the transfer of ten properties from Globex to its wholly-owned subsidiary CIM. The Chibougamau Independent Mines Inc. Properties carve-out financial statements (the “**Carve-Out Financial Statements**”) present the historical financial position, results of operations, changes in net investment and cash flows on a carve-out basis in connection with the proposed transfer by Globex to CIM of its interest in the mining properties comprising the Chibougamau Mining Camp (collectively, the “**Chibougamau Properties**”).

The Carve-Out Financial Statements have been derived from the accounting records of Globex on a carve-out basis and should be read in conjunction with Globex’s audited financial statements and the notes thereto for the year ended December 31, 2011. These statements include assets, liabilities, revenues, and expenses directly attributable to the Chibougamau Properties as well as a portion of common expenses shared with Globex.

The Carve-Out Financial Statements have been prepared in accordance with the financial reporting framework set out in subsection 3.11(6) of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* for carve-out financial statements applicable to a going concern, which assumes that the Chibougamau Properties will be able to meet their obligations and continue their operations for the next fiscal year.

Globex is in the process of exploring the Chibougamau Properties and has not yet determined whether the mineral properties contain mineral reserves that are economically recoverable. The continuing operations of the Chibougamau Properties and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically-recoverable mineral reserves, the ability to obtain the necessary financing to complete the exploration and development of the mineral property interests and on future profitable production or proceeds from the disposition of the mineral property interests.

Realization values may be substantially different from carrying values as shown and the Carve-Out Financial Statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Chibougamau Properties be unable to continue as a going concern.

As at December 31, 2011 and December 31, 2010, the Chibougamau Properties had no source of operating cash flows and had not yet achieved profitable operations, and accumulated losses since acquisition. CIM expects to incur further losses in the development of the Chibougamau Properties, all of which casts substantial doubt about their ability to continue as a going concern. The ability of the Chibougamau Properties to continue as a going concern is dependent upon the ability to generate future profitable operations and/or to obtain the necessary financing to meet obligations and repay liabilities arising from normal business operations when they come due.

#### EXPLORATION ACTIVITIES AND MINING PROPERTIES

See “Management Discussion and Analysis - Chibougamau Independent Mines Inc. - Exploration activities and mining properties” above.

## QUALIFIED PERSON

All scientific and technical information contained in this management discussion and analysis was prepared by Globex's geological staff under the supervision of Jack Stoch, President and Chief Executive Officer of Globex, who is a Qualified Person under NI 43-101.

## SUMMARY OF QUARTERLY RESULTS

The following table sets out selected results by quarter for the last eight quarters.

	2012			2011			2010		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total expenses	85,030	91,848	11,821	11,649	3,183	2,248	8,649	-	
Income (loss)	(85,030)	(91,848)	(11,821)	(11,649)	(3,183)	(2,248)	(8,649)	-	

The loss in the second quarter ended June 30, 2012 was \$85,030 compared to a loss of \$91,848 in the first quarter ended March 31, 2012. The loss in the second quarter was comparable to the loss in the first quarter of 2012 as the exploration-activity levels related to the Chibougamau Properties and therefore the allocation of salary, administration, professional fees and outside services were similar.

During the first quarter ended March 31, 2012, the net loss was \$91,848 which is higher than the net loss of \$11,821 in the quarter ended December 31, 2011. The loss in the first quarter of 2012 is higher as more administrative expenses were allocated to the Chibougamau Properties reflecting increased exploration activities over the previous quarter.

The loss was \$11,821 in the quarter ended December 31, 2011 which is marginally higher than the loss of \$11,649 in the quarter ended September 30, 2011.

The loss in the quarter ended September 30, 2011 was \$11,649 and is higher than the loss of \$3,183 in the quarter ended June 30, 2011. The higher costs in the third quarter of 2011 as compared to second quarter are mainly a result of an increase in exploration activities resulting in more salaries and professional fees being allocated to the Chibougamau Properties.

The loss in the quarter ended June 30, 2011 was \$3,183 and is higher than the loss of \$2,248 in the quarter ended March 31, 2011.

The loss in the quarter ended March 31, 2011 was \$2,248 compared to a loss of \$8,649 in the quarter ended December 31, 2010. The change in the results is mainly related to a reduction in the write-down of mineral properties and deferred exploration expenses of nil in the quarter ended March 31, 2011 compared to \$3,860 in the fourth quarter of 2010.

The loss in the fourth quarter ended December 31, 2010 of \$8,649 was higher than no income or loss in the third quarter ended September 30, 2010, as there was no activity in the third quarter.

No income or loss was reported in the third quarter ended September 30, 2010 as there was no exploration activity related to the Chibougamau Properties.

### **Six-Month Period Ended June 30, 2012 Compared to Six-Month Period Ended June 30, 2011**

During the six-month period ended June 30, 2012, a loss of \$176,878 was reported compared to a loss of \$5,431 in the six-month period ended June 30, 2011. The expenses reflect an allocation of common costs and are allocated on the basis of exploration expenses on the Chibougamau Properties as a proportion of the total exploration expenses. In the six months ended June 30, 2012, deferred exploration expenses were \$174,382 on the Chibougamau Properties compared to \$4,678 in the comparable period in the previous year.

## BALANCE SHEET REVIEW

### Total assets

At June 30, 2012, the total assets were \$273,788, representing an increase of \$177,214 compared to the total assets of \$96,574 at December 31, 2011. The change represents an increase in mineral properties acquisitions of \$2,832 and deferred exploration expenses of \$174,382 on the Chibougamau Properties.

### Owner's net investment

The Owner's net investment in the Chibougamau Properties at June 30, 2012 was \$273,788 compared to \$96,574 at December 31, 2011, reflecting the net contributions of \$354,092 during the six-month period ended June 30, 2012 (compared to \$12,659 during the six months ended June 30, 2011) which have been offset by the Loss and Comprehensive loss for the six-month period ended June 30, 2012 of \$176,878 (compared to \$5,431 during the six months ended June 30, 2011).

### Liquidity, working capital and cash flow

At June 30, 2012, there were no current assets or current liabilities. At the present time, CIM is inactive and therefore has no ongoing cash flow.

During the six-month period ended June 30, 2012, operating activities used \$164,338, compared to \$4,385 during the six-month period ended June 30, 2011, while financing activities totalled \$341,552, compared to \$11,613 for the six months ended June 30, 2011, which represents Globex's contribution.

During the six months ended June 30, 2012, net investing activities totalled \$177,214, compared to \$7,228 during the six months ended June 30, 2011. Within investing activities, Globex acquired mineral properties valued at \$2,832, compared to \$2,550 during the six months ended June 30, 2011, and incurred deferred exploration expenses of \$174,382, compared to \$4,678 for the six months ended June 30, 2011.

### Selected Annual Information

#### Fiscal Year Ended December 31, 2011 Compared to Fiscal Years Ended December 31, 2010 and 2009

	2011	2010	2009
Total revenues	\$ -	\$ -	\$ -
Total expenses	28,901	8,649	-
Income (loss)	(28,901)	(8,649)	-

The loss for the year ended December 31, 2011 was \$28,901, compared to a loss of \$8,649 for the year ended December 31, 2010. In both years, the loss is attributable to administration, professional fees and outside services incurred during the period. The allocation percentage was approximately 1.0% in both years and the difference is a result of an increase in Globex's salary, administration, professional fees and outside services of \$604,443.

During the year ended December 31, 2009, no income or loss was reported as no exploration expenses were incurred on the Chibougamau Properties and as a result none of Globex's direct general and administrative expenses were allocated in the results for the year.

The loss in the fourth quarter ended December 31, 2011 was \$11,821 which is marginally higher than the loss of \$11,649 in the quarter ended September 30, 2011.

The loss in the quarter ended September 30, 2011 was \$11,649 and is higher than the loss of \$3,183 in the quarter ended June 30, 2011. The higher costs in the third quarter of 2011 as compared to second quarter are mainly a result of an increase in salaries and professional fees.



The loss in the quarter ended June 30, 2011 was \$3,183 and is higher than the loss of \$2,248 in the quarter ended March 31, 2011.

The loss in the quarter ended March 31, 2011 was \$2,248 compared to a loss of \$8,649 in the quarter ended December 31, 2010. The change is mainly a result of a reduction in the write-down of mineral properties and deferred exploration expenses of nil in the quarter ended March 31, 2011 compared to \$3,860 in the fourth quarter of 2010.

The loss in the fourth quarter ended December 31, 2010 of \$8,649 was higher than no income or loss in the third quarter ended September 30, 2010 as there was no activity in the third quarter.

No income or loss was reported in the third quarter ended September 30, 2010 as there was no exploration activity related to the Chibougamau Properties.

### **Balance sheet review**

#### **Total assets**

At December 31, 2011, total assets were \$96,574, compared to \$31,923 at December 31, 2010. Assets as at December 31, 2011 represent mineral properties of \$52,176, compared to \$29,410 as at December 31, 2010, and deferred exploration expenses of \$44,398, compared to \$2,513 at December 31, 2010. There is no cash and cash equivalents.

At December 31, 2009, no assets or liabilities were reported as exploration expenditures were incurred during the year. All prior year exploration expenditures on these properties had been written-off.

#### **Owner's net investment**

The Owner's net investment in the Chibougamau Properties of \$96,574 at December 31, 2011, compared to \$31,923 at December 31, 2010, reflects the net contributions of \$93,552 during the year, compared to \$40,572 during the year ended December 31, 2010, which have been offset by the Loss and Comprehensive loss for the year of \$28,901, compared to \$40,572 for the year ended December 31, 2010.

#### **Liquidity, capital resources and cash flow**

At December 31, 2011, the Chibougamau Properties had no working capital as they had no current assets or current liabilities. All of the funding requirements were met through Owner's Contributions. The Chibougamau Properties are currently inactive and therefore have no ongoing cash flow.

During the year ended December 31, 2011, operating activities, including loss and comprehensive loss, used \$23,406, compared to \$3,882 during the year ended December 31, 2010, while financing activities generated \$89,686, compared to \$39,665 during the year ended December 31, 2010.

The net investing activities in 2011 totalled \$66,280, compared to \$35,784 in 2010. Within the investing activities, \$22,766, compared to \$29,410 in 2010, was spent on acquiring properties, and deferred exploration expenses of \$43,514 were incurred, compared to \$6,373 during 2010.

### **CRITICAL 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, income 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. Revisions 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 that have the most significant effect on the amounts recognized in the financial statements are:

**(a) Impairment of deferred exploration expenses**

At the end of each reporting period, Globex considers whether there has been an impairment of its deferred exploration and development expenses. If Globex determines that there has been impairment then it must estimate the recoverable amount and selling costs resulting in a net recoverable amount. As a result of the limited information available, a significant management judgment is required in estimating a net recoverable amount.

**(b) Estimate of share-based compensation and payment costs**

The estimate of share-based compensation and payment costs requires the selection of an appropriate valuation model and consideration as the inputs necessary for the model chosen. Globex has made estimates of the volatility of its own shares, the probable life of options granted, interest rates, and the time of exercise of those options. Globex uses the Black-Scholes valuation model to calculate the fair value of the share-based compensation and payment costs.

**CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION**

See Note 3 to the audited “carve-out” financial statements of the Chibougamau Properties for the fiscal year ended December 31, 2011 and unaudited “carve-out” financial statements of the Chibougamau Properties for the fiscal year ended December 31, 2010 and for the six months ended June 30, 2012 and 2011.

**OUTLOOK**

See “Management Discussion and Analysis - Chibougamau Independent Mines Inc. - Outlook” above.

**SCHEDULE F**  
**CIM STOCK OPTION PLAN**

**SECTION 1 - PURPOSE OF THE PLAN**

- 1.1 The purpose of this 2012 Stock Option Plan (the “**Plan**”) is to provide directors, officers and employees of, and consultants (as defined below) to, Chibougamau Independent Mines Inc. and, if applicable, its subsidiaries (collectively, the “**Corporation**”) with a proprietary interest through the granting of options to purchase common shares (the “**Shares**”) of the Corporation, subject to certain conditions as hereinafter set forth, for the following purposes:
- (i) to increase the interest in the Corporation’s welfare of those directors, officers, employees and consultants who share primary responsibility for the management, growth and protection of the business of the Corporation;
  - (ii) to furnish an incentive to such directors, officers, employees and consultants to continue their services for the Corporation; and
  - (iii) to provide a means through which the Corporation may attract able persons to enter its employment.
- 1.2 For the purposes of the Plan, the terms “**consultant**”, “**consultant company**”, “**management company employee**” and “**investor relations activities**” shall have the respective meanings ascribed thereto in the policies of the TSX Venture Exchange.

**SECTION 2 - ADMINISTRATION OF THE PLAN**

- 2.1 The Plan shall be administered by the Board of Directors of the Corporation.
- 2.2 The Board of Directors of the Corporation may, from time-to-time, adopt, amend and rescind rules and regulations for carrying out the provisions and purposes of the Plan, subject to regulatory approval. The interpretation, construction and application of the Plan and any provisions thereof made by the Board of Directors of the Corporation shall be final and conclusive. No director shall be liable for any action taken or for any determination made in good faith in the administration, interpretation, construction or application of the Plan.

**SECTION 3 - GRANTING OF OPTIONS**

- 3.1 The Board of Directors of the Corporation may from time-to-time by resolution grant options to purchase Shares to directors, officers and/or employees of, and consultants to, the Corporation, provided that the total number of number of Shares in respect of which options are outstanding at any time under this Plan shall not exceed the number provided for in section 4 hereof.
- 3.2 Options may be granted by the Corporation only pursuant to resolutions of the Board of Directors.
- 3.3 Any option granted under this Plan shall be subject to the requirement that, if at any time counsel to the Corporation shall determine that the listing, registration or qualification of the Shares subject to such option upon any stock exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities commission, stock exchange or any governmental or regulatory authority or body, is necessary as a condition of, or in connection with, the grant or exercise of such option or the issuance or purchase of Shares hereunder, such option may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board of Directors.
- 3.4 In the event that options are granted to employees, consultants or management company employees, the Corporation shall represent that the optionee is a *bona fide* employee, consultant or management company employee, as the case may be, of the Corporation.

#### SECTION 4 - SHARES SUBJECT TO THE PLAN

- 4.1 The maximum number of Shares which may be issued under this Plan shall be four million (4,000,000).
- 4.2 The aggregate number of Shares reserved for issuance to any one optionee, whether under this Plan or any other stock option plan, or as incentive stock options, shall not exceed, in any twelve (12) month period, five percent (5%) of the number of issued and outstanding Shares at the date the option is granted.
- 4.3 The aggregate number of Shares reserved for issuance to any one consultant, whether under this Plan or any other stock option plan, or as incentive stock options, shall not exceed, in any twelve (12) month period, two percent (2%) of the number of issued and outstanding Shares at the time the option is granted to said consultant under this Plan.
- 4.4 The aggregate number of Shares reserved for issuance to persons conducting investor-relations activities, whether under this Plan or any other stock option plan, or as incentive stock options, shall not exceed, in any twelve (12) month period, two percent (2%) of the number of issued and outstanding Shares at the time of any grant of an option under this Plan to a person conducting investor-relations activities.
- 4.5 Shares in respect of which options are not exercised due to the expiration, termination or lapse of such options, shall be available for options to be granted thereafter pursuant to the provisions of the Plan.

#### SECTION 5 - OPTION PRICE

- 5.1 The option price per Share which is the subject of any option shall be fixed by the Board of Directors of the Corporation at the time of granting the option. The option price for the Shares shall not be less than the Market Price of the Shares, as defined in section 5.2 hereof, less the maximum discount permitted under the policies of the TSX Venture Exchange.
- 5.2 The term “**Market Price**” shall mean the closing price of the Shares on the TSX Venture Exchange on the business day immediately preceding the day on which the option is granted. In the event that the Shares did not trade on the TSX Venture Exchange on the said day, “Market Price” shall mean the weighted average trading price of the Shares on the TSX Venture Exchange for the last five (5) days on which the Shares traded on the TSX Venture Exchange immediately prior to the day on which the option is granted. In the event that the Shares are not listed or posted for trading on the TSX Venture Exchange, the “Market Price” shall be the fair market value of the Shares as determined by the Board of Directors in its discretion.
- 5.3 In the event that the Corporation proposes to reduce the exercise price of an option held by an insider of the Corporation (as such term is defined under TSX Venture Exchange policies), such reduction shall be subject to the approval of the disinterested shareholders of the Corporation.

#### SECTION 6 - CONDITIONS GOVERNING OPTIONS

- 6.1 Each option shall be subject to the following conditions:
  - (i) Employment

The granting of an option to an officer or employee shall not impose upon the Corporation any obligation to retain the optionee in its employ.
  - (ii) Option Term

The maximum period during which an option is exercisable shall be ten (10) years from the date on which the option is granted, after which the option shall lapse. At the time of granting an option, the Board of Directors, at its discretion, may set a shorter period of time during which an option is exercisable.

(iii) Period for Exercise of Options

At the time of granting an option, the Board of Directors, at its discretion, may set a “vesting schedule”, that is, one or more dates from which an option may be exercised in whole or in part. If the Board of Directors does not set such a schedule at the time of granting an option, the option may be exercised in whole or in part immediately in respect of all of the Shares under option. However, an option granted to a consultant performing investor relations activities must vest in stages over twelve (12) months with no more than one quarter (1/4) of the options vesting in any three-month period.

(iv) Non-assignability of Option Rights

Each option granted hereunder is personal to the optionee and shall not be assignable or transferable by the optionee, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased optionee. No option granted hereunder shall be pledged, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.

(v) Other Terms

The Board may at the time of granting options hereunder provide for additional terms and conditions which are not inconsistent with section 6 hereof.

(vi) Effect of Termination of Employment or Office or Death

- (a) If an optionee becomes, in the determination of the Board of Directors, permanently disabled while employed by the Corporation or while a director or management company employee thereof or a consultant thereto, any option or unexercised part thereof granted to such optionee may be exercised by the optionee only for that number of Shares which he was entitled to acquire under the option at the time of the occurrence of his permanent disability. Such option shall be exercisable within ninety (90) days after the occurrence of the optionee’s permanent disability or prior to the expiration of the term of the option, whichever occurs earlier, subject to the condition that if the optionee was engaged in investor relations activities for the Corporation, such option shall be exercisable within thirty (30) days after the occurrence of such permanent disability or prior to the expiration of the term of the option, whichever occurs earlier.
- (b) If an optionee dies while employed by the Corporation or while a director or management company employee thereof or a consultant thereto, any option or unexercised part thereof granted to such optionee may be exercised by the person to whom the option is transferred by will or the laws of succession only for that number of Shares which he was entitled to acquire under the option at the time of his death. Such option shall be exercisable within one (1) year after the optionee’s death or prior to the expiration of the term of the option, whichever occurs earlier.
- (c) Upon an optionee’s employment, office or directorship or consulting services with the Corporation terminating or ending for cause, no option or unexercised part thereof granted to such optionee may be exercised by him.
- (d) Upon an optionee’s employment, office or directorship or consulting services with the Corporation terminating or ending otherwise than by reason of death, permanent disability or termination for cause, any option or unexercised part thereof granted to such optionee may be exercised by him only for that number of Shares which he was entitled to acquire under the option at such time, including pursuant to section 6.1(c) above, to the extent applicable. Any such “vested” option shall be exercisable within ninety (90) days after such date or prior to the expiration of the term of the option, whichever occurs earlier.

(vii) Rights as a Shareholder

The optionee (or his personal representatives or legatees) shall have no rights whatsoever as a shareholder in respect of any Shares covered by his option until the date of issuance of a share certificate to him (or his

personal representatives or legatees) for such Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued.

(viii) Method of Exercise

Subject to the provisions of this Plan, an option granted under this Plan shall be exercisable by the optionee (or his personal representatives or legatees) giving notice in writing to the Secretary of the Corporation at its head office, which notice shall specify the number of Shares in respect of which the option is being exercised and shall be accompanied by payment in full of the purchase price, by cheque, for the number of Shares specified. Upon such exercise of the option, the Corporation shall forthwith cause the Transfer Agent and Registrar of the Shares of the Corporation to deliver to the optionee (or his personal representatives or legatees) a certificate in the name of the optionee representing in the aggregate such number of Shares as the optionee (or his personal representatives or legatees) shall have then paid for and as are specified in such written notice of exercise of option.

- 6.2 Options may be evidenced by a share option agreement, instrument or certificate in such form not inconsistent with this Plan as the Board of Directors may from time to time determine, provided that the substance of section 6.1 be included therein. All options granted under this Plan and Shares issued upon the exercise thereof shall bear, to the extent applicable, a legend with respect to the four-month hold period required by the TSX Venture Exchange, calculated from the date of the grant of the option. The foregoing legend shall be in addition to any which might be required under provincial securities legislation.
- 6.3 Any option granted hereunder shall not form part of an optionee's compensation from the Corporation for purposes of determining any severance payment, indemnity in lieu of reasonable notice, or other payment to the optionee in the event of termination of the optionee's employment or office by the Corporation.
- 6.4 If the Corporation is required under the *Income Tax Act* (Canada) or any other applicable law to remit to any governmental authority an amount on account of tax on the value of any taxable benefit associated with the exercise of an option by an optionee, then the optionee shall, concurrently with the exercise of the option:
- (a) pay to the Corporation, in addition to the exercise price for the options, sufficient cash as is determined by the Corporation to be the amount necessary to fund the required tax remittance;
  - (b) authorize the Corporation, on behalf of the optionee, to sell in the market, on such terms and at such time or times as the Corporation determines, such portion of the Shares being issued upon exercise of the option as is required to realize cash proceeds in an amount necessary to fund the required tax remittance; or
  - (c) make other arrangements acceptable to the Corporation to fund the required tax remittance.

SECTION 7 - ADJUSTMENT TO SHARES SUBJECT TO THE OPTION

- 7.1 In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an option to any optionee and prior to the expiration of the term of such option, the Corporation shall deliver to such optionee at the time of any subsequent exercise of his option in accordance with the terms hereof in lieu of the number of Shares to which he was theretofore entitled upon such exercise, but for the same aggregate consideration payable therefor, such number of Shares as such optionee would have held as a result of such subdivision if on the record date thereof the optionee had been the registered holder of the number of Shares to which he was theretofore entitled upon such exercise.
- 7.2 In the event of any consolidation of the Shares into a lesser number of Shares at any time after the grant of an option to any optionee and prior to the expiration of the term of such option, the Corporation shall deliver to such optionee at the time of any subsequent exercise of his option in accordance with the terms hereof in lieu of the number of Shares to which he was theretofore entitled upon such exercise, but for the same aggregate consideration payable therefor, such number of Shares as such optionee would have held as a result of such consolidation if on the record date thereof the optionee had been the registered holder of the number of Shares to which he was theretofore entitled upon such exercise.

- 7.3 If at any time after the grant of an option to any optionee and prior to the expiration of the term of such option, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in sections 7.1 and 7.2 or, subject to the provisions of section 8.2(i) hereof, the Corporation shall consolidate, merge or amalgamate with or into another company (the corporation resulting or continuing from such consolidation, merger or amalgamation being herein called the “**Successor Corporation**”), the optionee shall be entitled to receive upon the subsequent exercise of his option in accordance with the terms hereof and shall accept in lieu of the number of Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of shares of the appropriate class and/or other securities of the Corporation or the Successor Corporation (as the case may be) and/or other consideration from the Corporation or the Successor Corporation (as the case may be) that the optionee would have been entitled to receive as a result of such reclassification, reorganization or other change of shares or, subject to the provisions of section 8.2(i) hereof, as a result of such consolidation, merger or amalgamation, if on the record date of such reclassification, reorganization or other change of shares or the effective date of such consolidation, merger or amalgamation, as the case may be, he had been the registered holder of the number of Shares to which he was immediately theretofore entitled upon such exercise.

#### SECTION 8 - AMENDMENT OR DISCONTINUANCE OF THE PLAN

- 8.1 Subject to obtaining the necessary regulatory approvals, the Board of Directors may amend or discontinue this Plan at any time, provided, however, that no such amendment may adversely affect any option rights previously granted to an optionee under this Plan without the consent of the optionee, except to the extent required by law.
- 8.2 Notwithstanding anything contained to the contrary in this Plan or in any resolution of the Board of Directors in the implementation thereof:
- (i) in the event the Corporation proposes to amalgamate, merge or consolidate with or into any other company (other than with a wholly-owned subsidiary of the Corporation) or to liquidate, dissolve or wind-up, or in the event an offer to purchase the Shares of the Corporation or any part thereof shall be made to all holders of Shares of the Corporation, the Corporation shall have the right, upon written notice thereof to each optionee holding options under this Plan, to permit the exercise of all such options within the 20-day period next following the date of such notice and to determine that upon the expiry of such 20-day period, all rights of optionees to such options or to exercise same (to the extent not theretofore exercised) shall terminate and cease to have further force or effect whatsoever;
  - (ii) the Board of Directors may by resolution, but subject to applicable regulatory requirements and the rules of any stock exchange on which the Shares are then listed, advance the date on which any option may be exercised in a manner to be set forth in such resolution. The Board of Directors shall not, in the event of any such advancement, be under any obligation to advance the date on or by which any option may be exercised by any other optionee; and
  - (iii) the Board of Directors may by resolution, but subject to applicable regulatory requirements and the rules of any stock exchange on which the Shares are then listed, decide that any of the provisions hereof concerning the termination of an option shall not apply for any reason acceptable to the Board of Directors.

#### SECTION 9 - EFFECTIVE DATE OF PLAN

- 9.1 This Plan was adopted by the Board of Directors of Chibougamau Independent Mines Inc. on the 7<sup>th</sup> day of September, 2012.

**SCHEDULE G**  
**INFORMATION CONCERNING GLOBEX MINING ENTERPRISES INC. FOLLOWING COMPLETION OF**  
**THE ARRANGEMENT**

**COMPANY PROFILE AND CORPORATE STRUCTURE**

Reference is made to the section of the AIF entitled “Corporate Structure” on page 6 thereof, with the exception that, following the closing of the Arrangement, CIM will no longer be a wholly-owned subsidiary of Globex. In addition, on June 28, 2012, Globex amended its articles so as to allow: (i) shareholder meetings to be held outside Québec; and (ii) the Board of Directors to appoint additional directors, in accordance with the QBCA. The Articles of Amendment dated June 28, 2012 are available under Globex’s company profile on SEDAR at [www.sedar.com](http://www.sedar.com).

**GENERAL DEVELOPMENT OF THE BUSINESS**

Reference is made to the section of the AIF entitled “General Development of the Business” on pages 6 to 22 thereof.

**BUSINESS OF GLOBEX**

Reference is made to the section of the AIF entitled “Description of the Business of Globex – Exploration Properties in Canada and the U.S.” on pages 23 to 67 thereof, with the exception of the section entitled “Description of the Business – Chibougamau Mining Camp” on pages 34 – 37 thereof.

**DIVIDENDS**

Reference is made to the section of the AIF entitled “Dividends” on page 74 thereof.

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

Reference is made to Management Discussion and Analysis for the fiscal year ended December 31, 2011 and to Management Discussion and Analysis for the six months ended June 30, 2012.

**DESCRIPTION OF SHARE CAPITAL**

Upon completion of the Arrangement, Globex will be authorized to issue an unlimited number of Globex New Common Shares and an unlimited number of Globex Preference Shares, issuable in series. The rights, privileges, restrictions and conditions of the Globex New Common Shares and Globex Preference Shares are as set out below.

**Globex New Common Shares**

Each Globex New Common Share will entitle the holder thereof to one vote at all meetings of shareholders other than meetings at which only holders of another class or series of shares are entitled to vote. Each Globex New Common Share will entitle the holder thereof, subject to the prior rights of the holders of the Globex Preference Shares, to receive any dividends declared by the directors of Globex and the remaining property and assets of Globex upon liquidation, dissolution or winding-up.

**Globex Preference Shares**

The Globex Preference Shares will be issuable in one or more series. Subject to the articles of Globex, the directors of Globex will be authorized to fix, before issuance, the number of Globex Preference Shares in such series and determine the designation, rights, privileges, restrictions and conditions attached to the Globex Preference Shares of each series. Except with respect to matters as to which the holders of Globex Preference Shares are entitled by law to vote as a class, the holders of Globex Preference Shares will not be entitled to vote at meetings of shareholders. The Globex Preference Shares will rank prior to the Globex New Common Shares with respect to the payment of dividends and the distribution of the property and assets of Globex on liquidation, dissolution or winding-up.



## Shareholder Rights Plan

On May 2, 2011, Shareholders approved a Shareholder Rights Plan (the “**2011 Rights Plan**”). The 2011 Rights Plan replaced the 2008 Shareholder Rights Plan, which expired on March 19, 2011. The 2011 Rights Plan will be in effect until May 2014.

The 2011 Rights Plan is designed to provide Shareholders and the Board of Directors with adequate time to consider and evaluate any unsolicited take-over bid made for Globex Common Shares; provide the Board of Directors with adequate time to identify, develop and negotiate value-enhancing alternatives; encourage the fair and equal treatment of Shareholders in connection with any take-over bid for Globex Common Shares; and generally to prevent any person from acquiring ownership of or the right to vote more than 20% of Globex Common Shares while the process undertaken by the Board of Directors is ongoing.

Pursuant to the 2011 Rights Plan, rights were issued and attached to all outstanding Globex Common Shares. A separate rights certificate will not be issued until the rights become exercisable. If a person acquires common shares in breach of the 2011 Rights Plan, each right held by a Shareholder, other than the acquiring person and its affiliates, associates and joint actors, will upon exercise and payment of the exercise price, entitle the holder of the right to purchase Globex Common Shares from Globex with a total market value equal to twice the exercise price of the rights.

The 2011 Rights Plan provides for permitted bids, which must be made by way of take-over bid circular, and in addition to certain other specified conditions, must be made for all of the outstanding Globex Common Shares, other than Globex Common Shares held by the acquiring person and its affiliates, associates and joint actors, and must remain open for acceptance by Shareholders for at least 60 days from the date that the bid is made.

### PRIOR SALES

See “The Arrangement – Price Range and Trading Volume of Globex Common Shares” on page 22 of this Circular.

### ESCROWED SHARES

Reference is made to the section of the AIF entitled “Escrowed Shares” on page 75 thereof.

### PRINCIPAL SHAREHOLDER

Assuming the completion of the Arrangement as at August 31, 2012, to the knowledge of the directors and officers of Globex, the only person or corporation that would beneficially own, directly or indirectly, or exercise control or direction over, voting securities of Globex carrying more than 10% of the voting rights attaching to any class of voting securities of Globex upon the completion of the Arrangement would be as follows:

<u>Name</u>	<u>Number of Globex Common Shares</u>	<u>Percentage of Globex Common Shares</u>
Jack Stoch <sup>(1)</sup> .....	2,848,127	11.82%

(1) Jack Stoch is President, Chief Executive Officer and a director of Globex. Most of these Globex Common Shares are held through Jack Stoch Geoconsultant Services Limited, which is wholly-owned by Mr. Stoch. The information set above is taken from SEDI, and is not within the direct knowledge of the executive officers and directors of Globex, other than Jack Stoch.

### DIRECTORS AND EXECUTIVE OFFICERS

Reference is made to the section of the AIF entitled “Directors and Officers” on pages 76 – 77 thereof.

### Corporate Cease Trade Orders or Bankruptcies

Reference is made to the section of the Annual Meeting Circular entitled “Business of the Meeting – Election of Directors” on pages 7 and 8 thereof.

## **EXECUTIVE COMPENSATION**

Reference is made to the section of the Annual Meeting Circular entitled “Compensation of Executive Officers and Directors” on pages 14 – 22 thereof.

### **Stock Option Plans**

Reference is made to the sections of the Annual Meeting Circular entitled “Amendment to 2006 Stock Option Plan” on pages 8 – 9 thereof, “1995 Stock Option Plan” on pages 23 – 25 thereof, “2003 Stock Option Plan” on pages 25 – 26 thereof, and “2006 Stock Option Plan” on pages 26 – 28 thereof.

### **Restricted Share Unit Plan**

Reference is made to the section of the Annual Meeting Circular entitled “Approval of Restricted Share Unit Plan” on pages 9 – 12 thereof.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Reference is made to the section of the Annual Meeting Circular entitled “Indebtedness of Directors and Officers” on page 23 thereof. There has been no change in the information set out therein to the date of this Circular.

## **AUDIT COMMITTEE AND CORPORATE GOVERNANCE**

Reference is made to the section of the AIF entitled “Audit Committee Information” on pages 77 – 79 thereof.

Reference is made to the section of the Annual Meeting Circular entitled “Corporate Governance” on pages 29 – 36 thereof.

## **RISK FACTORS**

See “Risk Factors” on pages 39 to 43 of this Circular.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

At present, Globex is not party to, and none of its properties is the subject of, and since January 1, 2011, Globex was not party to, and none of its properties was the subject of, any legal proceedings.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Reference is made to the section of the AIF entitled “Interest of Informed Persons in Material Transactions” on page 79 thereof. There has been no change in the information set out therein to the date of this Circular.

## **AUDITOR**

Reference is made to the section of the Annual Meeting Circular entitled “Appointment of Auditors” on page 8 thereof.

## **REGISTRAR AND TRANSFER AGENT**

Reference is made to the section of the AIF entitled “Transfer Agent and Registrar” on page 79 thereof.

## **MATERIAL CONTRACTS**

Other than the Arrangement Agreement, Globex does not have any material contracts as of the date hereof. Moreover, Globex does not have any properties “material to the issuer”, as defined by NI 43-101, in that Globex currently holds more than 120 early to mid-stage exploration and development properties, all of which have either resource, mineralized drill intersections, mineral showings or untested geophysical targets or a combination thereof.

**SCHEDULE H  
INFORMATION CONCERNING CHIBOUGAMAU INDEPENDENT MINES INC. FOLLOWING COMPLETION  
OF THE ARRANGEMENT**

Unless the context otherwise requires, capitalized terms used in this Schedule H that are not defined herein have the meanings ascribed to such terms in the Circular to which this Schedule H is annexed. All references to dollar amounts in this Schedule H are to Canadian dollars unless expressly stated otherwise.

**INTRODUCTION**

The following is a description of CIM following the completion of the Arrangement, including a description of ten mineral resource properties which are currently held by Globex and which following the completion of the Arrangement will become assets of CIM. Pursuant to the Arrangement, among other things, Globex will transfer the Transferred Assets to CIM. The principal assets comprising the Transferred Assets are:

- (a) the interest of Globex in ten mineral resource properties known as the “Chibougamau Mining Camp” in the Chibougamau region of Québec, subject to a 3% “gross metal royalty” in favour of Globex;
- (b) cash of Globex in an amount obtained by multiplying all cash held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion;
- (c) securities held by Globex having a fair market value equal to the amount obtained by multiplying the fair market value of all securities held by Globex and the Subsidiaries immediately prior to the Effective Time by the Butterfly Proportion; and
- (d) all agreements to which Globex is a party and all other rights and assets of Globex which pertain to any of the properties comprising the “Chibougamau Mining Camp” and which will be assigned by Globex to CIM as part of the Arrangement.

Upon completion of the Arrangement, CIM will be engaged in the exploration and development of mineral exploration properties.

**COMPANY PROFILE AND CORPORATE STRUCTURE**

CIM was incorporated under the CBCA by Articles of Incorporation dated December 13, 2010. The registered office and principal place of business of CIM is at 86 14<sup>th</sup> Street, Rouyn-Noranda, Québec J9X 2J1.

**PRINCIPAL SHAREHOLDER**

Assuming the completion of the Arrangement as at August 31, 2012, to the knowledge of the directors and officers of CIM, the only person or corporation that would beneficially own, directly or indirectly, or exercise control or direction over, voting securities of CIM carrying more than 10 % of the voting rights attaching to any class of voting securities of CIM upon the completion of the Arrangement would be as follows:

<u>Name</u>	<u>Number of CIM Common Shares</u>	<u>Percentage of CIM Common Shares</u>
Jack Stoch <sup>(1)</sup> .....	2,848,127	11.82%

(1) Jack Stoch is President, Chief Executive Officer and a director of CIM. Most of these CIM Common Shares will be held through Jack Stoch Geoconsultant Services Limited, which is wholly-owned by Mr. Stoch. The information set above is taken from SEDI, and is not within the direct knowledge of the executive officers and directors of CIM, other than Jack Stoch.

## DIRECTORS AND OFFICERS

The following table sets out the name, municipality of residence and principal occupation during the last five years for those persons who will be directors and officers of CIM following the completion of the Arrangement:

<u>Name, municipality of residence and position with CIM</u>	<u>Principal occupation</u>	<u>First year as director</u>	<u>Number of common shares beneficially owned or over which control or direction is exercised as at August 31, 2012 <sup>(2)</sup></u>
Jack Stoch ..... Toronto, Ontario, Canada President, Chief Executive Officer and Director	President and Chief Executive Officer of Globex	2010	2,848,127
Dianne Stoch ..... Toronto, Ontario, Canada Executive Vice President and Director	Executive Vice President of Globex	2010	926,647
Samuel R. Bosum <sup>(1)</sup> ..... Oujé-Bougoumou, Québec, Canada Director	President Native Exploration Services Reg'd (mining exploration and prospecting services firm)	2012	—
David J. LeClaire <sup>(1)</sup> ..... Aurora, Ontario, Canada Director	President Oberon Capital Corporation (securities dealer)	2012	15,800
Rimant (Ray) Zalnieriunas <sup>(1)</sup> ..... Larder Lake, Ontario, Canada Director	President R. V. Zalnieriunas Consulting (geological consulting firm)	2010	275,000
James G. Wilson ..... Markham, Ontario, Canada Chief Financial Officer, Treasurer and Secretary	Chief Financial Officer of Globex	—	—

(1) Member of the Audit Committee.

(2) This assumes that such director or officer will be holding the same number of Globex Common Shares on the Effective Date as held by such director or officer on August 31, 2012 and that pursuant to the Arrangement the Globex Common Shares will be exchanged for Globex New Common Shares and CIM Common Shares based on one Globex New Common Share and one CIM Common Share for each Globex Common Share.

The Board of Directors of CIM will initially have one committee, that is, an Audit Committee. The Audit Committee will consist of three directors, that is, Samuel R. Bosum, David J. LeClaire and Rimant (Ray) Zalnieriunas.

The following is a brief biography of each of the members of the Board of Directors of CIM:

### Jack Stoch

Jack Stoch is President, Chief Executive Officer and a director of Globex. Mr. Stoch is a major shareholder of Globex and an experienced geologist.

Following a stint with Noranda Exploration Ltd., Mr. Stoch, in 1976, started acquiring and vending exploration projects, through his own consulting businesses, Géoconseils Jack Stoch Ltée and Geosol Inc. In 1983, Mr. Stoch gained control of Globex, then a “shell” company, which has since amassed a mature exploration portfolio. Mr. Stoch has attracted a knowledgeable and well-connected Board of Directors and has expanded Globex’s exploration, evaluation and mining team.

In 1972, Mr. Stoch earned a B.Sc. degree in Geology from Sir George Williams University in Montreal, Québec, and followed additional graduate courses at McGill University, also in Montreal, Québec. He was awarded the designation Acc. Dir., Accredited Director in 2007 by the Chartered Secretaries Canada and is a registered Professional Geologist in both Québec and Saskatchewan.

#### **Dianne Stoch**

Dianne Stoch is a director of Globex and, since March 2011, its Executive Vice-President. Prior thereto, Mrs. Stoch was Chief Financial Officer and Treasurer of Globex. Prior to joining Globex more than 25 years ago, Mrs. Stoch was employed by Noranda Inc. for more than 18 years in a variety of accounting/financial positions, including Head Office Corporate Planner and Senior Accountant Analyst, revenue planner for the Horne smelter in Rouyn-Noranda, Québec. In 2007, Mrs. Stoch was awarded the designation Acc. Dir., Accredited Director, from the Chartered Secretaries Canada. Mrs. Stoch is also a private consultant.

#### **Samuel R. Bosum**

Samuel Bosum is President of Native Exploration Services Reg'd, a firm which, since 1984, has provided mining exploration and prospecting services in the Chibougamau region of Québec. Mr. Bosum has worked in the mining and exploration sector since 1960. He is actively involved in the Oujé-Bougoumou Cree Nation community. Since 1986, Mr. Bosum has held the positions of Chief, Deputy Chief and Councillor of the Oujé-Bougoumou Cree Nation Band.

#### **David J. LeClaire**

David LeClaire is President of Oberon Capital Corporation. Mr. LeClaire is a graduate engineer of the Royal Military College of Canada and after receiving an MBA degree from the University of Ottawa in 1996, began an institutional financial services career, holding increasingly senior positions with RBC Capital Markets, HSBC Bank USA, and Dundee Securities before founding Oberon Capital Corporation in 2009. Since then, he has helped Canadian mineral resource exploration companies raise more than \$200 million and helped facilitate more than \$120 million in philanthropic gifts to Canadian charities through his relationship with PearTree Financial Services Ltd.

#### **Rimant (Ray) Zalnieriunas**

Rimant (Ray) Zalnieriunas is a Professional Geologist with more than 35 years of experience as a hard-rock mineral explorer, consultant and government geologist in a wide range of mineral commodities and locations. In 1978, Mr. Zalnieriunas earned a B.Sc. degree with honours in Geology from Queen's University in Kingston, Ontario, and followed additional courses in Environmental Assessment at Lakehead University in Thunder Bay, Ontario. Mr. Zalnieriunas' experience encompasses all facets of hands-on grass-roots to advanced-exploration field work, project management and reporting, including mineral-resource estimates and computer modeling. Mr. Zalnieriunas is the owner of R.V. Zalnieriunas Consulting, which has offered geological services since 1995. He was Chief Geologist of Globex from 1996 to 2002 and prior to founding R.V. Zalnieriunas Consulting, worked as a geoscientist for the Ontario Ministry of Northern Development and Mines from 1991 to 1995.

Following completion of the Arrangement, CIM will enter into the Management Agreement with Globex. Under this agreement, Globex will provide administrative assistance and facilities, for a fee, to CIM. The fee will be equal to the cost to Globex of providing such services plus 15%. See "The Arrangement — Description of the Plan of Arrangement — Management Agreement" in the Circular.

### **CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES**

None of the directors, officers or other members of the management of CIM is, or within the ten years prior to the date hereof has been, a director, officer, promoter or other member of management of any other issuer that, while that person was acting in the capacity of a director, officer, promoter or other member of management of that issuer, was the subject of a cease trade order or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days or was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, with the exception of Jack Stoch, who was a director of Strategic Resource Acquisition Corporation, which filed for protection in the United States under Chapter 11 of the U.S. Bankruptcy Code and under the *Companies' Creditors Arrangement Act* (Canada) in

January 2009. On August 17, 2009, Strategic Resource Acquisition Corporation successfully completed its restructuring and emerged from protection under the *Companies' Creditors Arrangement Act* (Canada).

## DESCRIPTION OF SHARE CAPITAL

CIM is authorized to issue an unlimited number of common shares (the “**CIM Common Shares**”), an unlimited number of preference shares, issuable in series (the “**CIM Preference Shares**”), and an unlimited number of special preferred shares (the “**CIM Redemption Shares**”). Assuming that 24,098,378 Globex Common Shares will be outstanding on the Effective Date and that pursuant to the Arrangement the Globex Common Shares will be exchanged for Globex New Common Shares and CIM Common Shares based on one Globex New Common Share and one CIM Common Share for each Globex Common Share, 24,098,378 CIM Common Shares, no CIM Preference Shares and no CIM Redemption Shares will be outstanding as of the Effective Date. Prior to the Effective Date, there will be 1,000 CIM Common Shares outstanding, all of which are held by Globex.

### **Common Shares**

Each CIM Common Share will entitle the holder thereof to one vote at all meetings of shareholders other than meetings at which only holders of another class or series of shares are entitled to vote. Each CIM Common Share will entitle the holder thereof, subject to the prior rights of the holders of the CIM Preference Shares, to receive any dividends declared by the directors of CIM and the remaining property and assets of CIM upon liquidation, dissolution or winding-up.

### **Preference Shares**

The CIM Preference Shares will be issuable in one or more series. Subject to the articles of CIM, the directors of CIM will be authorized to fix, before issuance, the number of CIM Preference Shares in such series and determine the designation, rights, privileges, restrictions and conditions attached to the CIM Preference Shares of each series. Except with respect to matters as to which the holders of CIM Preference Shares are entitled by law to vote as a class, the holders of CIM Preference Shares will not be entitled to vote at meetings of shareholders. The CIM Preference Shares will rank prior to the CIM Common Shares with respect to the payment of dividends and the distribution of the property and assets of CIM on liquidation, dissolution or winding-up.

### **CIM Redemption Shares**

Each CIM Redemption Share will entitle its holder to one vote at meetings of Shareholders of CIM.

The holders of CIM Redemption Shares will be not entitled to any dividends.

The holder of each CIM Redemption Share will be entitled, upon the liquidation, dissolution or winding-up of CIM, to a payment in priority to all other classes of shares of CIM of an amount equal to the CIM Redemption Share Redemption Amount to the extent of the amount of value of property available under applicable law for payment to Shareholders upon such liquidation, dissolution or winding-up, and no other amount.

Each CIM Redemption Share will be redeemable, subject to applicable law, at any time at the option of CIM at a redemption amount equal to the CIM Redemption Share Redemption Amount.

Each CIM Redemption Share will be retractable, subject to applicable law, at any time at the option of the holder at a retraction amount equal to the CIM Redemption Share Redemption Amount.

## STOCK OPTION PLAN

On September 7, 2012, the Board of Directors of CIM adopted the CIM Stock Option Plan, a copy of which is annexed as Schedule F to the Circular. The following is a summary of the terms and conditions of the CIM Stock Option Plan.

The Board of Directors of CIM will administer the CIM Stock Option Plan. Under the CIM Stock Option Plan, the Board of Directors may grant options to acquire CIM Common Shares to directors, officers and employees of, and consultants to, CIM and its subsidiaries. The granting of an option to an officer or employee does not impose upon CIM any obligation to retain the optionee in its employ.

The maximum number of CIM Common Shares which may be issued under the CIM Stock Option Plan is 4,000,000.

The exercise price of options granted under the CIM Stock Option Plan is set at the time of the grant of the options, but cannot be less than the closing price of the CIM Common Shares on the TSXV on the trading day immediately preceding the day on which an option is granted. In the event that the CIM Common Shares did not trade on the TSXV on the said day, the exercise price cannot be less than the weighted average trading price of the CIM Common Shares on the TSXV for the last five days on which the CIM Common Shares traded on the TSXV immediately prior to the day on which the option is granted.

In the event that CIM proposes to reduce the exercise price of an option held by an insider of CIM (as such term is defined under TSXV policies), the reduction will be subject to the approval of the disinterested shareholders of CIM.

The maximum period during which options may be exercised is ten years from the date on which they are granted, after which the options will lapse. At the time of granting an option, the CIM Board of Directors, at its discretion, may set a shorter period of time during which an option is exercisable. Options granted under the CIM Stock Option Plan are not transferable other than by will or by the laws of succession of the domicile of the deceased optionee.

At the time of granting an option, the Board of Directors, at its discretion, may set a “vesting schedule”, that is, one or more dates from which an option may be exercised in whole or in part. If the Board of Directors does not set such a schedule at the time of granting an option, the option may be exercised in whole or in part immediately in respect of all of the CIM Common Shares under option. However, an option granted to a “Consultant” performing “Investor Relations Activities”, as those terms are respectively defined in the applicable policies of the TSXV, must vest in stages over twelve months with no more than one quarter of the options vesting in any three-month period.

Upon an optionee’s employment, office or directorship or consulting services with CIM terminating or ending for cause, no option or unexercised part thereof granted to such optionee may be exercised by him.

If an optionee dies while employed by CIM or while a director or management company employee thereof or a consultant thereto, any option or unexercised part thereof granted to such optionee may be exercised by the person to whom the option is transferred by will or the laws of succession only for that number of CIM Common Shares which he was entitled to acquire under the option at the time of his death. Such option shall be exercisable within one year after the optionee’s death or prior to the expiration of the term of the option, whichever occurs earlier.

If an optionee becomes, in the determination of the CIM Board of Directors, permanently disabled while employed by CIM or while a director or management company employee thereof or a consultant thereto, any option or unexercised part thereof granted to such optionee may be exercised by the optionee only for that number of CIM Common Shares which he was entitled to acquire under the option at the time of the occurrence of his permanent disability. Such option shall be exercisable within 90 days after the occurrence of the optionee’s permanent disability or prior to the expiration of the term of the option, whichever occurs earlier, subject to the condition that if the optionee was engaged in investor-relations activities for CIM, such option shall be exercisable within 30 days after the occurrence of such permanent disability or prior to the expiration of the term of the option, whichever occurs earlier.

Upon an optionee’s employment, office or directorship or consulting services with CIM terminating or ending otherwise than by reason of death, permanent disability or termination for cause, any option or unexercised part thereof granted to such optionee may be exercised by him only for that number of CIM Common Shares which he was entitled to acquire under the option at such time. Any such “vested” option shall be exercisable within 90 days after such date or prior to the expiration of the term of the option, whichever occurs earlier.



In the event that CIM proposes to amalgamate, merge or consolidate with or into any other company (other than with a wholly-owned subsidiary of CIM) or to liquidate, dissolve or wind-up, or in the event that an offer to purchase CIM Common Shares or any part thereof is made to all holders of CIM Common Shares, CIM will have the right, upon written notice to each optionee holding options under the CIM Stock Option Plan, to permit the exercise of all such options within the 20-day period next following the date of such notice and to determine that upon the expiry of such 20-day period, all rights of optionees to such options or to exercise same (to the extent not theretofore exercised) will terminate and cease to have further force or effect.

The Board of Directors of CIM may by resolution, but subject to applicable regulatory requirements and the rules of any stock exchange on which the CIM Common Shares are then listed, advance the date on which any option may be exercised in a manner to be set forth in such resolution.

If CIM is required under the *Income Tax Act* (Canada) or any other applicable law to remit to any governmental authority an amount on account of tax on the value of any taxable benefit associated with the exercise of an option by an optionee, then the optionee must, concurrently with the exercise of the option: (i) pay to CIM, in addition to the exercise price for the options, sufficient cash as is determined by CIM to be the amount necessary to fund the required tax remittance; (ii) authorize CIM, on behalf of the optionee, to sell in the market, on such terms and at such time or times as CIM determines, such portion of the CIM Common Shares being issued upon exercise of the option as is required to realize cash proceeds in an amount necessary to fund the required tax remittance; or (iii) make other arrangements acceptable to CIM to fund the required tax remittance.

There are no stock options outstanding under the CIM Stock Option Plan as at the date of this Circular.

#### **AUDITOR, REGISTRAR AND TRANSFER AGENT**

The independent auditor of CIM is Samson Bélair/Deloitte & Touche s.e.n.c.r.l. at its offices at 155 Dallaire, Rouyn-Noranda, Québec J9X 4T3.

It is expected that the registrar and transfer agent for the CIM Common Shares will be Computershare Investor Services Inc., 1500 University Street, Suite 700, Montreal, Québec H3A 3S8.

#### **TECHNICAL INFORMATION**

Technical information contained herein for the Chibougamau Mining Camp is based on information contained in two technical reports (collectively, the “**Chibougamau Mining Camp Reports**”), the first report initially dated May 17, 2011 and amended and restated on August 15, 2012 entitled “Technical Review (43-101 compliant) and Evaluation of the Exploration Potential of the Berrigan Gold-Zinc-Silver Project in McKenzie Township, Abitibi Mining District, Province of Québec” and the second report dated August 16, 2012 entitled “Technical Review (43-101 compliant) and Evaluation of the Exploration Potential of the ‘Lac Chibougamau’ Mining Properties in McKenzie, Roy, Obalski, and Lemoine Townships, Abitibi Mining District, Province of Québec, NTS 32G-16” both prepared by Claude P. Larouche. The Chibougamau Mining Camp Reports are available under Globex’s company profile on SEDAR at [www.sedar.com](http://www.sedar.com). Mr. Larouche is a consulting geologist who is a “qualified person” as defined in NI 43-101. Mr. Larouche has been a consulting geologist for the past 32 years and has carried out consulting assignments in Canada and the United States for prospectors, junior and major mining companies and government agencies.

#### **A. TECHNICAL INFORMATION ON THE BERRIGAN GOLD-ZINC-SILVER PROJECT**

#### **2 INTRODUCTION**

Ovalbay Geological Services Inc. (Claude P. Larouche Ing.), an independent consultant, has received a mandate from J. Stoch, President and Chief Executive Officer of Globex to complete a “Technical Report” NI 43-101 compliant, on the recently staked “Berrigan Project” and to recommend a systematic exploration program from surface to confirm previous historical resources and expand if possible the mineralized zones along strike and at depth. Most of the assets recently acquired by Globex in the Chibougamau area will be transferred into Globex’s new subsidiary, CIM. The Berrigan Project is located 4 km northwest of the city of Chibougamau, province of Québec, Canada, and covers numerous precious and base metals occurrences. The present study is based on maps and reports available within assessment work files at the Ministry and other internal reports resulting from the pre-feasibility studies completed by Coop Extramine in early 2000’s. The drill



core from previous exploration projects is not available. This technical report was originally dated May 17, 2011 and has been amended and restated to comply with the new NI 43-101 as of June 30, 2011.

With the recent surge in gold, silver and base metal prices, a re-evaluation of the Berrigan Project is certainly justified. Since 1959, numerous “historical” resources estimates have been completed. It is believed that the mineralization of economic interest, tested close to surface (from surface 450 m to level 200 m), extends at depth well below the sections tested by previous surface and underground drilling. Parallel zones have also been identified.

All previous geophysical, geochemical and geological data available within the assessment work files at the office of the resident geologist in Chibougamau have been studied and all pertinent information has been summarized into the present technical report. Numerous internal reports and documents prepared by Campbell Resources Inc., now controlled by Nuinsco Resources Limited, are known to exist, but were not made available to the Author.

#### **4 PROPERTY DESCRIPTION AND LOCATION**

The Berrigan Project is located about 4.0 km N-NW of the town of Chibougamau, Province of Québec, Canada (Figure 1). The project is located within the Abitibi mining area of Northwestern Québec; more especially on NTS sheet 32G-16 and access is easy all year around (Figure 2). The Berrigan “Main Zone” is located 4.8 km east and 6.9 km north of the SW corner of McKenzie Township and the underground workings are located immediately north (200 m) of Lac Berrigan.

The “**Berrigan Project**” is comprised of a total of 25 staked mining claims (claim-sized, 16-hectares), and other irregular-shaped (Figure 3) acquired by Globex in 2010. The total area covered by the present claim holding is approximately 390 hectares (975 acres).

Figure 1: Location Map



**Berrigan Property**  
**CHIBOUGAMAU INDEPENDENT MINES INC.**

LOCATION MAP

Figure 1



Figure 2: Access

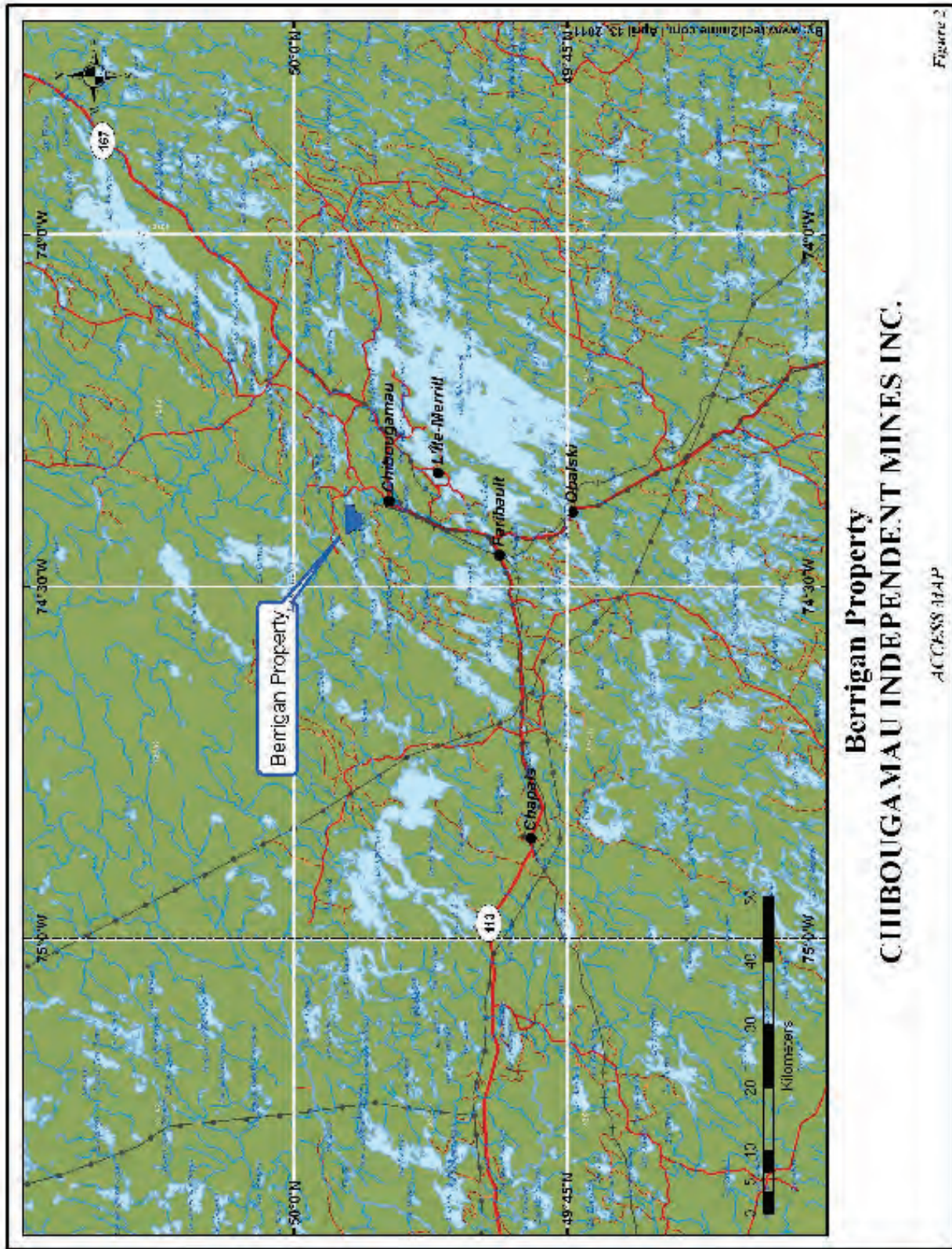
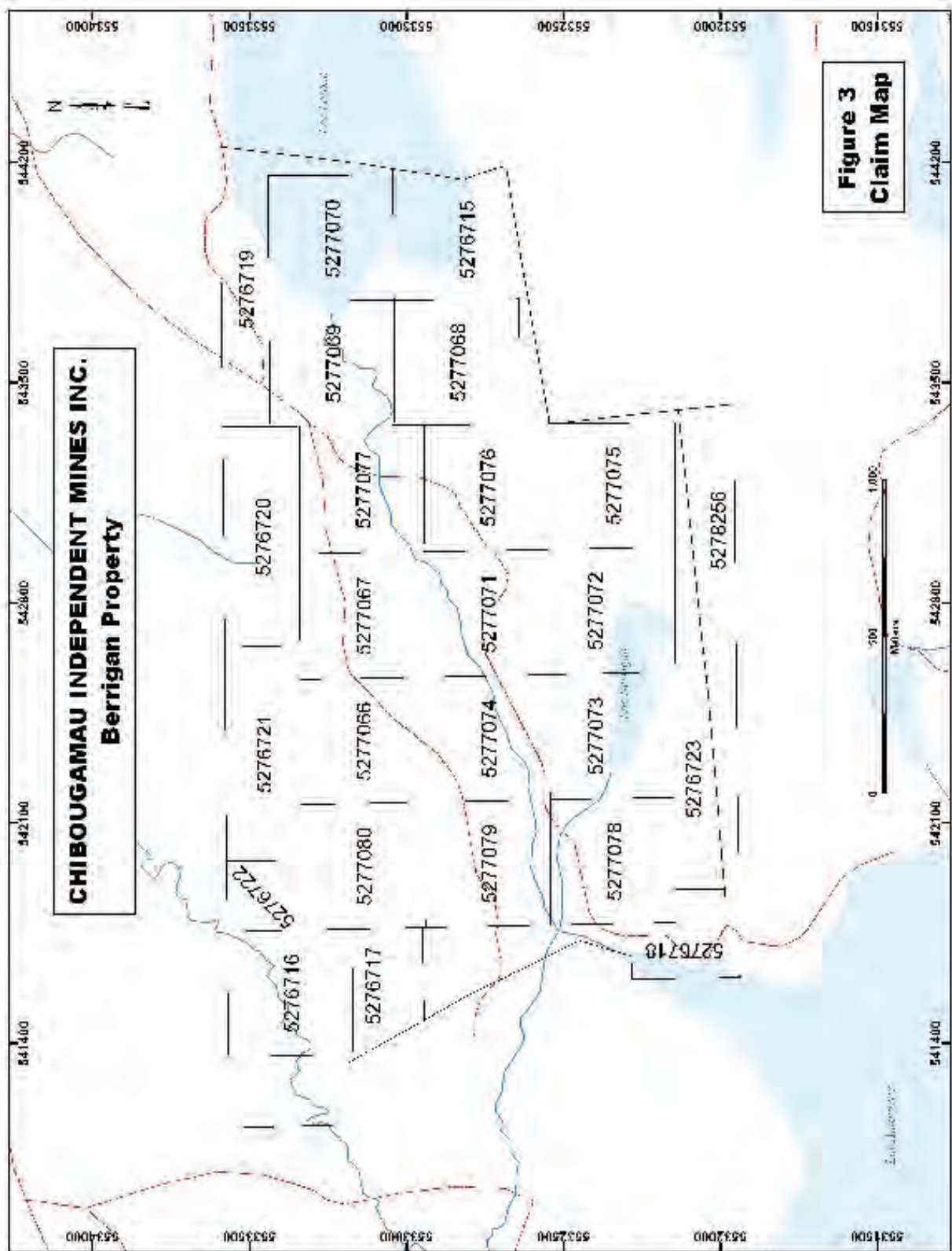


Figure 3: Sketch of Claims





A list of claim numbers, precise location and superficies, credits and expiry date by individual claim on the Berrigan Project has been compiled in Table 1.

<b>Table 1: Mining Properties</b>						
Claim #	Staking	Work required	Fees	Hectares	Credit	Expiry date
CL-5276715	2010/11/05	\$ 500	\$ 27	18.32	\$ 1,192.03	2013/02/03
CL-5276716	2010/11/06	\$ 500	\$ 27	15.86	\$ 1,192.03	2013/02/03
CL-5276717	2010/11/06	\$ 500	\$ 27	16.48	\$ 1,192.03	2013/02/03
CL-5276718	2010/11/06	\$ 500	\$ 27	17.83	\$ 1,192.03	2013/02/03
CL-5276719	2010/11/06	\$ 500	\$ 27	15.22	\$ 1,192.03	2013/02/03
CL-5276720	2010/11/06	\$ 500	\$ 27	16.87	\$ 1,192.03	2013/02/03
CL-5276721	2010/11/06	\$ 500	\$ 27	16.14	\$ 1,192.03	2013/02/03
CL-5276722	2010/11/06	\$ 500	\$ 27	5.21	\$ 1,192.03	2013/02/03
CL-5276723	2010/11/06	\$ 500	\$ 27	14.02	\$ 1,192.03	2013/02/03
CL-5277066	2010/11/05	\$ 500	\$ 27	15.87	\$ 1,192.03	2013/02/03
CL-5277067	2010/11/05	\$ 500	\$ 27	15.87	\$ 1,192.03	2013/02/03
CL-5277068	2010/11/05	\$ 500	\$ 27	15.87	\$ 1,192.03	2013/02/03
CL-5277069	2010/11/05	\$ 500	\$ 27	15.87	\$ 1,192.03	2013/02/03
CL-5277070	2010/11/05	\$ 500	\$ 27	15.87	\$ 1,192.03	2013/02/03
CL-5277071	2010/11/05	\$ 500	\$ 27	15.87	\$ 1,192.03	2013/02/03
CL-5277072	2010/11/05	\$ 500	\$ 27	15.91	\$ 1,192.03	2013/02/03
CL-5277073	2010/11/05	\$ 500	\$ 27	15.91	\$ 1,192.03	2013/02/03
CL-5277074	2010/11/05	\$ 500	\$ 27	15.87	\$ 1,192.03	2013/02/03
CL-5277075	2010/11/05	\$ 500	\$ 27	15.83	\$ 1,192.03	2013/02/03
CL-5277076	2010/11/05	\$ 500	\$ 27	15.95	\$ 1,192.03	2013/02/03
CL-5277077	2010/11/05	\$ 500	\$ 27	16.10	\$ 1,192.03	2013/02/03
CL-5277078	2010/11/05	\$ 500	\$ 27	15.91	\$ 1,192.03	2013/02/03
CL-5277079	2010/11/05	\$ 500	\$ 27	15.87	\$ 1,192.03	2013/02/03
CL-5277080	2010/11/05	\$ 500	\$ 27	15.87	\$ 1,192.03	2013/02/03
CL-5278256	2010/11/01	\$ 500	\$ 27	15.52	\$ 1,192.03	2013/02/03

*CIM (Gestim client number 87029) has a registered 100% interest in the above listed 25 staked claims; there are no surface rights directly associated to the claims. Obligations to maintain claims are limited to paying fees every second year (\$27.00 per claim) and filling a certain amount of exploration work (\$500.00 per claim) at each renewal. Excess work can be banked on a claim (referred to as credit), and this excess can be later used to renew the claim itself or contiguous claims which lie within a radius of 4.5 km from the center of the claim carrying the credit.*

The mining claims comprising the Berrigan Project have sufficient work credit accumulated and are in the process of being renewed by applying the banked credit and paying a fee of \$27 per claim. The next renewal date of the claims is February 3, 2013.

The mining claims comprising the Berrigan Project along with other significant assets within the Chibougamau area are being acquired from Globex by CIM. The terms of acquisition and the potential net smelter return royalty are not yet finalized.

In order to conduct surface exploration work (principally diamond drilling) on claims covering crown land, permitting is fairly simple to apply for and is rapidly obtained.

Permitting for underground exploration is more complex to negotiate, involving numerous levels of regulations. Globex and or CIM have not started the permitting process in order to dewater the existing decline. On the Berrigan Project, there are no environmental liabilities to either Globex or CIM resulting from the underground works completed in 1969, 1981 and 2001.

## 5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURES AND PHYSIOGRAPHY

The Berrigan Project is located approximately 4.0 km northwest of the city of Chibougamau, Province of Québec. Two all-weather gravel roads branch from regional highway #167 and lead directly onto the Berrigan Project. The first access from Chibougamau is 10.5 km via “Chemin Merrill” which connects with a series of forestry roads. The second access about 20 km is possible by going NE on highway #167 up to forestry road #207, follow road # 207 for about 10 km where a secondary road heading SW for 7.0 km, branches from road # 207.

Topography of the general area is relatively flat and the overburden cover generally consists of sand and clay varying in thickness from 1 m to 30 m. There are few bedrock exposures locally but numerous swampy areas exist. On the Berrigan Project, the topography is more accentuated with the presence of Mont Berrigan which stands roughly 130 m above local surroundings with some 30 m vertical cliffs and Mont Castor further to the east. They are part of a system of E-W hills with a marked relief compared to the surrounding undulating topography.

The central portion of the Berrigan Project is occupied by a valley and a river flowing west and draining the waters of lac Larone into lac Antoinette. The Berrigan Project is lightly forested with spruce, birch, pine, aspen and alder overgrowth.

Climate conditions are typical of the Canadian Shields at this latitude, averaging lows of -19° C degrees in January to highs of +25°C degrees in July. The ground is generally covered by snow from late November to late March, with snow depths of up to 2 m and summers are relatively hot and fairly wet.

Hydro-electric power, sufficient water for drilling and mining operations, qualified man-power and good infra-structure for exploration and mining operations exist in Chapais – Chibougamau and are readily and economically available. Chibougamau is an active mining and forestry center with a population of over 5,000 people. Chibougamau straddles highway 167 and is serviced by an airport with daily regular scheduled direct flights to Montreal, Québec (Air Creebec).

## 6 HISTORY

The chronological development of the Berrigan Project within the Chibougamau mining area, on mining claims now controlled by Globex and CIM is as follows:

A very good description of the exploration and development work completed on the Berrigan Project is available within GM-52075, -52076, -52077 as part of a detailed compilation by Teck Corporation during the period of 1991 to 1994.

- |           |  |
|-----------|--|
| 1929      | The original discovery was made in 1929 when D. Berrigan and L. Larone staked a number of claims north of Lac Berrigan for the Noranda Syndicate in order to cover several precious – base metal showings (Au-Ag-Zn-Cu) (GM-16249 & GM-25110).   |
| 1930      | Consolidated Mining and Smelting Company (“Cominco”) optioned the claim group and carried out extensive surface trenching and some diamond drilling in the area of the Berrigan Project’s main surface showing (GM-16249 & GM-25110). No information is yet available on this drilling.  |
| 1944      | In 1944 O’Leary Malartic Mines Ltd. staked more claims west of Cominco and subsequently optioned the claims to Noranda Exploration Co Ltd. (“Noranda”).  |
| 1947-1948 | From 1948 to 1949, Noranda completed ground electromagnetic survey and diamond drilling totaling 1,583 linear m in 8 holes (GM-00954 & GM-25100) but results were not significant enough to justify further exploration at the time.   |
| 1951      | In 1951 O’Leary Malartic Mines Ltd. sold the entire property to Taché Lake Mines Limited.  |
| 1951-1968 | During the period of 1951 to 1968 Taché Lake Mines Limited conducted systematic exploration work including: geological mapping, geophysical surveys (magnetic & electromagnetic), 17,737 linear m (58,177 linear feet) of drilling in 137 holes (A & W series) mainly on two zones, the Main/North/Taché Zone and the South (Berrigan) Zone. Several significant precious and base metal values were reported but geological continuity from hole to hole was difficult to establish. (GM-4533, -4777A, -5453, -9896, -11146, -16249, -16796, -18254, 21424). In 1959, Brett completed a resource estimate on the “South (Berrigan)” Zone. During 1965 -1966, F.A. Innes completed a resource estimate on the Main/North/Taché |

zone. In 1966 small samples were collected from drill core on the Main/North-Zone and sent to the Ministry "Mineral Processing Division" in Ottawa for metallurgical testing.

In 1960 a good description of the mineralization and geology at Lac Berrigan has been summarized by Smith (G. Allard, 1976):

*"Two sulphide zones have been located just north of Berrigan Lake. One is 400 feet to 650 feet north of the center of the north shore, and will be called the north zone. The other outcrops on the north shore near the east end of the lake will be called the Berrigan zone.*

*The north zone is a zone of shattering in otherwise massive serpentized pyroxenite. The shattering resulted in some places in the formation of a three-dimensional reticulate pattern of joints, and in other places in irregular brecciation of the rock. The shattering was evidently followed by the deposition of dark grey, fine grained quartz veins and some rusty-weathering carbonate in the fractures, each constituent replacing the wall rock to some extent. Ore minerals are concentrated in veins and masses in the quartz vein and silicified wall rock, in some places constituting the matrix of a breccia; in other places massive sulphides have completely replaced the host rock. Country rock in the ore zone is black and textureless, apparently chloritized and carbonatized; at the main surface exposure of the north zone such alteration extends only a few feet into the wall rock. At the main exposure, the sulphide minerals observed are, in order of abundance, pyrrhotite, sphalerite, galena, chalcopyrite, pyrite and arsenopyrite. In other exposures galena is rare, and the relative abundance of the other minerals is variable. In the main exposure the zone is 20 feet wide.*

*The Berrigan zone outcrops along the north shore of Berrigan Lake for a distance of 140 feet near the east end of the lake and extend inland in an east-northeasterly direction for a total exposed length of 1,300 feet. Two parallel zones, north and south of the main zone, have been found near the eastern extremity. It has not yet been fully established whether or not the main zone extends to the west under Berrigan Lake. In one diamond drill hole beneath Berrigan lake 200 feet west of the lakeshore, exposures of the main zone only scattered sulphides were found, but shearing is found along the north shore west of these exposures, and there is some pyrrhotite and sphalerite in a rusty shear 350 feet west of them.*

*The wall rocks of the Berrigan zone are mostly serpentized dunite and sheared serpentinite, with less serpentized pyroxenite. Within the zone the rocks are altered to carbonate-rich, rusty-weathering schist and breccia, so that it is difficult to determine their original nature; it seems likely that they were ultramafic rocks. At the main exposure of the zone brecciation of the host rocks made apparent by differential weathering of the fragments and matrix of the breccia. Rocks of other parts of the ore zone are schistose, and brecciation is not apparent. Within the ore zone, parts of the carbonatized rock are replaced by dark grey, very fine-grained to cherty quartz vein, which in turn acts as host for the ore minerals. The quartz generally occurs in irregular layers separated by layers of carbonatized rock. The quartz layers have been fractured, and the ore minerals occur both in the fractures and as replacements of the quartz. In some places layers of massive sulphides have apparently entirely replaced the siliceous host rock. Ore minerals are commonly scarce in the carbonatized rock between siliceous layers. Pyrrhotite and sphalerite are by far the most abundant sulphide minerals in surface exposure of the zone. A small amount of chalcopyrite was seen in some specimens. Galena is rare or absent. The company reports one assay of 0.50% nickel. The richest and widest part of the Berrigan Zone is the part nearest to the lake. Carbonatized and brecciated rocks there are 200 feet wide, and 40 to 100 feet of that is sulphide-bearing."*

1969 Canadian Merrill Ltd. acquired control of the Berrigan Project in 1969 by financing underground exploration on the Main/North/Taché Zone. A decline at -10° was driven 83.0 m (272 feet) from the north side of the zone to intersect the mineralization upon which 77 m (253 feet) of lateral development was completed on the mineralized zone. The overall grade for the 44.5 m (146 feet) of lateral development was 3.13% zinc (Zn) and 1.85 g/t (0.054 opt) gold (Au) over an average width of 4.4 m (14.3 feet). An additional 927.4 m (3,042 linear feet) of underground diamond drilling was completed by Canadian Merrill Ltd. on the Main/North zone (series U-01 to U-10 drill holes).

1976-1977 Camchib (C. Huang) and Canadian Merrill Ltd. (G. Darcy) independently estimated resources on the Berrigan Project, Main/North/Taché zone. The MERQ also completed a resource estimate during that period.

- 1980 The assets of Canadian Merrill Ltd. were acquired by Francana Oil and Gas Ltd. (“Francana”). Subsequently Camchib purchased the Chibougamau properties from Francana.
- 1981 In 1981 a second underground exploration program was started by Camchib. De-watering and rehabilitating the existing workings was initiated and the existing decline was extended from 4,760 N / 4,150 E to the 366 m level at a grade of -15°. A total of 280 m (918 feet) of development including ramp, drifting and cross cutting is reported. The ramp ended at level 366 m (1,200 feet) which is 30 m (98.4 feet) below portal. A series of short test holes (SU-01 to SU-78), 3 to 5 m in length, have been drilled on the sides of the drifts.
- A total of 261.6 linear m (858.0 feet) of underground diamond drilling in 10 holes were completed along the exposed mineralization (series TU-11 to TU-20). A 21.3 m (70-foot) long cross-cut was driven into the hanging wall of the mineralization and an attempt was made to follow the mineralization by laterally drifting along the waste rock / mineralization contact of the deposit. However, due to the complex geometry of the deposit, activities were suspended.
- During the same period, a surface exploration program was completed: line cutting, geophysical surveys (magnetic & Max-Min), and geological mapping. The lines were oriented at 360° and spaced 300 feet apart. An additional grid was established north of Lac Berrigan. Nine conductors were outlined within the limits of the Berrigan Project.
- Mapping, still in 1981, by L.G. Morrison led to the discovery of the “Morrison” occurrence.
- 1982 During 1982, Camchib completed 12 diamond drill holes (TA-82-01 to TA-82-12) totaling 1,926 m (6,316 feet) in order to test the northeast, southwest, and depth extension of the North/Main Zone. The Morrison showing and 3 Max-Min II conductors were also tested. After the completion of the drilling, an ore reserve estimate was calculated for the Main/North/Taché Zone.
- 1982-1983 P. Pilote completed detailed mapping of the area (ET-86-02). J. Guha et al. (UQAC) also completed numerous studies on the Berrigan deposit.
- 1984 Daniel Gaudreault (Camchib) compiled the results of recent exploration work and completed detailed resource evaluations. Veins A, B, C, D, E and F were defined along with subsidiary veins F, G, J, 1 and 2.
- 1987 Survey of the Berrigan Property by P. Roy (land surveyor) from Chibougamau (File # 837).
- 1987-1990 During the period of 1987 to 1990, Bitech carried out exploration programs to assess the economic potential of the mineralization present in the North/Main/Taché Zone and also the South-Berrigan Zone for open-pit mining purposes.
- The systematic exploration included line cutting, geophysical surveys (magnetic & electromagnetic), topographical surveys, geological mapping, sampling, mechanical stripping and 7,802 m (25,592 linear feet) of diamond drilling in 44 holes. After completing a compilation of data, a pre-feasibility study was completed. However, the study was inconclusive and recommended drilling to further define the Main/North/Taché Zone.
- A large area (75 m X 150 m) was stripped and has been mapped in detail and no sampling is reported.
- Diamond drilling has been distributed as follows:
- 1987 TA-87-13 to TA-87-40 on Main/North/Taché Zone
- 1989 TA-89-41 to TA-89-49 on South (Berrigan) Zone
- 1990 TA-90-50 to TA-90-56 on Main/North/Taché Zone
- 1991 In 1991, Teck Corporation carried out an exploration program consisting of line cutting, geological mapping, a litho-geochemical survey and mechanical stripping over the North/Main Zone.





Met-Chem Canada Inc. from Montreal Québec were hired to complete a conceptual mining study on the Berrigan Project North/Main/Taché Zone and also comments on the previous resource estimates.

2010 Following the bankruptcy of Campbell Resources Inc., the successors forgot to renew the claims, which came open for staking and at the same time eliminating the significant amount of royalties which were attached to the project, over the years.

## **7 GEOLOGICAL SETTING AND MINERALIZATION**

### **7.1 Regional Geology**

The Abitibi Sub-province is the world's largest contiguous area of Archean volcanic and sedimentary rocks that host a significant number of mineral deposits. Over most of the property, bedrock is buried beneath clay and swamp. Much has been learned of the essential geological and structural features as a result of systematic exploration by geophysical surveys, a significant amount of trenching, many thousands of meters of diamond drilling, and, in the present study area, by a limited underground exploration program. This work has shown that the mineralized zones have mining widths of meters, locally tens of meters and a continuous strike length of 100's of meters.

In order to better understand the regional geology, regional structures and the controls of mineralization of economic interest in the area, a detailed compilation of the Lac Doré Complex and the surrounding geology has been completed.

The area under study is located within the Canadian Shields which is centered over the eastern part of Canada and the northern part of the USA. These Precambrian formations are usually covered by a "vener" of variable thickness of overburden.

The area under study is part of the Superior Structural Province of the Canadian Shields and represents the oldest rock in the world.

The volcano-sedimentary Matagami-Chibougamau Archean Belt represents the eastern portion of the better known "Abitibi Volcanic Belt". The Matagami – Chibougamau "band" occupies the northeastern part of the Abitibi Belt. It has been characterized as the "Internal Zone" of the Abitibi Belt. This band extends over a distance of more than 400 km from the Kapuskasing Structure to the west all the way to the Grenville Front to the east and even some vestiges are also present over a distance of 10 km within the Grenville province.

The general appearance is one of oval-shape batholiths surrounded by east-west trending "greenstone belts" usually "wrapping" around the batholiths. Regional and local folding is common and the dips of the formation, is usually sub-vertical. Further to the east, Proterozoic sedimentary rocks lie horizontally on the Archean basement.

The Matagami-Chibougamau band differs from the Kirkland – Noranda – Val d'Or band by the presence of large "stratiform complexes" such as the Lac Doré Complex, Lac Des Chaleur Complex, Opiwaca River Complex and the Bell River Complex.

It should also be pointed out that these ultramafic to mafic complexes are layered with zones rich in Fe-Ti-V. They are presently being investigated as a source of Ferro-Vanadium, Titanium and also Vanadium.

These greenstone belts have been metamorphosed (usually greenschists facies) during the "Kenorean Orogeny" (2,600 to 2,800 Ma.). Contact metamorphism is also locally well developed. Just east-southeast of the Chapais-Chibougamau area, the grade of metamorphism increases toward the Grenville Front. The Grenville Front represents a tectonic zone separating the Superior Province from the Grenville Province.

The Superior Province is rich in deposits of precious (gold-silver-PGE) and base metals (copper-zinc-nickel) deposits.

The "Abitibi Volcanic Belt" has been affected by numerous phases of deformation. The main deformation episode created large isoclinal folds trending east – west. The center (axial zone) of these folds has locally been "invaded" by intrusive bodies.

Within the Chapais-Chibougamau mining district, regional deformation (N-S compression) created large isoclinal folds commonly oriented E-W. A dominant regional E-W foliation is associated to these folds. An earlier deformation episode (E-

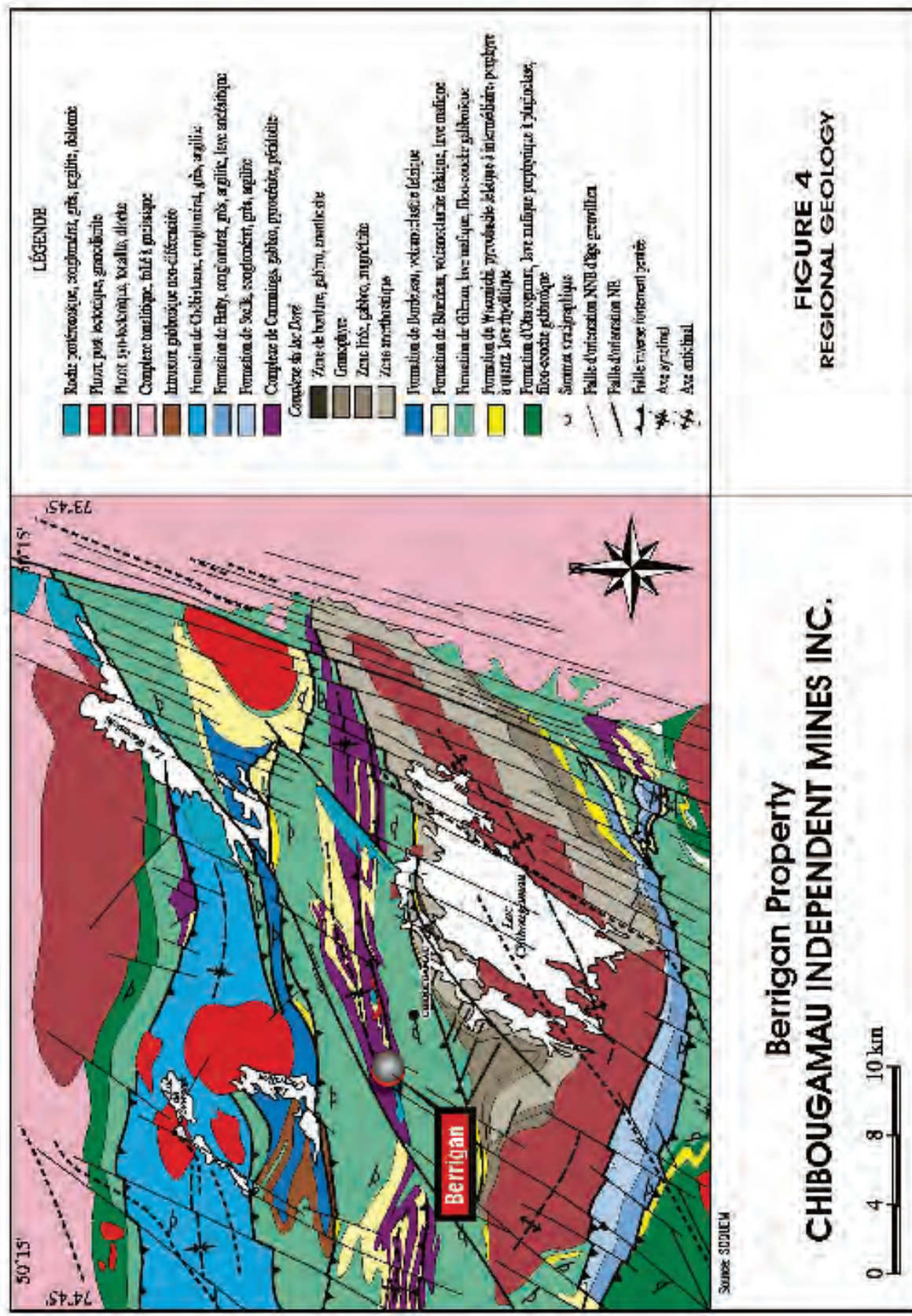
W compression) created a series of north-south trending folds. The combination of these two deformation systems created “domes and basins” in certain parts of the region.

The major regional structures in the area are from the North to the South:

- the Waconichi anticline;
- the Chibougamau syncline;
- the Chibougamau anticline;
- the Chapais syncline;
- the La Dauversière anticline; and
- the Druillettes syncline.

The original mining district of Chibougamau (Figure 4) is largely located on the “north flank” of the Chibougamau anticline and is hosted within formations of the Lac Doré Complex.

Figure 4: Regional Geology



A modified classification of the geological units follows, modified from: Daigneault & Allard 1990, (MM 89-03) Morin 1994, (MM-91-02):

P R E C A M B R I A N				Opemisca Pluton	Granodiorite Monzodiorite Quartz monzodiorite	Mineralization	
				Lac Springer Intrusions	Pyroxenite Leucogabbro, Gabbro		
				Rush Pluton	Tonalite		
				Presqu'île Pluton	Tonalite		
				Chibougamau Pluton	Tonalite Diorite	Au Shear zones	
	Discordance (intrusive contacts)						
	O P E M I S C A	S - R O U P	Haüy (Fm) Group Subdivided into 5 Fm			Epiclastics Potassic Andesites	
			Stella (Fm) Group "Chebistuan Fm" Subdivided into - Daubrée Fm - La Trève Fm			Epiclastics Wackes, arkoses, Felsic tuffs, Argillites, conglomerate	
	Discordance						
	R O Y A L G R O U P	"Scorpio"			Intermediate-felsic volcanics		
		Bordeleau Fm			Siltstone-Argillite Arenite (feldspathic) Conglomerate		
		Cycle 2					
		Blondeau Fm			Argillite –black shales Felsic fragmentals Felsic flows Rare mafic flows	VMS (zone 8-5) Zn mineralization in black shales	
		<i>Cummings Sills</i>			<i>Bourbeau Sills</i> <i>Ventures Sills</i> <i>Roberge Sills</i>	Cu-Au (Chapais) Asbestos Cu-Ni-PGE	
		Gilman Fm			Basalt Andesite Mafic-felsic fragmentals Gabbro	VMS Horizon Allard	
Cycle 1							
Waconichi Fm - Lac Sauvage I.F. - Lemoine member - Queylus member - Scott member			Felsic fragmentals Rare mafic flows Lac Sauvage IF	VMS -Lemoine -Lac Scott			
<i>Lac Doré Complex</i>			<i>Contact Zone</i> <i>Granophyre</i> <i>Layered series</i> <i>Anorthosite</i>	Fe-Ti-V & All Cu-Au mines Lac Doré			
Andy Fm			Felsic fragmentals				
Obatogamau Fm			Porphyritic basalts Co-magmatic gabbro	Au: Joe Mann			
Chrissie Fm			Basic lavas Rhyolitic tuffs	VMS -Astoria			

Note: The above stratigraphy of Chibougamau has been modified from various authors and is being re-defined by the recent work completed by F. Leclerc 2010 and discussions with P. Houle, resident geologist. The location of the Lac Doré Complex and the Cummings Sills within the above stratigraphic column reflect their stratigraphic position and not their timing. The

*Author believes that numerous magma pulses (re-fueling the magma chamber) are responsible for the mafic to ultramafic differentiated intrusion of Lac Doré Complex. Numerous magnetite-rich layered sections are present with quite a different composition. Intrusive contacts between anorthosite and earlier magnetite-rich layered zones have been observed in recent drilling in the area. It is possible that each of the Cummings sills would represent a different pulse of magma re-fueling the chamber.*

“Within the Chibougamau area, the Archean volcano-sedimentary assemblage is divided into two groups (Allard et al, 1979), the Roy Group at the base, overlain by the Opemisca Group. Volcanic rocks predominate in the Roy Group and sedimentary rocks in the Opemisca Group. Locally an unconformity separating the two groups has been observed.

The Roy Group is divided into four main formations comprising two volcanic cycles. The first cycle starts with the basaltic Obatogamau Formation and finishes with the Waconichi Formation composed of felsic volcanic units. The second cycle starts with the Gilman Formation, composed of basic volcanic rocks, and ends with the Blondeau Formation, composed of felsic volcanic and sedimentary rocks.

The Opemisca Group comprises the Stella Formation at its base, composed essentially of clastic sedimentary rocks, and the Hauy Formation constituted of sedimentary and volcanic assemblages at its tops.”

The “*ROY GROUP*” comprises two volcanic cycles and has been divided into four formations. Cycle 1: includes the Obatogamau Formation (porphyritic mafic volcanics) capped by the Waconichi Formation (felsic volcanics). Cycle 2: includes the Gilman formation (mafic volcanics, minor felsic rocks) overlaid by the Blondeau Formation (largely felsic volcanics). The Bordeleau Formation overlies the Blondeau Formation. In the literature, two other formations have been described, the Chrissie formation, older than the Obatogamau and the Andy formation, immediately following the Obatogamau formation.

The *OBATOGAMAU* formation (Cimon, 1977b) is represented largely by pillowed basalts injected by abundant sills of co-magmatic gabbro. The porphyritic character of the lavas (large phenos of feldspar) distinguishes this formation. Flows are commonly 5 to 60 m in thickness and usually massive at the base, pillowed at the center and more brecciated at the top. Locally, felsic volcanic rocks of diverse origin, graphitic argillites and sulphide & carbonate facies exhalites are also described. The Obatogamau Formation is traced for at least 200 km west of Chibougamau and appears to be a typical example of “shield-type” volcanism.

The *WACONICHI* formation (Duquette, 1970) represents the end of the first volcanic cycle and includes rhyolites, felsic pyroclastites, several mafic flows and iron formations. This formation is present on the north flank and south flank of the Lac Doré Complex and elsewhere up to Chapais. This formation may simply be a series of lenses representing different volcanic centers. Within literature, the Waconichi formation has been divided into three members: Lemoine, Queylus and Scott members.

The Lac Sauvage Iron Formation (Henry and Allard 1979) is a volcanogenic stratiform exhalite horizon which terminates the first volcanic cycle, in the Chibougamau district. It belongs to the Waconichi Formation, a thin unit consisting of felsic pyroclastics, soda rhyolite lenses, and a few basalt flows and gabbro sills. The Waconichi formation host the former Lemoine Mine (720,000 tons mined from 1975 to 1983, averaging 4.5% Cu, 10.8% Zn, 4.73 g/t Au and 92.58 g/t Ag. This formation also hosts the Selco Scott deposit being re-evaluated by Cogitore Resources Inc. (cogitore.com). Many other mineralized occurrences are known along the Lac Sauvage Iron Formation.

A description of an old trench on the Iron Formation by Allard in 1984, mentioned from the base to the top of the horizon: massive pyrite, pyrite with fragments of felsic pyroclastics, silica-rich layers, siderite-rich layers, basalt, basaltic tuffs, fragmental horizons, and chert fragments (some of them bedded, suggesting lithification before fragmentation and re-deposition). A classic section of the Lac Sauvage I.F. stratigraphically shows an oxide facies (at the top), a carbonate facies and a sulphide facies (at the bottom). A few centimeters of bedded chert at the top are followed by a basaltic flow. Bedded cherts are locally interlayered with chlorite-rich magnetite-bearing layers showing evidence of folding and development of two cleavages.

The *GILMAN* formation (Duquette, 1970) is a sequence of pillowed basalt, andesite and co-magmatic gabbro sills, as well as significant quantities of hyaloclastites and pyroclastites.

Numerous flows show a massive inferior part followed by a pillowed section and the top is usually represented by pillow breccia with a matrix composed of hyaloclastites. Locally mafic tuffs have been mapped between pillowed flows. Very

rarely large phenos of feldspar are present at the base of some flows. Co-magmatic gabbro sills are abundant within the Gilman formation. They are usually massive and homogeneous, and locally within the thicker dykes or sills the “top” is richer in quartz. Within the central part of the Gilman formation, tuffaceous sediments, tuffs and locally andesitic breccia carrying pyrrhotite were observed at numerous occasions. The recent work by F. Leclerc (MRNF, Ministère des ressources naturelles et de la faune du Québec) redefines the stratigraphy within the former Gilman Formation.

The *BLONDEAU* formation (Duquette, 1970) is a volcano-sedimentary assemblage including several rhyolitic flows, felsic tuffs, cherty tuffs, graphitic (black) argillites, greywackes and stratiform masses of iron sulfides.

The *BORDELEAU* formation (Caty, 1979) is comprised of tuffs and feldspar rich sedimentary rocks.

The *SCORPIO* formation is composed of intermediate to felsic volcanic rocks.

The *OPEMISCA GROUP* describes an assemblage of sedimentary and volcanic rocks seemingly discordant on the predominantly volcanic rocks of the region. This series includes conglomerates, greywackes, argillites, tuffs and porphyritic lavas. The volcano-sedimentary rocks of the Opemisca Group, in general, lie unconformably over the Roy Group. At its contact with the Lac Doré Complex, the Stella Formation displays a conglomerate containing 15% to 20% granophyre pebbles derived from the granophyric zone of the Lac Doré Complex. This suggests (Cimon, 1977a) the presence of an emergent dome coincident with the Chibougamau anticline within the Chibougamau pluton.

The Opemisca Group, in the Chibougamau area, comprises two formations, the Stella Formation at the base and the Hauy Formation at the top. Caty (1977) recognized only one formation in the group, the Chebistuan Formation, which was later recorded as equivalent of the Stella Formation.

West of Chapais (Picard, 1983) raise the Opemisca Group to the level of Super group and the Stella and Hauy formation to the level of group, and introduced many new formations. The Stella Group contains the La Trève and Daubree Formations composed of conglomerate, sandstone, greywacke, siltstone and argillite. The Hauy Group includes five formations which correspond to the five facies of the Hauy Formation previously described. It is composed of porphyritic basalts, potassic andesites, sandstones and conglomerates (Charbonneau, Picard and Piche, 1984).

The *STELLA* formation (Cimon, 1976) later upgraded to Group, is essentially composed of sedimentary rocks. It contains a basal conglomerate, various granitoid and volcanic pebble conglomerates, sandstones, argillites and a small amount of andesitic lavas. West of Chapais the Stella Group has been further divided into the La Trève and Daubree formations composed of conglomerate, sandstone, greywacke, siltstone and argillites.

The *HAUY* formation (Cimon, 1976) later upgraded to Group, lies concordantly on the Stella formation and is composed of alternations of volcanic and sedimentary rocks. It is characterized by the presence of potassic andesite flows (up to 4% K<sub>2</sub>O) containing olivine, pyroxene and plagioclase phenocrysts. These flows are interbedded with tuffs, sandstones and some argillites as well as conglomerate lenses. These conglomerates contain a considerable portion of andesite pebbles identical to the underlying flows. West of Chapais, the Hauy Group has been subdivided into five formations comprising porphyritic basalts, potassic andesites, sandstone and conglomerates.

At the contact between the Obatogamau formation and the Waconichi formation, the Lac Doré Complex is present. This complex is a layered stratiform intrusion. It is comparable to other better known complexes such as the “Bushveld” in Africa, the Skaergaard in Scandinavia, and closer to Chibougamau, the Bell River Complex in Matagami. The Lac Doré Complex has been dated at 2.8 Ga.

The *LAC DORÉ COMPLEX* comprises four zones (Allard 1976):

- The anorthositic zone;
- The layered zone;
- The granophyre zone (at the top); and
- The border zone.

The *ANORTHOSITIC ZONE* is composed of anorthosite, gabbroic anorthosite, anorthositic gabbro and true gabbro. A maximum thickness of 3,000 m has been estimated by Allard in 1976.

The *LAYERED ZONE* is composed of bands of ferro-pyroxenite, gabbro rich in iron oxides, magnetites rich in titanium and vanadium alternating with anorthosite. The maximum thickness has been estimated at 900 m (Allard, 1976).

The layered zone rocks pass gradually into the *GRANOPYRIC ZONE* composed of soda-rich leuco-tonalite.

The *UPPER BORDER ZONE* terminates the complex. It is in contact with the volcanic rocks of the Roy Group (Waconichi formation). This border zone is discontinuous and is composed of gabbro and anorthosite locally containing a considerable percentage of quartz.

The *CUMMINGS COMPLEX* as defined by Duquette in 1972 (Allard et al, 1979) comprises three sills:

- Roberge Sill (at the base);
- Ventures Sill; and
- Bourbeau Sill (at the top).

The *ROBERGE* sill is emplaced along the contact between the Gilman and Blondeau Formations, and is composed of dunite, peridotite and pyroxenite. The thickness is about 600 m. McAdam Mining Corporation has blocked out several asbestos zones in this sill in Roy and McCorkill townships, north northeast of the city of Chibougamau. It is also said that olivine crystals have been transformed into serpentine and magnetite and pyroxenes were also altered (green chlorite).

The *VENTURES* sill is located above the Roberge sill and is separated from it by a relatively thin interval of Blondeau formation. It includes a pyroxenitic member at its base and a gabbroic member at its top. The latter hosts the copper-gold-silver deposits mined at Chapais. This sill attains a thickness of 1,100 m and has been folded and strongly fractured in Chapais.

The *BOURBEAU* sill is present on top of the Ventures Sill and is separated from it by a thin veneer of felsic volcanics of the Blondeau formation. The Bourbeau sill is comprised of a pyroxenite at the base followed by leuco-gabbro and quartz rich ferro- gabbro at the top.

Many granitic masses crop out in the region. The most important suite of sodic rock is the *CHIBOUGAMAU BATHOLITH*. Based essentially on petrology, different “phases” have been described by Racicot et al. (1984). The Chibougamau pluton is an elongated mass essentially concordant with the regional structure (folds). This mass is comprised of magmatic phases which were differentiated at depth and injected successively into one another. Their composition ranges from mela-diorite to trondhjemite. The pluton is also difficult to map, the differentiation between all the various phases being difficult to establish.

Most of the Chibougamau Pluton is Pre-tectonic, rare phases in the core and to the southwest are syn-tectonic to late-tectonic showing only minimal deuteric alteration and no metamorphic or tectonic foliation.

In general, the pluton is zoned, highly sodic and very low in K<sub>2</sub>O content.

A halo of intense hydrothermal alteration around some porphyritic phases has been located in Queylus Township. Cimon (1973) has discovered in Queylus Township, evidence for porphyry-type copper mineralization and more work has shown that this type of mineralization is more widespread in Queylus and Obalski townships than formerly recognized. It is associated with many phases of porphyritic intrusions (dykes and plugs) accompanied by tourmaline breccia pipes and very intense red potassic alteration.

The northern flank of the Chibougamau pluton is intrusive in the Anorthositic zone of the Lac Doré Complex. In most places, the rock is a dark green fine to medium grained melano-diorite, diorite, hornblende diorite, gradually becoming richer in quartz and biotite, going south, away from contacts.

The border is marked by an abundance of xenoliths of anorthosite – gabbroic anorthosite – anorthositic gabbro and by a network of veinlets of pale grey tonalitic rocks linked with the more felsic phases of the pluton.

The Chibougamau pluton shows a long list of terms applied to different phases of the pluton: granodiorite, quartz syenite, hornblende tonalite, hornblende mela-tonalite etc.



A gradual coarsening of the grain size, decrease in quantity of hornblende and increase in quartz content marks the transition from the melano-diorite previously described.

In most localities, especially in the eastern part of the pluton, a pronounced foliation is readily visible.

Significant potassic alteration with an abundance of disseminated sulfides, mostly chalcopyrite with some pyrite, molybdenite, tourmaline and magnetite has been described from “Archean porphyry-type intrusion” in Queylus and Obalski townships. Cimon (1974) suggests late satellitic diapiric and dyke like intrusive of very felsic and porphyritic tonalite and diorite of the Chibougamau pluton accounts for these “porphyries”.

Hydrothermal alteration, explosive brecciation and copper-molybdenum mineralization are closely related to the porphyritic intrusive. Two types of breccia can be observed, one is made up of sub-angular to sub-rounded fragments of pebble – cobble size in a matrix of finely crushed rocks. Most fragments are tonalitic in composition and a few have a felsic porphyry composition. Some fragments of magnetite and magnetite bearing meta-pyroxenite were reported by Cimon. They would be brought in from the Lac Doré Complex. Another type of breccia is a fragmented rock where the fragments are all of the same type and cemented by a fine mixture of black tourmaline, quartz, and rock particles.

One satellite intrusion of mela-tonalite, the “Grandroy pluton” is present at the NW corner of the Chibougamau pluton. A copper-gold deposit was discovered on the mainland within the Grandroy pluton.

Allard (1969) has located a series of outcrop of breccia in the northeast quarter of Lemoine Township. The outcrops are located along Armitage River and on the shores of islands in Lac Chibougamau. They are not continuous enough to permit the mapping of the exact shape of the breccia bodies.

The breccia consists of sub-angular blocks of hornblende-rich diorite and gabbro. The matrix varies from a pale leuco-tonalite to a pinkish granitic rock. This breccia (Allard 1969) should not be confused with the border breccia zone at the contact between the Chibougamau pluton and the Anorthositic Zone of the Lac Doré Complex; the latter is recognizable by its position and the xenoliths of anorthosite and gabbro in the dark green diorite.

Finally within the Chibougamau mining camp the economic importance of multiple generations of dykes has been recognized by all workers in the district. The range in composition extends from the most mafic (Henderson 1 pyroxenite) to the quartz porphyry common throughout the area.

Unfortunately, their small size and the scale of mapping allow very few dykes to appear on published maps. No systematic evaluation has been completed on the dykes referred to as the “Mine Dykes”.

The lower part of the anorthosite zone of the Lac Doré Complex is in contact with the Chibougamau pluton and is intruded by a large number of dykes varying in composition from granitic to gabbroic. Dykes vary from a few centimeters up to 30 m in width. They commonly show chilled margins against the host rocks. Some dykes show sharp contact with enclosing rocks, other show internal foliation parallel to the contact and other show sheared contact zones accompanied of stringers of quartz, carbonate, and / or sulfide.

Dykes commonly contain xenoliths of the wall-rocks but very rarely show amygdules. Sub-parallel offshoots from the dyke have been noted in many mines.

Dykes can be multiple and / or composite.

Some of the major dykes:

- Line Island diabase dyke;
- Meta-diabase dyke;
- Lamprophyre dyke;
- Gabbro Island dyke;
- Henderson 1 meta-pyroxenite; and
- Volcanic dykes:
  - Quartz-feldspar porphyry;
  - Quartz porphyry;

- Feldspar porphyry;
- “Greenstone” (mela-diabase) dykes;
- Older diorite dyke;
- Grey dyke; and
- Feldspar porphyry dykes.

Some of the dykes are completely sheared and very heavily altered.

On the regional scale the Lac Doré Complex appears to be plunging to the north and the Chibougamau Pluton appears to be plunging south.

## 7.2 Regional Structure

Five major fracture or shear systems are known in the region.

The first, northeast trending set, includes many major regional faults along which the majority of the area’s deposits are located (Gwillim, Lac Doré, Lac Taché etc.).

The second includes a series of northwest trending, intense shear zones located close to the first set of faults. These shear zones are accompanied by carbonization, silicification and sulfides. The bulk of the copper – gold – silver deposits in the Lac Doré Complex occur in these zones which are truncated and displaced by the first set of northeast trending faults. The copper bodies at Chapais are contained in similar zones, but the shearing is virtually absent in Chapais and the fractures could be more parallel to axial plane fracturing. No felsic dykes are associated to these northwest trending fractured zones in Chapais.

The third set represented by north-south faults is particularly well developed in the volcanic rocks and the Cummings Complex, north of Chibougamau. Several deposits, such as Norbeau and Bruneau are associated with these faults.

The fourth, associated with the Grenville Front, are a series of north-northeast breaks with sinistral displacement. The Mistassini fault is one of these groups.

Finally the fifth is a series of strike fault mapped in the Chibougamau syncline, particularly along the contacts of the Roberge sill. In Levy, Scott and Haüy townships, this system truncates the south limb of the Chapais syncline, putting south facing Opemisca Group rocks in contact with north-facing Roy Group rocks.

In summary in the area:

- GRENVILLIAN faults NE-trending, dominant throughout the region;
- GWILLIM fault, SENESTRAL, post mineralization (estimated displacement: 2,200 m vertical & over 3,000 m horizontal);
- Lac Doré Fault DEXTRAL post MINERALIZATION locally at 90° to mineralization. The Lac Doré Fault is displaced dextral by a NE trending fault in the Hematite Bay area and possibly extend into the McKenzie Fault. It should be noted that an apparent horizontal displacement in the Lac Caché area indicates a 1.6 km dextral movement along the Lac Doré Fault and a similar displacement is visible along the McKenzie Fault;
- Kapu Fault major older thrust fault SE-NW displaced by Gwillim Fault and also by Lac Doré Fault. The Kapu Fault cut the Lac Doré Complex to the south. Another similar older fault (possibly the Lac Sauvage fault) is required along the north contact of the Lac Doré Complex. The Lac Doré Complex is shallow dipping north; volcanics present a different strike and dip;
- 110° Fault fracture, filled with dykes and mineralized Cu-Au;
- NE trending fault such as Henderson-Portage; and
- (N 30°E older system (Lac à l’Eau Jaune area) has been cut by 110° system which is injected by felsic dykes).

### 7.3 Regional Mineralization

Graphitic argillites and massive sulfides horizons within the Obatogamau Formation are the source of numerous regionally detectable conductors.

In Lemoine Township, the Waconichi formation is the host of the former Lemoine copper-zinc-gold-silver volcanogenic deposit.

The Gilman formation hosts numerous gold occurrences and deposits in the Chibougamau area.

Again massive sulfides and graphitic argillites are the cause of numerous regional conductors within the Blondeau formation. The Blondeau formation is also the host of a typical VMS (zone 8-5, Mine Cooke, Chapais). Furthermore, in Chapais, black shales have been mapped (largely by drilling) over a distance of more than 5 km. In drilling locally 10 m - intersection grading 3.00% Zn with trace of Cu have been returned from assaying sections of these black (graphitic) shale just south of the Mine Cooke shaft.

Within the Chapais – Chibougamau mining camp (Pilote et al, 1998) productions from the different mines, over the years, totalled 82,000,000 tonnes of ore extracted with the recovery of 147 tonnes of gold, 4,860 tonnes of silver, 127,000 tonnes of Zinc and 1,400,000 tonnes of copper. Most of the mines in Chibougamau have been worked to depths of less than 1,000 m.

In Chibougamau, within Roy and McKenzie townships, the “anorthositic zone” below the “layered zone” of the Lac Doré Complex hosts the bulk of the Cu-Au deposits mined to date. This “layered zone” also contains enormous resources of iron, titanium and vanadium (Black Rock Minerals).

Alain Blais (1984 Northgate Patino Mines Inc.) stated that:

*“The sill complex, which has been dated at 2.8 Ga, is believed to be the original source of the mineralized fluids at Portage Mine, but the intrusive activity of the Chibougamau Pluton into the Doré Lake Complex along an anticlinal axis at 2.7 Ga, is believed to be responsible for the formation of the copper-gold ore bodies. Subsequent episodes of major deformation at 2.5 and 2.2 Ga have complicated the structure severely and remobilized the ore in a series of lenses within a major shear zone which has general northeast-southwest strikes.”*

At Portage the vein system occurs in several shear structures striking in all random directions: east-west, north-south, northeast-southwest, and south-southeast. The structures vary between 100 m (330 feet) to 220 m (720 feet) in width and the general strike of the corridor varies from N-030° to N-065°.

The importance of dykes as “ore control” in the Lac Doré area has been recognized by most mine geologists. No ore deposits have been found in the Lac Doré area which is not in a shear zone alongside a swarm of dykes (Allard). The Henderson-Portage deposits seems to be an exception to this rule, since no good dyke were identified parallel to either the “A” or “C” zones at Henderson. The place and time of dyke emplacement with respect to ore varies from mine to mine (or geologist to geologist).

### 7.4 Geology of the property

The claims comprising the Berrigan Project (Figure 5) are predominantly underlain by the Roberge and Bourbeau sills part of the Cummings Complex. These sills invaded the upper part of the Gilman mafic volcanics formation and the lower part of the Blondeau formation comprising largely felsic volcanics flows and hyaloclastites. The mafic volcanics of the Gilman Formation are overlain by felsic volcanics (flows and fragmentals) belonging to the Blondeau Formation. Some later felsic dykes possibly related to the “Lac Line” stock to the east are also present. The Chesbistuan formation conglomerates are present in the extreme west central section of the Berrigan Project.

The Berrigan Project is underlain by 80% mafic to ultramafic intrusive rocks belonging to the Cummings sills and 20% by earlier felsic volcanics of the Blondeau Formation.

The Gilman formation is located in the extreme southern section of the property and consists of pillowed basalts and co-magmatic gabbro sills. The Blondeau Formation occurs in the central and northeast sections of the Berrigan Project and is a



The Roberge and Bourbeau sills of the Cummings Complex are located in the central and northern sections of the Berrigan Project and consist of layered sills within the basal portion of the Blondeau formation.

The Roberge sill is comprised of dunite, peridotite and serpentinite. The Ventures sill is represented by pyroxenite, gabbro pyroxenite and the Bourbeau sill includes ferro-diorite and leuco-gabbro.

The sills of the Cummings Complex are moderately to strongly magnetic and show a good contrast with the non-magnetic felsic lavas of the Blondeau Formation.

The Chesbistuan Formation occurs in the extreme west-central section of the Berrigan Project in the Mount Berrigan area and consists of discordant sedimentary assemblages of conglomerate sandstones and minor argillites. The clasts are composed of porphyritic felsic volcanics, tonalite, gabbro, pyroxenite and porphyritic andesite.

The Gwillim fault occurs about 2 km to the North-West of the Berrigan Project.

The Berrigan Project is affected by a complex system of syn-volcanic to post-tectonic faults. The main directions are N-NE, E-NE, and E-W. Some of these faults create important displacement and locally a repetition of the stratigraphy occurs. Following detailed studies by Pilote & Guha during the period of 1984 to 1988, these faults have been further investigated. They stated that early faults oriented NS, NNE-SSW and ENE-WSW could possibly correspond to a syn-volcanic caldera. This system of irregular fractures possibly served as conduit for mineralizing fluids. Trust faults EW, ENE – WSW are probably associated to the Kenorean orogeny (Lac Cummings-type faults). Late faults NNE and NE could be related to the Kenorean and Grenvillian orogenies. Some of the later faults possibly re-activated some of the earlier faults.

All formations are folded (isoclinal) and the metamorphic grade is green schists. The regional Chibougamau syncline is about 1.0 km to the North, suggesting that the stratigraphy should be dipping north, and should become flatter at depth.

## **7.5 Mineralization on the Property**

Three types of mineralization of economic interest appear to be present in the area of the Berrigan Project.

- Typical gold mineralization associated to later shear and or fractures, commonly carrying significant amount of massive sulphides (Zn-Pb-Ag).
- The second type of mineralization, Cu-Ni-PGE would be associated to the differentiated mafic to ultramafic rock of the Cumming Complex (Roberge Sill).
- Base metal mineralization of the VMS-type; in the area the zinc – lead – silver with minor copper are dominant.

On the Berrigan Project, numerous precious and base metals occurrences of economic interest have already been investigated:

- Main/North/Taché Zone;
- South (Berrigan) Zone;
- East Zone;
- Wedge Zone;
- Morrison Showing; and
- East Antoinette Zone.

The better known mineralized occurrence, on the Berrigan Project, north of Lac Berrigan has been referred to as: Taché Zone, Main Zone, North Zone, and Berrigan North. This zone is located about 200 m north of Lac Berrigan and will be referred to as the Main/North/Taché Zone.

This mineralized zone has been directly correlated along a NE fault system. The mineralization of economic interest also cut across the differentiated mafic to ultramafic Roberge Sill which is oriented E-NE with a steep dip to the N-NW.

Mineralized zones have been defined by previous geologists as striking N-010° to N-050° with dips of -90° (vertical) to -45° NW. Closer to surface veins are dipping 60° to 65° but steeper dips 70° to 75° occur at depth.

The width of the mineralized zone appears fairly narrow at surface and widens at depth.

The mineralization consists of dissemination, stringers and breccia. Within the breccia silicified fragments of wall rock are surrounded by quartz-calcite and sulphide and are locally cut by later quartz stringers.

The orientation of the fractures is quite variable within the deformation corridor, within the mafic – ultramafic intrusion and also the volcaniclastites of the Blondeau Formation. Numerous generations of fractures have been described indicating re-activation of the deformation zone.

Mineralization at the main zone has further been detailed by Met-Chen in 2001 as:

*“The mineralization includes sub-parallel & discrete quartz-sulphide stringers , silicified breccia zones with sulphides forming lenses and cylinders and also stockwork-type quartz-calcite-sulphide veinlets of irregular orientations carrying pyrrhotite, sphalerite, +/- pyrite, locally some galena, arsenopyrite and traces of chalcopyrite.*

*The mineralization defines sub-parallel lenses, along with certain ramifications and embranchments cross-cutting each other. The lenses are commonly oriented N-NE with a dip of 45° to 60° NW close to surface becoming steeper to sub vertical at depth.*

*The sulphide content of the mineralized zone varies from 10% to 75%. Pyrrhotite is the most common sulphide, followed by sphalerite and pyrite. Minor galena & arsenopyrite have been described along with traces of chalcopyrite and rarely visible gold.”*

Because of the presence of gold along with significant silver values, a special attention should be directed to possibly identify electrum (white silver). This could suggest an important “nugget effect” while assaying for precious metals.

The width of the mineralization of economic interest varies from 30 cm to more than 20 m along an altered corridor of more than 90 m wide trending NE-SW.

The host rock to the mineralization at the site of the Main/North/Taché Zone is an altered ultramafic formation (peridotite, pyroxenite) belonging to the Roberge sill, which represent the lower unit of then Cummings Complex. The ultramafic rocks have been altered to talc-serpentine-carbonate. The alteration associated to the mineralization consists of a strong silicification, weak chloritization and a strong carbonization.

An important mineralized zones striking N-105° and dipping at 45° south has been identified within the underground workings on the second level by Camchib in 1982 and also confirmed during sampling for the mini bulk sample in 2000 by Met-Chem Canada Inc. It has not yet been well defined because of scarcity of drill holes which were usually oriented parallel to this newly recognized structure. Nevertheless, Met-Chem Canada Inc. also observed north of the decline, a similar parallel shear on surface within the large area stripped by Bitech in 1987. This shear dips 65° north instead of the 45° south for the shear underground.

The main zone has been tested some 600 m along strike on a NE-SW trend and to a depth of 250 m from surface.

The mineralized system of the Main/North/Taché zone is possibly tilted to the north-west being located on the south flank of the Chibougamau syncline about 1 km south of the axis.

It is not yet evident at this stage of the present study if the higher grade part of the mineralization occurs at the center of the altered system.

Preliminary graphs Zn - Au & Zn – Ag have been drafted in order to study the correlation between zinc mineralization against silver and gold values. No direct correlation was observed suggesting possibly that the gold mineralizing represent a different episode or gold is very erratic.

The main occurrence on the Berrigan Project remains the “Main//North/Taché” zone where most of the diamond drilling has been directed and also where numerous historical resources have been estimated by previous owners. An exploration decline has also been driven to permit underground drilling, mapping and bulk sampling of the mineralized structures on two levels.

The mineralization at the main zone has been described as sphalerite, gold, silver, pyrite, arsenopyrite, pyrrhotite and chalcopyrite.

Mineralized system has been characterized as “erratic” having been affected over short distances by displacement along faults.

The continuity and parallelism of the mineralized zones have been questioned by some professionals. However, the more recent work done by Met-Chem Canada Inc. (GM-61359) in 2002 state that using the wider quartz veins as a “marker” help to establish lateral and vertical continuity of the veins with a better level of confidence.

The Berrigan Project has been drilled fairly systematically close to surface at a few occasions. The numerous intersections of economic interest obtained through the years also permitted to proceed with few (historical) non NI 43-101 compliant resources estimates, nevertheless the geometry of the mineralized “lenses” and the alteration envelope is still not clearly understood.

The “South (Berrigan)” zone is located less than 100 m to the NE of Lac Berrigan, some 200 m SE of the Main/North/Taché zone. This south zone is represented by VMS-type mineralization (pyrrhotite-sphalerite-chalcopyrite-galena) remobilized within an E-W fault. An important system of N-NE faults have been mapped and/or interpreted between Lac Berrigan and Lac Larone further to the east. Some of the NE faults show sinistral displacement other dextral displacement.

The South (Berrigan) Zone shows similar geology, structure, geometry and complexity as the Main Zone.

The South (Berrigan) Zone has been tested over 760 m along strike, trending ENE-NE and dips to the north.

The mineralization consists of quartz stringers and veinlets with pyrrhotite, sphalerite +/- pyrite, arsenopyrite, galena, and chalcopyrite along with silicified breccia where sulphide is mostly disseminated. Compared to the Main Zone, the gold content of the South Zone is low. The only historical resource estimate on the South Zone has been completed in 1959 stated a grade of 0.017 opt Au for the 285,600 tons. It should be noted that Bitech (1987-1990) and Teck Corporation (1992-1994) completed further surface diamond drilling on the South Zone and resources were never modified.

The East Zone is located 800 feet east of the South Zone. The mineralization of economic interest identified at the site of the East Zone is also fairly similar to the Main and South Zones even though more felsic volcanic rocks of the Blondeau Formation are present. Sulphide stringers or filaments, sub-concordant, are located at the contact between volcanic rocks and intrusive rocks.

Diamond drilling by Teck Corporation indicates numerous mineralized zones carrying pyrrhotite – sphalerite with lesser amount of chalcopyrite, silver and locally minor amount of gold and silver. Here again the mineralization is present along stringers, veinlets, breccia and “stockwork”.

In places, zones of more massive sulphide were intersected in surface diamond drilling. It should also be noted that hole TLT-9 returned significant anomalous intersections: from 716.5 feet to 843.0 feet, a core length of 126.5 feet graded 0.06% Cu, 0.745% Zn, 1.50 g/t Ag and 0.358 g/t Au. The East Zone is open along strike and at depth.

Within the western portion of the East Zone, the mineralization is fine to medium grained, semi-massive to massive and consists of pyrrhotite, locally banded, pyrite and sphalerite. In the eastern portion, still of the East Zone, the mineralization is more disseminated within the tuffs but stringers are still present.

Within surface diamond drill holes TLT-13, -14 and -25, the mineralization consists of 2.0% to 30.0% sphalerite disseminated and within stringers, 5.0% to 10.0% pyrrhotite hosted within quartz – carbonate veins with trace of pyrite and chalcopyrite. The sulphides are therefore present as filling up fractures, locally disseminated and as stringers and “blebs”.

The “Wedge” zone has been discovered by Teck Corporation in 1992. This second zone has been intersected north of the East Zone, still within dykes of the Cummings Complex. The quartz-carbonate-sulphide veins are hosted in fine grained intermediate tuffs which are in contact with pyroxenite of the Cummings Complex. The pyroxenites are medium to coarse grained, massive, commonly sheared and brecciated. Fine grained black serpentinites are also present; they are strongly magnetic, massive but fractured. The VMS zones are located on both sides of a small basin (about 300 m) comprising fragmental rocks of the Blondeau formation lying on serpentinized ultramafic rocks belonging to the Roberge sills.

Hole TLT-12 returned the following values:

TLT-12				
From	To	Core length	Cu%	Zn%
3.2 m	4.3 m	1.1 m	0.11%	5.60%
7.4 m	7.9 m	0.5 m	0.36%	0.25%
33.3 m	34.9 m	1.6 m	0.11%	11.20%
33.3 m	43.3 m	10.0 m	0.03%	2.68%

A series of drill holes originally tested the East Zone in the 1960's. Drill hole A-101 to A-108 and A-110 returned some significant intersections as follows:

	Core length	Zn%
A-103	10.4 m	2.32%
A-106	8.4 m	1.80%
A-108	7.6 m	1.94%

Hole TA-82-02 returned anomalous nickel and chromium values from a peridotite with asbestos along fractures (1.8 m grading 0.19% Ni and 0.17% Cr).

The "Morrison Zone" is defined by 2 NE-trending SE-dipping shear zones. They also transect serpentinite and pyroxenite of the Roberge sill. This zone is located along strike to the NE of the Main/North/Taché Zone.

The "East Antoinette" occurrence is located on newly acquired claims contiguous to the south of the main claim block. An historical showing is reported from brecciated material close to a fault cross-cutting the Roberge Sill of the Cummings Complex. Original values from grab sampling returned 1.54 g/t Au and 19.80% Cu. This showing has similarities to the Main/North/Taché Zone.

## 9 EXPLORATION

No surface exploration has been conducted on the Berrigan Project, since acquisition by Globex and CIM other than the present compilation.

Nevertheless within the assessment work files numerous airborne and ground geophysical surveys are published. Stripping has been completed along with geological mapping; the information is also available within the public domain.

Previous exploration work also included the construction of a ramp (decline) in order to take a closer look at the mineralization in the third dimension and collect a bulk sample for metallurgical testing.

## 10 DRILLING

No drilling has yet been completed by either Globex or CIM on the Berrigan Project. A compilation of previous drill holes (Figure 7) with information available within the public domain has been completed (see appendix 1). The pertinent information on diamond drilling has been taken from a private file resulting from the detailed study completed by Coop Extramine 2000 from 2000 to 2005. A resource estimate has been completed by Met-Chem Canada Inc. who was the last company to have access to all previous confidential information. In total, some 36,343 linear m in 327 holes have been completed on the Berrigan Project.

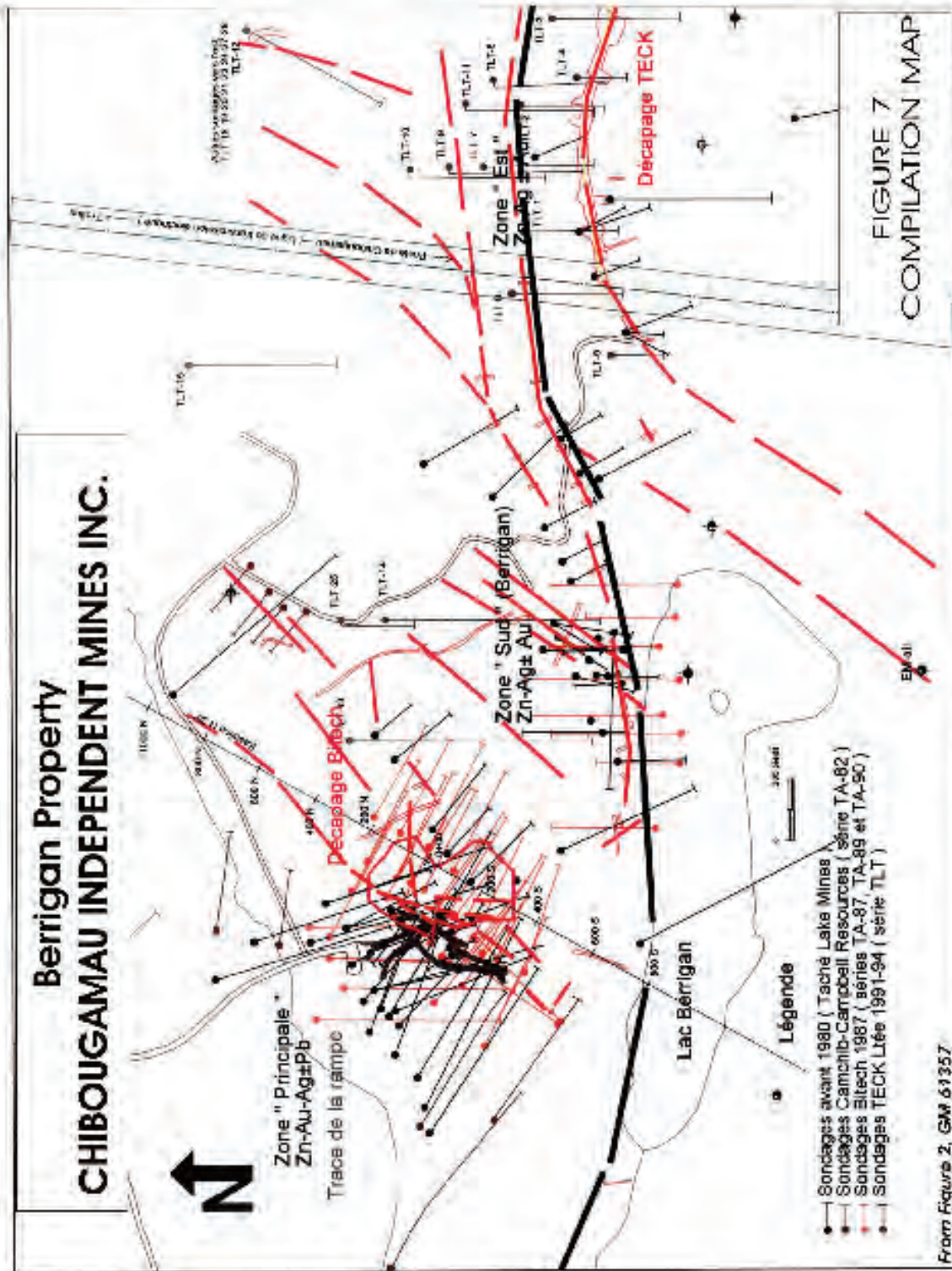
About 22,000 m of surface diamond drilling have been completed by previous owners on the Main/North/Taché Zone. This previous drilling tested the Main Zone for 600 m in a NE-SW direction. Underground drilling totaled at least 1,390 linear m, some diamond drill logs not being available. The location of these drill holes has been identified on maps made available to Coop Extramine 2000 by Camchib, in 2000. The bulk of the surface drilling has been aimed at the Main/North/Taché Zone;



nevertheless, the South (Berrigan) Zone, the East Zone, the “Wedge Zone” and the “Morrison Zone” have also been tested by drilling.

Cominco	1930	Surface	1,583 m	8 ddh, series
Noranda	1947-48	Surface	>17,737 m	137 ddh, “A” & “W” series
Taché Lake Mines Ltd.	1951-68	Surface	927.4 m	10 ddh, U-01 to U-10
Canadian Merrill	1969	Underground	>223.1 m	78 test holes, SU-01 to SU-78
Camchib	1981	Underground	238.9 m	9 ddh, TU-11 to TU-19
Camchib	1981	Underground	1,925.7 m	12 ddh, TA-82-01 to TA-82-12
Camchib	1982	Surface	4,312.6 m	28 ddh, TA-87-13 to TA-87-40
Bitech	1987	Surface	1,944.1 m	9 ddh, TA-89-41 to TA-89-49
Bitech	1989	Surface	1,577.8 m	7 ddh, TA-90-50 to TA-90-56
Bitech	1990	Surface	2,537.0 m	12 ddh, TLT-01 to TLT-12
Teck Corporation	1992	Surface	2,685.4 m	14 ddh, TLT-13 to TLT-26
Teck Corporation	1993	Surface	650.8 m	3 ddh, TLT-27 to TLT-29
Teck Corporation	1994	Surface	>34,954 m	>230 ddh
		Surface	>1,390 m	>97 ddh including test holes
		Underground	36,343 m	327 drill holes

Figure 7: Surface Compilation Map



**Table 2: Drill hole intersections from previous diamond drilling (surface and underground).**

Better drill hole intersections from previous diamond drilling (surface and underground) have been summarized in the following table. Values > 5.00% Zn, > 3.00 g/t Au and > 33.00 g/t Ag have been highlighted. All intersections with a core length of more than 3.0 m have also been highlighted (true width of the intersections is believed to be approximately 70% of core length).

Hole #	From	To	Interval	% Zn	% Cu	Au g/t	Ag g/t	Description (see note)*
<b>Surface diamond drill holes</b>								
A-001	166.4 m	168.6 m	2.2 m	4.11%	0.23%	1.96 g/t		F.D., brx, zone min. ***
	197.5 m	199.8 m	2.3 m	4.20%		2.74 g/t		zone min.
A-002	44.9 m	45.7 m	0.8 m	5.60%		6.17 g/t	58.23 g/t	14B, zone min.
	159.6 m	160.8 m	1.2 m	3.20%			26.72 g/t	14B, zone min.
A-003	103.6 m	105.8 m	2.2 m	5.66%		0.78 g/t	8.90 g/t	14B, zone min.
	175.3 m	176.8 m	1.5 m			2.06 g/t		F.D., zone min. ***
	200.9m	205.8 m	4.9 m	1.18%	0.37%		33.15 g/t	F.D., zone min. ***
A-004	38.1 m	47.2 m	9.1 m	3.18%		0.35 g/t	5.62 g/t	14B, zone min.
	52.0 m	61.0 m	9.0 m	6.34%		0.77 g/t	3.19 g/t	14B, zone min.
	151.5 m	157.9 m	6.4 m	2.21%		1.36 g/t		14B, V3, zone min.
A-005	131.4 m	140.2 m	8.8 m	5.70%		6.96 g/t		14M, zone min.
A-009	56.4 m	58.5 m	2.1 m	3.07%		1.32 g/t	6.01 g/t	14B, zone min.
	61.0 m	64.0 m	3.0 m	2.34%		0.69 g/t	0.52 g/t	14B, zone min.
	136.3 m	137.5 m	1.2 m	0.75%	1.07%	11.30 g/t		UM, zone min.
A-010	35.4 m	46.3 m	10.9 m	3.48%		1.13 g/t		14B, zone min.
	97.3 m	105.2 m	7.9 m	4.43%		4.94 g/t	25.36 g/t	14B, zone min
A-011	111.4 m	125.0 m	13.6 m	3.71%		1.60 g/t	4.61 g/t	14B, zone min.
A-016	18.9 m	21.2 m	2.3 m	1.51%		6.43 g/t		
	76.2 m	77.7 m	1.5 m	3.45%		8.91 g/t		
A-020	3.4 m	15.3 m	11.9 m	3.10%				
A-022	181.4 m	186.7 m	5.3 m	2.71%		1.51 g/t		
A-023	54.3 m	57.8 m	3.5 m	3.12%		0.79 g/t		
A-028	70.1 m	73.9 m	3.8 m	5.42%		0.67 g/t		
	82.6 m	90.8 m	8.2 m	3.36%				
A-031	29.3 m	32.3 m	3.0 m	3.96%		0.68 g/t		
A-037	162.3 m	169.2 m	6.9 m	3.20%		0.76 g/t		
A-038	14.8 m	19.5 m	4.7 m	3.49%		1.47 g/t		
A-039	74.5 m	75.7 m	1.2 m	4.35%		0.69 g/t		
A-040	31.4 m	33.2 m	1.8 m	4.15%		1.03 g/t		
	39.0 m	40.1 m	1.1 m	5.05%		0.35 g/t		
	56.0 m	68.6 m	12.6 m	1.42%				
A-041	38.1 m	42.7 m	4.6 m	3.06%		0.35 g/t		
	51.1 m	55.5 m	4.4 m	2.98%				
	60.2 m	68.6 m	8.4 m	4.07%				
	76.2 m	85.8 m	9.6 m	3.65%		0.35 g/t		
A-047	62.5 m	64.9 m	2.4 m	2.88%				
	103.6 m	107.6 m	4.0 m	5.64%		0.35 g/t		
A-048	32.0 m	35.1 m	3.1 m	2.76%				
A-060	58.5 m	88.3 m	29.8 m	5.74%	0.06%	1.31 g/t	14.35 g/t	
	116.3 m	122.8 m	6.5 m	5.67%	0.08%	2.71 g/t	17.97 g/t	
A-061	83.2 m	86.3 m	3.1 m	2.24%	0.03%	0.52 g/t	3.98 g/t	
	91.6 m	100.6 m	9.0 m	3.76%	0.16%	3.00 g/t	17.24 g/t	
	107.1 m	115.7 m	8.6 m	6.15%	0.17%	8.14 g/t	39.70 g/t	
A-062	59.3 m	61.1 m	1.8 m	6.92%		4.62 g/t	17.14 g/t	
	65.1 m	69.0 m	3.9 m	1.12%		0.25 g/t	2.50 g/t	
A-063	95.8 m	96.4 m	0.6 m	6.02%		4.47 g/t	18.16 g/t	
	113.7 m	114.3 m	0.6 m	17.55%		49.23 g/t	404.64 g/t	

Hole #	From	To	Interval	% Zn	% Cu	Au g/t	Ag g/t	Description (see note)*
<b>Surface diamond drill holes</b>								
	129.4 m	132.8 m	3.4 m	8.86%		8.88 g/t	68.16 g/t	
	138.9 m	141.5 m	2.6 m	4.69%		4.04 g/t	11.14 g/t	
	149.5 m	155.1 m	5.6 m	5.27%		1.59 g/t	9.96 g/t	
	166.5 m	168.1 m	1.6 m	4.50%		4.11 g/t	14.04 g/t	
A-064	82.8 m	87.5 m	4.7 m	3.20%		1.10 g/t	11.36 g/t	
A-065	121.6 m	125.7 m	4.6 m	7.67%		6.08 g/t	21.56 g/t	
	133.3 m	135.3 m	2.0 m	4.41%		2.40 g/t	12.03 g/t	
	139.8 m	144.5 m	4.7 m	2.80%		3.55 g/t	7.64 g/t	
	146.7 m	156.3 m	9.6 m	5.77%		1.38 g/t	13.00 g/t	
	164.7 m	167.2 m	2.5 m	3.13%		6.95 g/t	15.44 g/t	
A-066	100.6 m	101.8 m	1.2 m	22.90%		36.65 g/t	39.73 g/t	
	126.5 m	126.9 m	0.4 m	22.4%		11.30 g/t	56.51 g/t	
	128.3 m	129.7 m	1.4 m	11.25%		4.80 g/t	22.61 g/t	
	137.6 m	138.1 m	0.5 m	15.90%		2.06 g/t	11.99 g/t	
	141.5 m	142.1 m	0.6 m	14.70%		5.82 g/t	29.80 g/t	
	153.2 m	153.9 m	0.6 m	4.85%		6.17 g/t	20.60 g/t	
	156.4 m	156.8 m	0.4 m	3.50%		0.69 g/t	142.48 g/t	
	159.8 m	168.8 m	9.0 m	6.26%		5.19 g/t	19.60 g/t	
	172.2 m	175.0 m	2.8 m	5.80%		0.69 g/t	16.44 g/t	
A-067	55.9 m	59.4 m	3.5 m	7.88%		1.59 g/t	18.52 g/t	
	74.7 m	79.3 m	4.6 m	3.03%		0.76 g/t	8.92 g/t	
	104.7 m	106.5 m	1.8 m	4.74%		1.70 g/t	14.76 g/t	
	113.3 m	113.6 m	0.3 m	5.95%		8.56 g/t	27.40 g/t	
	118.3 m	121.2 m	2.9 m	4.80%		1.95 g/t	12.67 g/t	
A-068	114.5 m	120.4 m	5.9 m	3.33%		0.35 g/t	7.79 g/t	
A-069	153.1 m	157.4 m	4.3 m	2.39%		0.35 g/t		
A-070	146.1 m	147.4 m	1.3 m	7.55%		1.71 g/t		
	157.1 m	158.2 m	1.1 m	16.75%		10.96 g/t		
A-071	137.5 m	138.0 m	0.5 m	7.25%		7.54 g/t		
	150.8 m	156.0 m	5.2 m	2.51%		2.08 g/t		
	165.7 m	180.3 m	14.6 m	4.47%		1.92 g/t		
	187.4 m	188.9 m	1.5 m	7.55%		2.06 g/t		
	198.1 m	198.4 m	0.3 m	8.50%		4.11 g/t		
A-072	149.9 m	150.4 m	0.5 m	13.40%		0.35 g/t		
	188.7 m	190.9 m	2.2 m	5.08%		3.13 g/t		
A-073	144.8 m	145.1 m	0.3 m	27.90%		32.88 g/t		
	159.4 m	159.7 m	0.3 m	14.25%		2.06 g/t		
	199.6 m	203.0 m	3.4 m	2.81%		1.37 g/t		
A-075	179.6 m	193.7 m	14.1 m	4.12%		1.63 g/t		
A-076	83.9 m	86.0 m	2.1 m	3.50%		0.32 g/t		
	126.3 m	129.8 m	3.5 m	11.07%		3.02 g/t		
A-077	192.5 m	205.7 m	13.2 m	2.23%		0.40 g/t		
	208.4 m	211.4 m	3.0 m	2.94%		0.36 g/t		
A-083	94.3 m	96.3 m	2.0 m	4.45%		3.79 g/t	10.34 g/t	
	110.4 m	110.6 m	0.2 m	10.75%		13.70 g/t	25.35 g/t	
	119.4 m	132.6 m	13.2 m	4.99%		2.88 g/t	15.91 g/t	
	138.6 m	141.6 m	3.0 m	6.59%		2.01 g/t	16.40 g/t	
	152.8 m	157.5 m	4.7 m	4.76%		2.04 g/t	11.44 g/t	
A-084	118.4 m	118.9 m	0.5 m	8.20%		3.08 g/t	14.73 g/t	
	126.2 m	128.2 m	2.0 m	4.05%		1.37 g/t	12.33 g/t	
A-84 con't	130.3 m	142.8 m	12.5 m	4.58%		5.10 g/t	17.18 g/t	
	155.2 m	159.5 m	4.3 m	1.63%		1.19 g/t	7.07 g/t	
A-086	50.9 m	52.1 m	1.2 m	7.00%		15.07 g/t	59.60 g/t	
	60.1 m	60.5 m	0.4 m	2.47%		8.22 g/t	36.99 g/t	

Hole #	From	To	Interval	% Zn	% Cu	Au g/t	Ag g/t	Description (see note)*
<b>Surface diamond drill holes</b>								
A-103	56.4 m	59.4 m	3.0 m	5.84%		11.61 g/t		
A-106	18.3 m	22.9 m	4.6 m	2.58%		1.14 g/t		
A-107	33.5 m	38.1 m	4.6 m	1.63%				
A-122	146.3 m	147.8 m	1.5 m			1.03 g/t		
	236.2 m	237.7 m	1.5 m			1.03 g/t		
U-02	24.1 m	28.7 m	4.6 m	2.74%		1.54 g/t	9.06 g/t	
	36.7 m	41.2 m	4.5 m	1.78%			4.82 g/t	
	44.9 m	45.6 m	0.7 m	2.95%		17.81 g/t	89.74 g/t	
	70.0 m	70.7 m	0.7 m	7.45%		0.69 g/t	10.28 g/t	
	83.5 m	83.8 m	0.3 m	9.10%		2.74 g/t	18.50 g/t	
	90.4 m	91.4 m	1.0 m	13.80%		26.72 g/t	58.91 g/t	
	95.8 m	108.7 m	12.9 m	5.75%		3.11 g/t	15.17 g/t	
	117.8 m	118.1 m	0.3 m	5.75%		6.85 g/t	33.57 g/t	
Open pit	24.1 m	45.6 m	21.5 m	1.41%		0.93 g/t	6.47 g/t	
Open pit	70.0 m	118.1 m	48.1 m	2.21%		1.55 g/t	6.69 g/t	
U-03	8.2 m	16.6 m	8.4 m	13.09%		6.98 g/t	20.71 g/t	
	49.4 m	64.0 m	14.4 m	8.69%		3.41 g/t	17.49 g/t	
Open pit	1.8 m	64.0 m	62.2 m	3.90%		1.75 g/t	7.15 g/t	
U-04	0.3 m	6.7 m	6.4 m	2.95%		2.22 g/t	10.85 g/t	
	17.4 m	19.7 m	2.3 m	12.77%		4.60 g/t	14.65 g/t	
	79.3 m	83.2 m	3.9 m	4.46%		1.12 g/t	12.62 g/t	
	85.9 m	86.6 m	0.7 m	7.05%		37.68 g/t	78.09 g/t	
	123.3 m	132.7 m	9.4 m	8.13%		1.27 g/t	17.05 g/t	
	140.9 m	155.6 m	14.7 m	4.76%		2.92 g/t	16.07 g/t	
Open pit	0.3 m	28.3 m	28.0 m	2.12%		0.93 g/t	4.50 g/t	
Open pit	79.3 m	155.6 m	76.3 m	2.32%		1.14 g/t	7.95 g/t	
U-05	4.1 m	5.9 m	1.8 m	10.40%		1.58 g/t	14.54 g/t	
	21.0 m	23.9 m	2.9 m	4.46%		0.35 g/t	13.85 g/t	
	55.9 m	56.4 m	0.6 m	0.60%		7.54 g/t	40.42 g/t	
Open pit	4.1 m	23.9 m	19.8 m	1.71%		0.23 g/t	3.97 g/t	
U-06	25.5 m	26.5 m	1.0 m	1.05%		4.80 g/t	9.59 g/t	
U-09	10.3 m	14.9 m	4.6 m	1.76%		1.22 g/t	8.70 g/t	
	71.8 m	75.8 m	4.0 m	2.32%		4.32 g/t	12.43 g/t	
	136.9 m	139.3 m	2.4 m	4.90%		2.77 g/t	29.19 g/t	
SU-01	9.1 m	12.2 m	3.1 m	3.12%		1.50 g/t		
SU-09	1.2 m	12.2 m	11.0 m	3.46%		0.663 g/t		
SU-12	0.0 m	3.7 m	3.7 m	6.28%		2.97 g/t		
SU-15	0.0 m	3.8 m	3.8 m	3.76%		0.38 g/t		
SU-20	2.7 m	3.1 m	0.4 m	0.08%		18.50 g/t		
SU-21	0.9 m	2.5 m	1.6 m	4.60%		1.32 g/t		
SU-23	2.8 m	10.6 m	7.8 m	3.98%		3.33 g/t	20.54 g/t	
SU-43	0.9 m	1.8 m	0.9 m	5.50%		1.71 g/t	57.54 g/t	
SU-52	0.0 m	5.0 m	5.0 m	3.88%		3.01 g/t	19.82 g/t	
SU-59	0.0 m	4.1 m	4.1 m	5.40%		3.51 g/t	31.04 g/t	
SU-64	0.0 m	0.9 m	0.9 m	6.00%		1.37 g/t	27.40 g/t	
SU-65	0.0 m	2.5 m	2.5 m	3.00%		0.69 g/t	10.28 g/t	
SU-66	0.0 m	0.9 m	0.9 m	6.80%		0.69 g/t	18.50 g/t	
SU-69	0.0 m	4.9 m	4.9 m	5.23%		0.52 g/t	24.76 g/t	
SU-73	0.0 m	4.9 m	4.9 m	4.30%		0.79 g/t	13.43 g/t	
SU-76	0.0 m	1.8 m	1.8 m	3.20%		1.03 g/t	27.40 g/t	
TU-11	0.0 m	0.9 m	0.9 m	3.25%	0.04%	5.14 g/t	18.84 g/t	
TU-12	0.0 m	8.9 m	8.9 m	1.77%	0.05%	1.04 g/t		
TU-13	15.1 m	20.6 m	5.5 m	4.40%	0.13%	2.16 g/t	23.70 g/t	
TU-16	6.5 m	6.8 m	0.3 m	5.15%		10.62 g/t	32.54 g/t	



Hole #	From	To	Interval	% Zn	% Cu	Au g/t	Ag g/t	Description (see note)*
<b>Surface diamond drill holes</b>								
TU-18	0.0 m	4.1 m	4.1 m	2.71%		0.82 g/t	12.53 g/t	
	19.1 m	27.1 m	8.0 m	3.66%		0.88 g/t	9.73 g/t	
	33.7 m	35.4 m	1.7 m	3.40%		0.89 g/t	9.34 g/t	
TU-19	9.6 m	15.8 m	6.2 m	1.43%		0.90 g/t	14.9 g/t	
TA-87-20	34.1 m	39.2 m	5.1 m	6.93%		2.02 g/t	64.87 g/t	
TA-87-21	64.6 m	66.1 m	1.5 m	5.27%		1.59 g/t	12.75 g/t	
TA-87-27	2.6 m	9.1 m	6.5 m	2.46%		1.96 g/t	14.70 g/t	
	31.1 m	32.3 m	1.2 m	5.60%		17.98 g/t	37.33 g/t	
TA-87-29	8.2 m	14.6 m	6.4 m	2.42%		0.36 g/t	18.39 g/t	
	78.0 m	78.9 m	0.9 m	3.48%		0.69 g/t	106.18 g/t	
TA-87-30	6.1 m	7.3 m	1.2 m	4.80%			95.39 g/t	
	17.1 m	17.8 m	0.7 m	1.48%			57.64 g/t	
	24.4 m	29.3 m	4.9 m				24.49 g/t	
TA-87-32	3.1 m	9.8 m	6.7 m				55.24 g/t	
TA-87-33	28.0 m	42.1 m	14.1 m	3.70%				
TA-87-34	49.4 m	51.8 m	2.4 m				67.99 g/t	
	73.7 m	74.7 m	1.0 m	3.87%		0.70 g/t	20.89 g/t	
TA-87-35	34.8 m	36.8 m	2.0 m	6.12%		1.64 g/t	23.40 g/t	
TA-87-36	104.9 m	110.2 m	5.3 m	17.87%				
TA-87-38	125.5 m	126.5 m	1.0 m	16.70%		3.83 g/t	24.20 g/t	
TA-87-39	34.3 m	37.0 m	2.7 m	3.49%		0.56 g/t	43.51 g/t	
TA-87-40	81.1 m	83.5 m	2.4 m	10.05%		2.96 g/t	50.05 g/t	
	91.4 m	94.2 m	2.8 m	10.82%		3.23 g/t	19.19 g/t	
	101.8 m	103.2 m	1.4 m	4.12%		0.51 g/t	5.14 g/t	
	134.1 m	137.6 m	3.5 m	11.19%		0.96 g/t	12.37 g/t	
TA-89-41	61.7 m	62.6 m	0.9 m	14.21%	0.05%	1.37 g/t	5.82 g/t	
	85.1 m	92.0 m	6.9 m	4.59%	0.03%			
	96.1 m	100.9 m	4.8 m	3.95%	0.03%			
TA-89-42	212.1 m	213.4 m	1.3 m	7.40%	0.05%	0.87 g/t	5.79 g/t	
TA-89-44	115.1 m	115.2 m	0.1 m	0.09%	18.99%		44.87 g/t	
	117.1 m	117.2 m	0.1 m	6.14%	10.98%		34.94 g/t	
	133.7 m	142.8 m	9.1 m	3.91%				
	207.4 m	217.7 m	10.3 m	5.75%				
TA-89-46	136.4 m	152.0 m	15.6 m	1.67%				
TA-89-47	35.2 m	37.3 m	2.1 m	3.53%	0.14%			
TA-89-48	182.5 m	184.9 m	2.6 m	3.44%	0.05%			
	190.2 m	191.6 m	1.4 m	5.55%	0.04%			
TA-90-50	65.5 m	70.1 m	4.6 m	4.12%		6.78 g/t	10.12 g/t	
	84.6 m	87.5 m	2.9 m	3.90%		3.20 g/t		
	95.5 m	106.7 m	11.2 m	10.39%	0.10%	2.54 g/t	19.26 g/t	
	114.0 m	129.5 m	15.5 m	6.57%	0.10%	8.05 g/t	23.58 g/t	
	139.3 m	144.3 m	5.0 m	1.17%	0.06%	1.20 g/t	7.26 g/t	
TA-90-51	197.4 m	200.0 m	2.6 m	5.39%	0.21%	3.52 g/t	20.10 g/t	
	226.2 m	236.2 m	10.0 m	1.30%			5.43 g/t	
TA-90-52	48.5 m	50.9 m	2.4 m	2.48%			14.57 g/t	
	191.7 m	192.0 m	0.3 m	3.51%	0.34%	1.71 g/t	17.47 g/t	
TA-90-52 (con't)	201.2 m	203.3 m	2.1 m	5.21%		5.70 g/t	11.60 g/t	
TA-90-53	48.5 m	51.4 m	2.9 m	3.63%				
	94.4 m	98.2 m	3.8 m	1.42%				
	220.8 m	221.6 m	0.8 m	3.39%		0.70 g/t		
TA-90-54	77.4 m	77.7 m	0.3 m	4.28%	0.05%	3.77 g/t	9.59 g/t	
	85.3 m	88.8 m	3.5 m	1.46%				
TA-90-55	111.6 m	117.3 m	18.7 m	1.80%		1.44 g/t		

Hole #	From	To	Interval	% Zn	% Cu	Au g/t	Ag g/t	Description (see note)*
<b>Surface diamond drill holes</b>								
	135.3 m	140.7 m	5.4 m	1.52%		0.96 g/t		
	149.9 m	147.2 m	0.3 m	5.37%		14.39 g/t	18.84 g/t	
	151.8 m	167.8 m	16.0 m	3.42%		1.27 g/t		
	189.3 m	190.2 m	0.9 m	1.07%	0.01%	2.06 g/t	3.08 g/t	
	199.5 m	200.9 m	1.4 m	2.78%	0.07%	2.06 g/t	6.51 g/t	
TA-90-56	74.7 m	75.4 m	0.7 m	6.44%		3.77 g/t		
	81.0 m	84.4 m	3.4 m	5.75%		4.06 g/t		
	93.1 m	96.6 m	3.5 m	1.63%		2.55 g/t		
	136.4 m	137.1 m	0.7 m	16.97%	0.37%	8.22 g/t	34.94 g/t	
	164.4 m	166.9 m	2.5 m	5.23%		6.18 g/t		
	215.7 m	219.6 m	3.9 m	6.74%		3.95 g/t		
	223.9 m	224.3 m	0.4 m	8.84%	0.27%	11.30 g/t	15.41 g/t	
TLT-01	48.3 m	50.9 m	2.6 m		0.14%	1.16 g/t		
TLT-02	106.3 m	107.3 m	1.0 m				70.01 g/t	
TLT-06	55.9 m	56.1 m	0.2 m	6.49%	0.87%	3.77 g/t	33.91 g/t	
	164.0 m	164.4 m	0.4 m	3.74%	0.03%	1.37 g/t		
TLT-07	171.8 m	175.4 m	3.6 m	3.77%				
	188.1 m	190.2 m	2.1 m	4.86%	0.06%			
TLT-09	247.4 m	249.7 m	2.3 m			4.28 g/t		
	250.1 m	251.6 m	1.5 m	2.89%				
TLT-12	3.2 m	4.3 m	1.1 m	5.60%	0.12%			
	32.8 m	37.9 m	5.1 m	4.19%				
TLT-13	104.0 m	104.7 m	0.7 m	0.70%	0.18%	5.48 g/t	25.69 g/t	
	277.4 m	280.9 m	3.5 m	3.36%		0.98 g/t		
TLT-25	40.3 m	43.4 m	3.1 m	2.95%				

Note: Legend for the description of the mineralization

ARG = Argillite	V3 = Basalt	V2 = Intermediate lavas	V1 = Felsic lavas
TUF_F = Felsic tuffs	TUF_I = Intermediate tuffs	TUF_M = Mafic tuffs	UM = Ultramafic
14M = Dunite	14N = Serpentinite	14B = Pyroxenite	14I = Peridotite
13A = Gabbro	1T = Granite	12D = Syenite	11C = Diorite
F.D. = Felsic dyke	I.D. = Intermediate dyke	M.D. = Mafic dyke	Sph = Sphalerite
Brx = Breccia	Min Zone = Mineralized Zone	Qtz = Quartz vein	Po = Pyrrhotite
Gp = Graphite	Cpy = Chalcopyrite	Py = Pyrite	
Asp = Arsenopyrite	Gn = Galena	Mg = Magnetite	

Preliminary conclusions on the assays results listed above are:

- Numerous parallel structures are present (same hole numerous intersections);
- Good widths are locally present;
- Core length are variable (true width were not estimated but are believe to be about 70% of core length);
- Some section with gold values but no zinc reported;
- Few sections of strictly silver values, no gold nor zinc reported;
- Gold values are not directly proportional to silver values nor Zinc values; and
- Erratic high grades gold values, separate high grade silver values and other high grade zinc values are present on the Berrigan Project.

Previous graphs also confirm that there is no evident correlation between gold (Au), silver (Ag) and zinc (Zn) mineralization at the Main/North/Taché Zone.

The following table lists some of the better gold intersections from the previous drilling. Intersections grading more than 3.00 g/t Au over core lengths of more than 4.5 m have been highlighted. A few narrow sections of high grade gold over narrow width are also highlighted.

**Table 3: Significant gold intersections within previous drilling**

Hole #	From	To	Interval	% Zn	% Cu	Au g/t	Ag g/t	Description (see note in table 2) *
<b>Surface diamond drill holes</b>								
A-005	131.4 m	140.2 m	8.8 m	5.70%		6.96 g/t		14M, zone min.
A-010	97.3 m	105.2 m	7.9 m	4.43%		4.94 g/t	25.36 g/t	14B, zone min
A-016	18.9 m	21.2 m	2.3 m	1.51%		6.43 g/t		
	76.2 m	77.7 m	1.5 m	3.45%		8.91 g/t		
A-061	91.6 m	100.6 m	9.0 m	3.76%	0.16%	3.00 g/t	17.24 g/t	
	107.1 m	115.7 m	8.6 m	6.15%	0.17%	8.14 g/t	39.70 g/t	
A-062	59.3 m	61.1 m	1.8 m	6.92%		4.62 g/t	17.14 g/t	
A-063	113.7 m	114.3 m	0.6 m	17.55%		49.23 g/t	404.64 g/t	
	129.4 m	132.8 m	3.4 m	8.86%		8.88 g/t	68.16 g/t	
	138.9 m	141.5 m	2.6 m	4.69%		4.04 g/t	11.14 g/t	
A-065	121.6 m	125.7 m	4.6 m	7.67%		6.08 g/t	21.56 g/t	
	139.8 m	144.5 m	4.7 m	2.80%		3.55 g/t	7.64 g/t	
	164.7 m	167.2 m	2.5 m	3.13%		6.95 g/t	15.44 g/t	
A-066	100.6 m	101.8 m	1.2 m	22.90%		36.65 g/t	39.73 g/t	
	159.8 m	168.8 m	9.0 m	6.26%		5.19 g/t	19.60 g/t	
A-067	157.1 m	158.2 m	1.1 m	16.75%		10.96 g/t		
A-072	188.7 m	190.9 m	2.2 m	5.08%		3.13 g/t		
A-073	144.8 m	145.1 m	0.3 m	27.90%		32.88 g/t		
A-076	126.3 m	129.8 m	3.5 m	11.07%		3.02 g/t		
A-083	94.3 m	96.3 m	2.0 m	4.45%		3.79 g/t	10.34 g/t	
	119.4 m	132.6 m	13.2 m	4.99%		2.88 g/t	15.91 g/t	
A-084	130.3 m	142.8 m	12.5 m	4.58%		5.10 g/t	17.18 g/t	
A-086	50.9 m	52.1 m	1.2 m	7.00%		15.07 g/t	59.60 g/t	
A-103	56.4 m	59.4 m	3.0 m	5.84%		11.61 g/t		
U-02	44.9 m	45.6 m	0.7 m	2.95%		17.81 g/t	89.74 g/t	
	90.4 m	91.4 m	1.0 m	13.80%		26.72 g/t	58.91 g/t	
	95.8 m	108.7 m	12.9 m	5.75%		3.11 g/t	15.17 g/t	
U-03	8.2 m	16.6 m	8.4 m	13.09%		6.98 g/t	20.71 g/t	
	49.4 m	64.0 m	14.4 m	8.69%		3.41 g/t	17.49 g/t	
U-04	17.4 m	19.7 m	2.3 m	12.77%		4.60 g/t	14.65 g/t	
	85.9 m	86.6 m	0.7 m	7.05%		37.68 g/t	78.09 g/t	
U-09	71.8 m	75.8 m	4.0 m	2.32%		4.32 g/t	12.43 g/t	
SU-23	2.8 m	10.6 m	7.8 m	3.98%		3.33 g/t	20.54 g/t	
SU-52	0.0 m	5.0 m	5.0 m	3.88%		3.01 g/t	19.82 g/t	
SU-59	0.0 m	4.1 m	4.1 m	5.40%		3.51 g/t	31.04 g/t	
<b>Surface diamond drill holes</b>								
TA-87-27	31.1 m	32.3 m	1.2 m	5.60%		17.98 g/t	37.33 g/t	
TA-87-40	81.1 m	83.5 m	2.4 m	10.05%		2.96 g/t	50.05 g/t	
	91.4 m	94.2 m	2.8 m	10.82%		3.23 g/t	19.19 g/t	
TA-90-50	65.5 m	70.1 m	4.6 m	4.12%		6.78 g/t	10.12 g/t	
	84.6 m	87.5 m	2.9 m	3.90%		3.20 g/t		
	95.5 m	106.7 m	11.2 m	10.39%	0.10%	2.54 g/t	19.26 g/t	
	114.0 m	129.5 m	15.5 m	6.57%	0.10%	8.05 g/t	23.58 g/t	
TA-90-51	197.4 m	200.0 m	2.6 m	5.39%	0.21%	3.52 g/t	20.10 g/t	
TA-90-52	201.2 m	203.3 m	2.1 m	5.21%		5.70 g/t	11.60 g/t	
TA-90-56	81.0 m	84.4 m	3.4 m	5.75%		4.06 g/t		
	164.4 m	166.9 m	2.5 m	5.23%		6.18 g/t		
	215.7 m	219.6 m	3.9 m	6.74%		3.95 g/t		
TLT-09	247.4 m	249.7 m	2.3 m			4.28 g/t		



It is interesting to note that the narrow high grade gold intersections also records significant silver values. While logging the next drill core, geologist should keep an eye for “electrum” (white gold) and a “nugget effect” is also expected during assaying.

## **11 SAMPLE PREPARATION, ANALYSES AND SECURITY**

Previous logging and sampling was done at different facilities outside the property. Sampling methods and procedures were consistent with industry standards at the time. Sampling of the mineralization of economic interest from the Berrigan Project has been essentially limited to samples collected from diamond drill core and few “mini bulk samples” collected underground for preliminary metallurgical testing.

During the previous drill programs, the drill core was partially cut with a splitter along its longitudinal axis and sampled every 0.3 m, 0.5 m and up to 1.5 m, following the typology of the mineralization. Generally the shorter intervals represent isolated veins or well mineralized sections; usually such sections carry higher gold mineralization.

The sampling steps used at the time were as follows:

- The core is drilled and put in boxes that are closed and tied solidly for transportation; the boxes are transported to a secure location by pick-up truck; the core boxes are then unloaded, washed if necessary and tagged with aluminum tags embossed with the hole number, box number and interval from-/to- stapled onto the end of each core box.
- The core is measured and described by the geologist (consultant), noting different geological units, alteration, structure, and mineralization (sulphides). Sections with alteration and mineralization are usually marked for sampling.
- One-half of the core is sampled and placed in a tagged bag for assay. The other half is replaced in the box with corresponding tags placed at the beginning or the end of the sampled interval, depending of the geologist.
- The metallic pans and the splitter are cleaned after each sample is taken.
- Each sample bag is then sealed and placed in larger shipping bags which are delivered directly by the company personnel to the commercial laboratory for assay.
- The other half of the core, retained in the core boxes for reference and further detailed sampling, are moved to a permanent storage in steel core racks within fenced yards.
- At all times the location is kept locked and only personnel authorized by Globex or CIM have access.

The sampling approach taken by the previous companies appears conformed to industry standards. Assaying procedures used by different commercial laboratories (Fire Assay and Atomic Absorption Finish) were also conform with and adequate to the exploration and mining standards at the time.

For the next exploration program, sampling will be performed by experienced technicians hired by the exploration company for the project. As the sampling progresses, the samples are immediately packed into sample bags along with a tag; sample bags are sealed and placed into larger bags; these shipping bags are then secured by a plastic strip for transportation to commercial laboratories. The exploration geological staff, as well as employees, directors, officers and associates of Globex or CIM, are not involved in any aspect of the sample preparation.

Accuracy and potential contaminations of analytical procedure at the laboratory are monitored by the introduction of blanks and blind certified reference standards into the sample stream. For the previous sampling completed so far, no other blanks or certified standards were included with the assays. Usually a limited number of higher grade mineralized intersections are checked by re-assaying the reject and further testing will include a quarter-sawn portion of the remaining witness sample.

Rejects and pulps resulting from assaying by commercial laboratories are returned to the exploration companies for safe keeping.

No drilling has yet been completed by either Globex or CIM on the Berrigan Project. Even if the Author believes that the quality assurance (“QA”) and quality control (“QC”) procedures for ensuring the security of core samples, the integrity of chain-of-custody for samples and the accuracy of laboratory analyses used at the time by previous owner of the property were

in line with industry practice, the Author is not in a position to opine on the measures taken to ensure the validity and integrity of samples taken by previous owners of the Berrigan Project.

#### 14 MINERAL RESOURCE ESTIMATES

Numerous “Resources” estimations were completed over the years on the Berrigan Project. At least 9 estimates are reported within literature on the Main/North/Taché Zone and one on the South Berrigan Zone (see table 4).

B.D. Brett in 1959 completed a resource estimate on the “South Berrigan Zone”. F.A. Innes calculated a resource on the “Main/North/Taché Zone” in 1966. Both completed the tasks for Taché Lake Mines Limited.

In 1976-1977, C. Huang (Camchib) and G. Darcy (Canadian Merrill) independently estimated resources on the Berrigan Project, Main/North/Taché Zone. The Ministère Énergie Ressources Québec (“MERQ”) also completed a resource estimate to confirm resources.

D. Gaudreault (Camchib) completed a comprehensive resource estimate on the Main//North/Taché Zone in 1984. Zones A, B, C, D, E, F were defined along with some subsidiary zones, F’, J, 1 and 2. The “resource estimate” was completed in two sections, the upper part of the Main Zone from 426.8 m (1,400 feet) to 213 m (700 feet) for all of the main veins followed by the section further down. The topographic top in the immediate area is about 500 m (1,640 feet) and the elevation of the portal of the decline is about 396 m (1,299 feet).

Anderson (James Wade Engineering Ltd) in 1988 incorporated some of the work done by Bitech in 1987. He also considered an open pit potential.

In 1998, SOQUEM also compile an historical resource estimate on the Main/North/Taché Zone

P. Bedard and S. Desbien of Docu-Science Inc. in a report titled “Potentiel de gisements de classe mondiale de type porphyre Cu-Au et zinc-aurifère” in 1998 reported a resource figure (non NI 43-101 compliant) of 1.43 million tonnes grading 1.9 g/t Au and 3.31% Zn with silver values ranging from 14.0 g/t to 380 g/t (this estimate is historical in nature and should not be relied upon).

These above historical reserves and resources have been defined by blocks enveloping one or more parallel veins usually oriented at N-030° and dipping 60° to 75° to the NW either on cross-section or longitudinal section. No Rock Quality Designation (“RQD”), density test and/or dilution has been completed and only Met-Chem Canada Inc. in 2002 carried out a preliminary metallurgical test. Silver and lead values were not incorporated because of the irregular sampling for these elements which could represent a significant by-product from this gold-zinc ore. Locally sub-economic values in nickel (Ni) and also chromium (Cr) have been detected.

**Table 4: List of historical resources estimates**

<b>North/Main/Taché Zone</b> (short tons converted into metric tonnes)					
1.	Taché Lake Mines Ltd. (1966)	346,623 tonnes	7.49% Zn	6.17 g/t Au	28.1 g/t Ag
2.	Camchib (1976)	257,480 tonnes	4.48% Zn	2.85 g/t Au	-
3.	Canadian Merrill Ltd. (1977)	221,783 tonnes	5.25% Zn	2.20 g/t Au	-
4.	MERQ (1977)	314,545 tonnes	7.05% Zn	7.50 g/t Au	34.1 g/t Ag
5.	Camchib (1984)	1,447,207 tonnes	3.16% Zn	1.77 g/t Au	-
6.	Bitech (1988) open pit below open pit	568,726 tonnes 866,455 tonnes	4.06% Zn 2.82% Zn	2.44 g/t Au 1.54 g/t Au	-
7.	SOQUEM (1998)	840,736 tonnes	4.20% Zn	2.40 g/t Au	-
8.	Docu-Science (1998)	1,430,000 tonnes	3.31% Zn	1.90 g/t Au	-
9.	Met-Chem (2004)	1,388,915 tonnes	3.17% Zn	1.77g/t Au	-
<b>South Berrigan Zone</b>					
1.	Taché Lake Mines Ltd. (1959)	259,637 tonnes	3.05% Zn	0.58 g/t Au	-

*The above resources are all historical in nature having been estimated prior to May 30, 2003 (the Council of the Canadian Institute of Mining Metallurgy and Petroleum (“CIMM”) current and adopted guidelines). Globex and CIM are not treating these historical estimates as current mineral resources as defined under NI 43-101.*

The following table summarized the last systematic resources estimates completed on the “Main/North/Taché” Zone (GM-61359).

**Table 5: Historical tonnage and grade per structure**

Vein	Gaudreault (1984)			Anderson 1988 *			Met-Chem 2001		
	Tonnes	Zn%	Au g/t	Tonnes	Zn%	Au g/t	Tonnes	Zn%	Au g/t
1	<b>2,858</b>	2.104%	0.670 g/t	<b>2,858</b>	2.104%	0.670 g/t	<b>3,496</b>	2.009%	0.771 g/t
2	<b>6,336</b>	3.813%	2.979 g/t	<b>6,336</b>	3.813%	2.979 g/t	<b>6,921</b>	3.531%	2.647 g/t
A	<b>71,455</b>	5.105%	1.969 g/t	<b>73,068</b>	5.081%	1.921 g/t	<b>63,568</b>	5.164%	1.927 g/t
B	<b>69,267</b>	4.723%	2.401 g/t	<b>70,870</b>	4.370%	2.099 g/t	<b>61,177</b>	5.445%	2.655 g/t
C	<b>140,007</b>	4.282%	3.737 g/t	<b>102,854</b>	3,470%	3.961 g/t	<b>148,912</b>	4.208%	3.833 g/t
C'	<b>5,906</b>	8.579%	1.095 g/t	<b>5,906</b>	8.579%	1.095 g/t	<b>6,751</b>	8.516%	0.952 g/t
D	<b>234,256</b>	3.540%	1.950 g/t	<b>125,369</b>	3.714%	2.475 g/t	<b>203,861</b>	3.258%	1.783 g/t
D'	<b>22,037</b>	5.302%	2.371 g/t	<b>7,008</b>	4.063%	0.357 g/t	<b>19,020</b>	6.036%	3.236 g/t
E	<b>185,139</b>	3.705%	2.239 g/t	<b>93,447</b>	4.843%	1.870 g/t	<b>163,418</b>	4.010%	2.020 g/t
E'	<b>5,915</b>	5.677%	3.407 g/t				<b>11,541</b>	4.964%	2.951 g/t
F	<b>391,432</b>	2.114%	1.211 g/t	<b>46,696</b>	1.997%	1.450 g/t	<b>349,594</b>	2.180%	1.122 g/t
F'	<b>37,269</b>	2.438%	0.546 g/t				<b>39,362</b>	2.666%	0.515 g/t
G	<b>163,645</b>	2.678%	1.052 g/t	<b>34,314</b>	4.397%	3.154 g/t	<b>202,101</b>	2.390%	0.908 g/t
	<b>53,388</b>	1.774%	1.693 g/t				<b>50,938</b>	1.942%	1.825 g/t
	<b>46,268</b>	1.480%	0.197 g/t				<b>45,937</b>	1.598%	0.211 g/t
	<b>12,029</b>	1.10%	0.000 g/t				<b>12,318</b>	1.10%	0.000 g/t
<b>Total</b>	<b>1,447,207</b>	<b>3.16%</b>	<b>1.77 g/t</b>	<b>568,726</b>	<b>4.06%</b>	<b>2.44 g/t</b>	<b>1,388,915</b>	<b>3.17%</b>	<b>1.77 g/t</b>

\* Note: Anderson estimated only the open pit potential on veins close to surface. He also estimated a resource, below the limit of the open pit of 866,455 tonnes grading 2.82% Zn & 1.54 g/t Au.

*The above resources are all historical in nature having been estimated prior to May 30, 2003 (CIMM current and adopted guidelines). Globex and CIM are not treating these historical estimates as current mineral resources as defined under NI 43-101.*

The above table clearly indicates that within the limits of the present diamond drilling, the volume of mineralized rocks of economic interest is fairly consistent based on the systematic work of Gaudreault (1984), Anderson (1988) and the last compilation completed by Met-Chem Canada Inc. in early 2000's. The average grade is also quite consistent between the different estimates.

It is also evident that the bulk of the mineralization is included within the A, B, C, D, E, F and G lenses.

The average width of each structure was not compiled during these historical resource estimates, nevertheless from the underground sampling carried out by Canadian Merrill Ltd. in 1969 it appears that the mineralized zone followed for 44.5 m within the drift on the first level, averaged 4.4 m (14.1 feet) in width.

Furthermore, over the years, the above historical resources indicate a significant increase in tonnage following each exploration programs.

The Main/North/Taché Zone remains open at depth and the other zones (South (Berrigan), Morrison, East Zone and Wedge Zone) should also be compiled. With the recent increase in the price of silver, this element could represent a significant by-product on this project.

The geometry of the mineralization described on the present Berrigan Project can be easily compared to the former Norbeau Mine, and also to most of the Chapais-Chibougamau mines which can be “regionally” described as fractures and/or shears filled by massive sulphide-type (VMS) mineralization possibly derived from a pre-existing (earlier) massive sulphide present at the contact of the Gilman and Blondeau formations.

Constraints for the mineral resources within the previous estimates based largely on sectional interpretations were created by the complex geometry of the geology, structure and mineralization. No detailed modeling of the mineralized zones has been completed.

The cut-off grades, which may change significantly the volume and average grade of a resource estimate, usually require revisions depending on market conditions including gold price, exchange rate and operating costs for the type of mining considered.

## **26 RECOMMENDATIONS**

Good property geology, significant mineralization of economic interest and location close to a mining town with good mining infrastructures and experienced people are significant “ingredients” in order to advance a project toward production.

Based on previous exploration work, the recently re-interpreted data, the geological and structural descriptive features, the metallurgical testing of the gold – zinc - silver mineralization it is strongly recommended to continue the systematic surface and underground exploration on this project.

Potential exists to easily confirm historical resources and expand these historical resources at depth. Because of a limited underground development program on the Berrigan Project, it will also be easier later to move some of the resources into reserves with in-fill diamond drilling and underground exploration work.

The Berrigan Project provides good exploration potential for significantly increasing the historical mineral resources and advancing the project toward possible development. The Berrigan Project certainly warrants further diamond drilling and CIM short term objective should be to focus on the recommended surface exploration program.

The Author agrees with recommendations made by Met-Chem Canada Inc. (GM-61356) for the different zones representing high priorities for surface diamond drilling (Figure 11). The drill core should be oriented to better understand the complex geometry and assaying should systematically include, as a minimum gold, silver, zinc, lead, cobalt and nickel. Other elements would also help to better define the alteration envelope.

Over the years, the Québec government has demonstrated a will to encourage natural resources development through quick permitting, title security and financial incentives.

Recommendations are proposed to help orientate the next exploration program on the Berrigan Project and also set some of the money requirements for future financing.

The Author recommends a multi-phase work program that includes studies and exploration drilling (phase 1) followed by systematic surface drilling (phase 2) in order to confirm and upgrade historical copper and gold resources into a NI 43-101 compliant format.

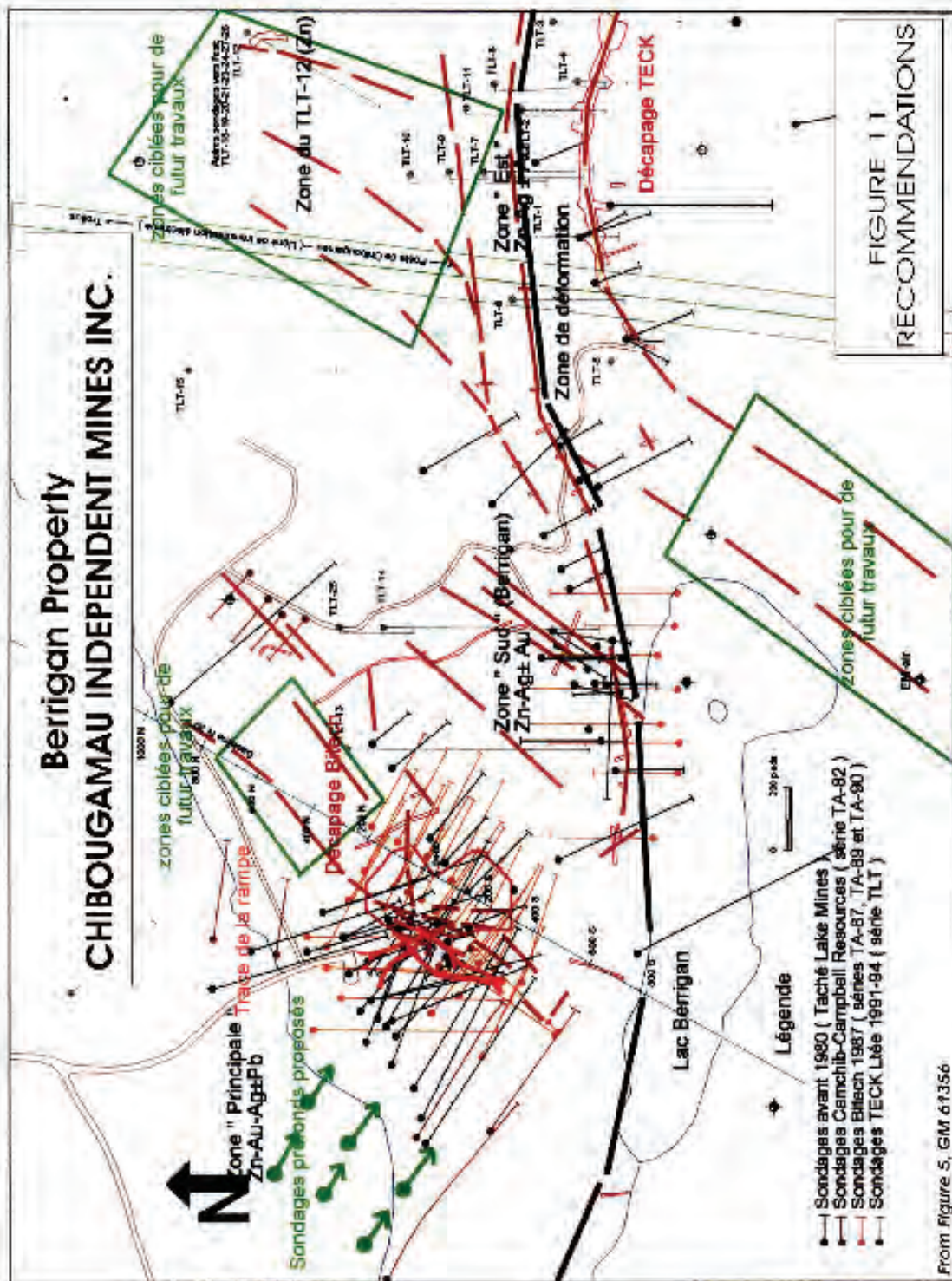
A minimum exploration budget of \$605,000 is recommended for phase 1.

The second phase of exploration will be based on results of systematic compilation and preliminary drilling recommended in phase 1. Surface diamond drilling proposed in phase 2 will be aimed at probing and confirming areas of historical resources in order to convert some of these resources into current resources (or reserves) as per CIMM standards. A preliminary minimum meterage of 19,000 m of NQ-size drilling is recommended.

**Recommended Budget**

	Estimated costs	CDN \$
<b>Phase 1</b>	Studies and exploration drilling	
	Data compilation (geological, geochemical and geophysical historical work and internally generated documents)	\$150,000
	Grid lines and geophysical test surveys	\$50,000
	Stripping, trenching and sampling	\$50,000
	Preliminary surface exploration drilling (all inclusive) 3,000 linear meters @ \$100/m	\$300,000
	Contingencies	\$55,000
	<b>Total Phase 1</b>	<b>\$605,000</b>
<b>Phase 2</b>		
	Surface diamond drilling (all inclusive) 19,000 linear meters @ \$100/m	\$1,900,000
	Contingencies	\$190,000
	<b>Total Phase 2</b>	<b>\$2,090,000</b>

Figure 11: Recommendations for Diamond Drilling



## B. TECHNICAL INFORMATION ON THE LAC CHIBOUGAMAU MINING PROPERTIES

### 2 INTRODUCTION

Jack Stoch, the president of Globex, retained the services of Claude P. Larouche (the “Author”), an independent consulting geological engineer, to complete a “Technical Report” in compliance with guidelines for disclosure of exploration and development projects as recommended within NI 43-101, on its recently staked and/or map-designated claims, referred to as the “Lac Chibougamau Properties”. The Author was also requested to recommend a systematic exploration program from surface to confirm previous historical resources and expand if possible the mineralized zones along strike and at depth. The “Lac Chibougamau” project is located immediately East – Southeast and Northwest of the city of Chibougamau, province of Québec, Canada, and covers numerous precious and base metals occurrences along with a few former producers. A significant portion of the mining property is located over Lac Chibougamau and Lac Doré. Previous drill core from the exploration project is not available. The author of the present report has no material interest in Chibougamau Independent Mines Inc. or related entities or interests.

All previous geophysical, geochemical and geological data available within the assessment work files at the office of the resident geologist in Chibougamau have been carefully studied and all pertinent information has been summarized into the present report. Numerous internal reports and documents prepared by Campbell Resources, now controlled by C-Bay Resources, are known to exist, but were not made available to the Author.

### 4 PROPERTY DESCRIPTION AND LOCATION

The Lac Chibougamau Properties are located immediately E-SE and NW of the town of Chibougamau, Province of Québec, Canada. The Lac Chibougamau Properties lie within the Abitibi mining area of Northwestern Québec; more especially on NTS sheet 32G-16 (Figure 1).

A total of 159 claims (CL) and 116 cells (CDC) have been transferred from Globex to CIM. They cover an area of approximately 6,554 hectares (16,385 acres) or about 65.54 square kilometers. A large portion of the claims underlies the waters of Lac Chibougamau and Lac Doré. A sketch of the claim blocks is presented in Figure 2. The expiry dates with respect to the claims comprising the Lac Chibougamau Properties range between September 1, 2012 to May 18, 2014. All claims due in 2012 are currently in the process of being renewed.

The significant land package controlled by CIM around the town of Chibougamau has been acquired by staking and map designation to cover a large and very prospective geological and structural section within the heart of the Chibougamau Mining District. The staking requires that four corner posts be physically constructed in the field and map staking is conducted on a claim map by reserving a pre-defined area of 30 seconds latitude by 30 seconds longitude.

The “Lac Chibougamau Properties” include the “Berrigan project” which was the object of a separate NI 43-101 compliant report (initially dated May 17, 2011 and amended and restated on August 15, 2012), five Cu-Au-Ag previous producers (Kokko Creek Mine (Cu-Au), Québec Chibougamau Goldfields Mine (Cu-Au-Ag), Bateman Bay Mine (Au-Ag-Cu), S-3 Zone (Au-Cu) and Grandroy Gold & Copper Mine (Cu-Au-Mo) and importantly, the projected lateral and / or extensions to depth of the largest past producing mines in the Chibougamau Camp including the Portage/Henderson Mines which produced more than 1.1 million ounces of gold and 0.5 billion pounds of copper from surface to a vertical depth of 1,097 m (www.nuinsco.ca). The CIM holdings also cover the inferred lateral and / or vertical extensions of other former copper-gold producers in the Chibougamau Mining Camp including Copper Cliff, Jaculet, and Cedar Bay mines. Other precious and base metal mineralized occurrences such as: Ile Marguerite (Cu-Au), K-Zones (Cu-Au), Roycam (Cu-Au), S-Zones (Au-Cu), Sulphur Converting (Cu-Zn), T-Zones including Tommy/Yorcan - T10 - T9 - T8 (Au-Cu), Valiquette, 1119-94-07 (Ag-Pb-Zn), 1119-95-01 (Au), and 1119-95-05 (Au) are also found within the CIM Property limits. Ile Marguerite South (tal) and Mont Sorcier (Fe-Ti-V) constitute the balance of non-base/precious metal mineral occurrences still located within the limits of the CIM property.

CIM (Gestim client number: 87029) has a registered 100% undivided interest in the claims under study. There are no surface rights directly associated with the claims. Obligations to maintain claims are limited to paying fees every second year (\$27.00 per claim or \$53.00 per cell) and filling a certain amount of exploration work (\$500.00 per claim or \$1,200.00 per cell) at each renewal. Excess work can be banked on a claim (referred to as banked credit), and this excess can later be used to renew the claim itself or contiguous claims which lie completely within a radius of 4.5 km from the center of the claim carrying the credit.



Figure 1: Location Map

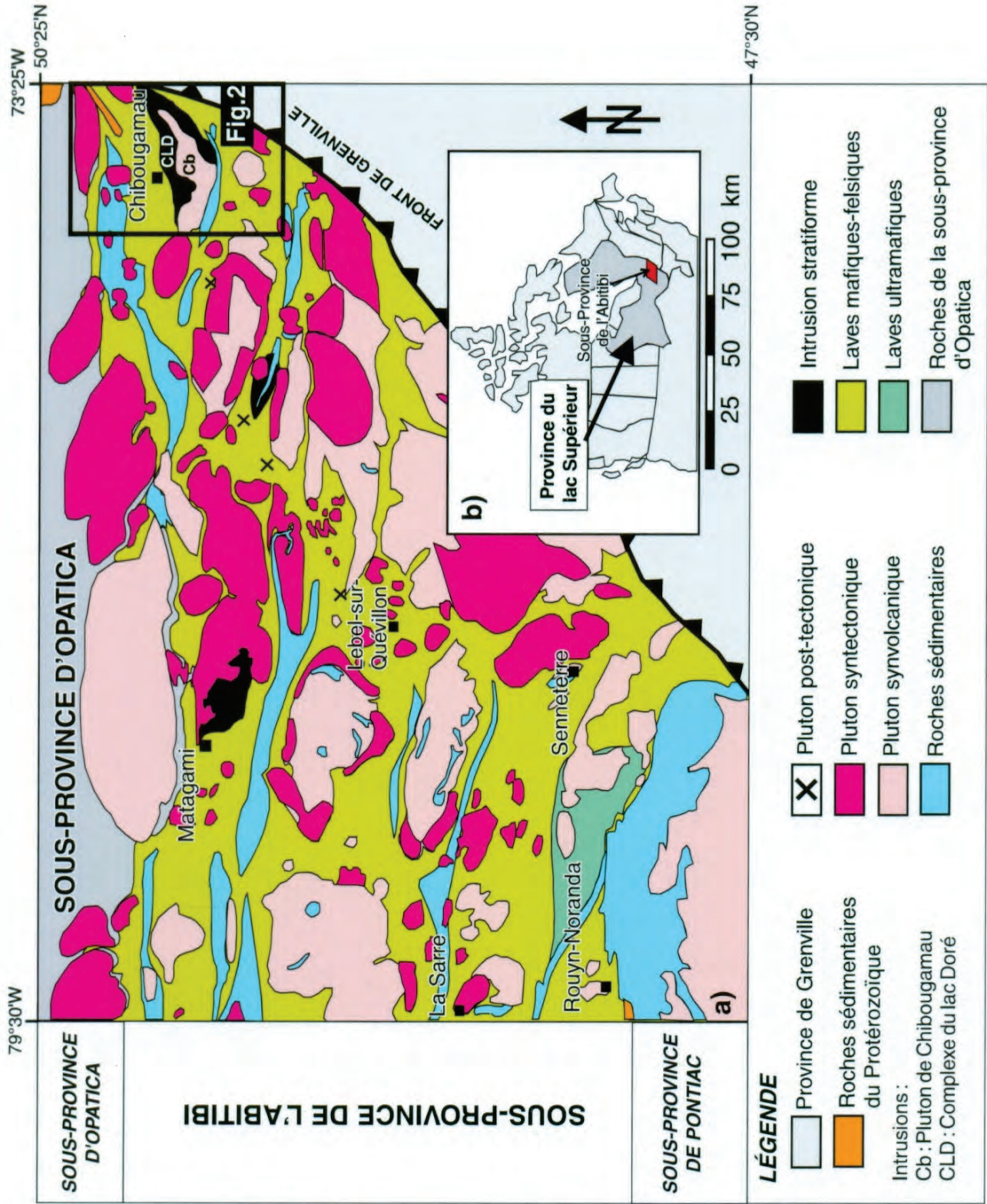
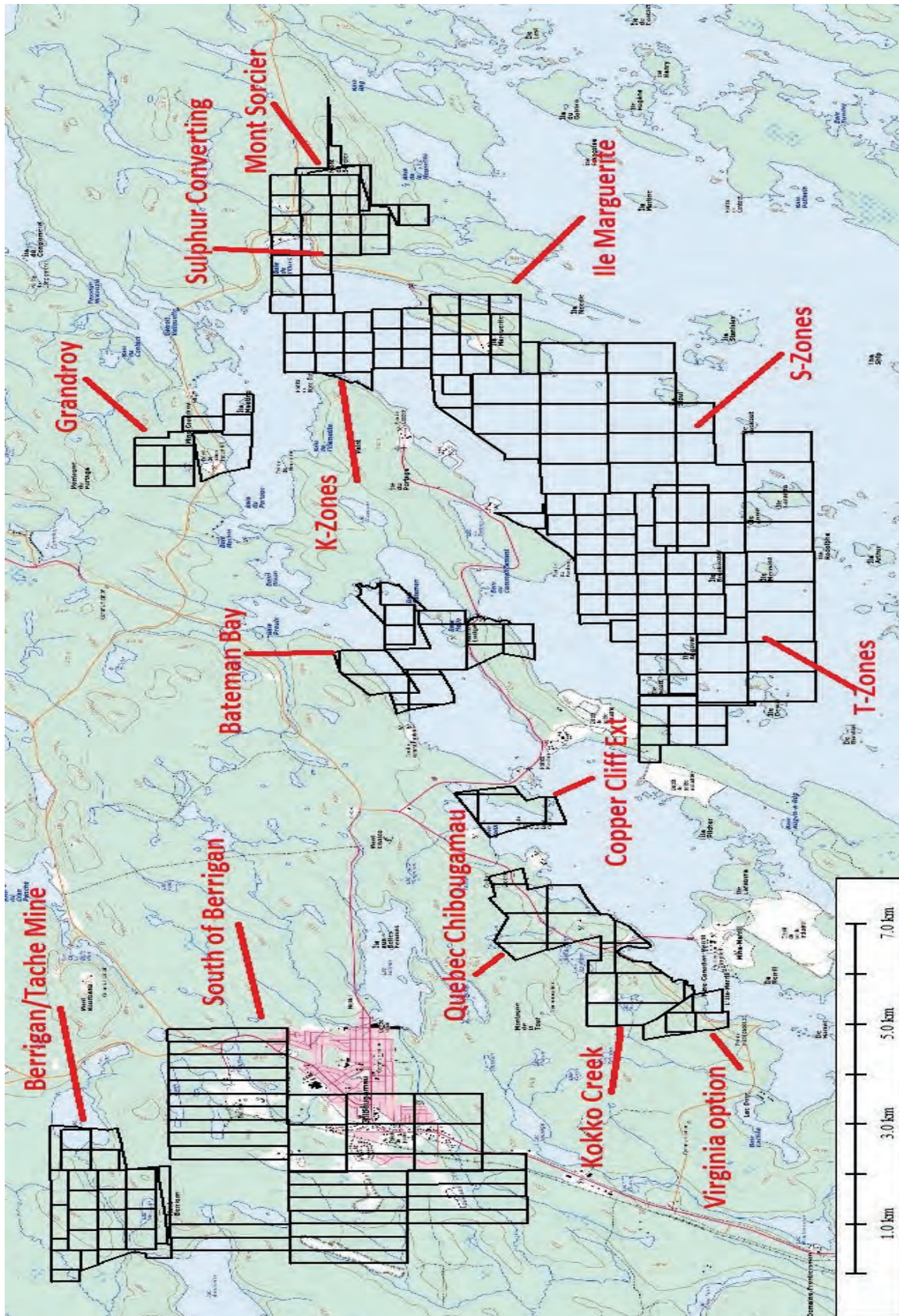




Figure 2: Sketch of Claims



#### 4.4 ENVIRONMENTAL REGULATIONS AND LIABILITIES

To the extent known, there are no environmental liabilities to which the property is subject.

In order to conduct surface exploration work (principally stripping, trenching and diamond drilling) on claims covering crown land, permitting is fairly simple to apply for and is rapidly obtained.

Permitting for underground exploration is more complex to negotiate, involving numerous levels of regulations. CIM has not started the permitting process in order to dewater existing underground workings for the purpose of carrying out underground exploration. There are no environmental liabilities, to either Globex or CIM, resulting from the underground development work completed by previous owners on the claims comprising the Lac Chibougamau Properties.

### 5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURES AND PHYSIOGRAPHY

#### 5.1 ACCESSIBILITY

Chibougamau is an active mining and forestry center with a population of over 5,000 people. Chibougamau straddles highway 167 and is serviced by an airport with daily regular scheduled direct flights to Montreal, Québec (Air Creebec).

All of the claims are very easily accessible via all-weather gravel roads branching from secondary paved highways which connect with regional highway # 167. Large portions of the claims are located over major lakes. Docking facilities are present at numerous places in order to access Lac Doré and Lac Chibougamau during the summer. During the winter (January to March) the ice on the lakes is generally thick enough to permit diamond drilling. Drilling can also be conducted during the summer months from a “floating barge” on lakes where water is not too deep.

#### 5.2 CLIMATE

Climate conditions are typical of the Canadian Shields at this latitude, averaging lows of -30° C degrees in January to highs of +25° C degrees in July. The ground is generally snow covered from late November to late March, with snow depths of up to 2 m and summers are relatively hot and fairly wet.

#### 5.3 LOCAL RESOURCES

A highly specialized work force resides in Chibougamau and within the Abitibi region. The successful mining history of Chapais and Chibougamau over the last 60 years resulted in the establishment of very experienced miners along with the full range of associated secondary trademanships.

#### 5.4 INFRASTRUCTURES

Hydro-electric power, sufficient water for mining operations and good infra-structure for exploration and mining operations along with competitive skilled labor are readily available in Chapais and Chibougamau. A dormant but fully operative mill still exists in Chibougamau and is open for custom milling.

#### 5.5 PHYSIOGRAPHY

Topography in the general area is relatively flat and numerous claims are located over Lac Chibougamau and Lac Doré. On the shores, the overburden cover generally consists of sand and clay varying in thickness from 1 m to 30 m. There are few bedrock exposures but widespread swampy areas found within this moderately to locally densely (commonly black spruce) forested sectors of the Province. In the northern portion of the Lac Chibougamau Properties, the topography is more accentuated with the presence of Mont Sorcier which rises roughly 510 m above sea level with local steep topographic features characterized by vertical cliffs of up to 30 m in height. Mont Castor and Mont Berrigan further to the west are part of a system of E-W trending hills with a marked relief compared to the surrounding undulating topography. The level of Lac Chibougamau is about 380 m above sea level. The level of Lac Doré is about 379 m. In general, the Lac Chibougamau Properties area is lightly forested with spruce, birch, pine, and aspen with alder undergrowth.

## 6 HISTORY

Globex through its subsidiary CIM controls an important land position in the heart of the Chibougamau Mining Camp. Copper and gold were discovered in the early 1900's, road and railroad access were completed in the early 1950's and the establishment of the town of Chibougamau in 1952 corresponded to the development of numerous mines along the shores of Lac Doré and Lac Chibougamau.

Table 2: List of former mineral producers in Chibougamau

Mine	production	Short tons	Cu %	Au g/t	Depth (bottom level)
Campbell (Main Mine)	1955-1980	4,840,946	1.82	1.13	About 640 m
Chib-Kayrand	1964-1974	114,000	1.36	0.48	
Canadian Merrill	1958-1967	1,182,804	2.33	0.34	About 765 m
<b>Kokko Creek</b>	1959-1966	715,169	1.15	0.22	About 300 m
Fosse Merrill	1967-1991	1,643,900	1.91	0.34	
Fosse Main Mine	1971-1980	1,036,733	0.64	0.14	
<b>Québec Chibougamau</b>	1963-1966	249,041	1.72	2.74	About 300 m
Cedar Bay	1958-1990	3,782,850	1.57	3.12	About 1,190 m
Copper Cliff	1970-1974	951,830	1.60	0.96	About 335 m
Copper Rand	1960-2008	16,445,493	1.80	2.80	About 1,525 m
Mine: Shaft # 3	1960	245,000	2.15		
Rampe Lac Doré	1991-1992				
Jaculet	1960-1971	1,202,119	1.93	1.89	About 490 m
<b>Bateman Bay</b>	1957-1974	32,118	1.81	1.75	About 300 m
<b>S3</b>	1987-1990	316,732	0.37	3.63	About 335 m
Henderson # 1	1960-1971	1,818,976	1.75	1.54	About 305 m
Henderson # 2	1960-1988	6,483,479	1.60	1.41	About 885 m
Portage	1959-1997	6,212,934	1.77	3.91	About 1,200 m
<b>Grandroy</b>	1967-1975	349,238	0.83	0.68	Open Pit

Note: properties highlighted are controlled 100% by Globex through its subsidiary, CIM. The lateral and / or depth extensions of some of the other former producers enter Globex claims.

The Chibougamau area was mined actively during the period of 1958 to 2008. During that period 1.6 billion pounds of copper and 3.2 million ounces of gold were produced along with a significant amount of silver and zinc.

Mining operations for most of the former producers were concentrated fairly close to surface, less than 1,000 m vertical. This leaves much room for deeper exploration which today is greatly facilitated by the development of more powerful hydraulic drills and also geophysical equipment with a greater depth penetration. Modification of existing mining techniques now permits bulk underground mining, therefore making what used to be sub-economic to marginal gold deposits, now very attractive in today's gold market.

The following report summarizes pertinent information gathered from the assessment work files. This represents a voluminous amount of exploration work completed since the early 1900's, on and in the immediately surrounding areas of the mining property under study.

The mining history of Chibougamau dates back to the 1950's with exploitation having been focused at vertical depths well above 1,500 m.

The first mine to undergo development was the Campbell Main Mine in 1955. Two years later, in 1957, underground development was initiated at Bateman Bay. During 1958 the following properties were being developed: Canadian Merrill and Cedar Bay. In 1959 Kokko Creek and Portage followed. The year 1960 saw much development on the Copper Rand, Jaculet, Henderson 1 and Henderson 2. Underground development at Québec Chibougamau was initiated in 1963. The following year in 1964, Chib Kayrand was opened and finally Grandroy open pit (+ decline) was initiated in 1967.

Numerous changes in ownership of the various mines in Chibougamau occurred over the years.

- 1955 Campbell Chibougamau Mines.
- 1962 Copper Rand Chibougamau Mines Ltd became Patino Mining Corporation.
- 1971 Sale of Patino Mining Corporation to Patino Mines (Québec) Ltd.
- 1979 Patino Mines Québec Ltd changed its name to Mines Patino (Québec) limitée.
- 1981 Northgate Exploration Ltd acquired Mines Patino (Québec) limitée and created a new division: Northgate Patino Mines Inc. Later the name was changed again to Northgate Mines inc. and included the Copper Rand, Portage, Copper Cliff, Jaculet, Bateman Bay and Lemoine mines.
- 1987 Assets of Northgate were sold to Westminer (Canada) Ltd a subsidiary of Western Mining Corporation Holdings of Australia.
- 1993 Ressources MSV Inc. acquires all of the Westminer's assets in Chibougamau.
- 2001 Ressources MSV and Géonova Explorations Inc. were amalgamated into a new entity: Ressources Campbell Inc.
- 2010 Ressources Campbell Inc. filed for bankruptcy.
- 2012 Nuinsco Resources and Ocean Partners acquired the remaining assets of Ressources Campbell Inc. and created a new exploration and development arm, C-Bay Resources, in order to administer the Chibougamau assets.

It is believed that these rapid changes occurred because systematic exploration was suspended early with every minor exploration success in order to make place for rapid production.

The Lac Chibougamau Properties under study include (in addition to the "Berrigan project" subject of a separate NI 43-101 compliant report by the Author, initially dated May 17, 2011 and amended and restated on August 15, 2012), five Au-Cu-Ag previous producers (Kokko Creek Mine (Cu-Au), Québec Chibougamau Goldfields Mine (Cu-Au-Ag), Bateman Bay Mine (Au-Ag-Cu), S-3 Zone (Au-Cu) and Grandroy Gold & Copper Mine (Cu-Au-Mo) and importantly, the inferred lateral and depth extensions of the largest past producing mines in the Chibougamau Camp, the Portage/Henderson Mines which produced more than 1.1 million ounces of gold and 0.5 billion pounds of copper from surface to a vertical depth of 1,097 m.

Certain portion of the Lac Chibougamau Properties extend over the inferred lateral and depth extensions of other former producers in the Chibougamau Mining Camp such as Copper Cliff (Au-Cu), Jaculet (Cu-Au), and Cedar Bay (Cu-Au). Other precious and base metal mineralized occurrences such as: Ile Marguerite (Cu-Au), K-Zones (Cu-Au), Roycam (Cu-Au), S-Zones (Au-Cu), Sulphur Converting (Cu-Zn), T-Zones including Tommy-Yorcan-T10-T9 –T8 (Au-Cu), Valiquette, 1119-94-07 (Ag-Pb-Zn), 1119-95-01 (Au), and 1119-95-05 (Au) are also found within the CIM Property limits. Ile Marguerite South (Talc) and Mont Sorcier (Fe-Ti-V) constitute other mineral types found on the Lac Chibougamau Properties. A list of past producers and mineralized occurrences present on the Lac Chibougamau Properties and adjacent neighboring properties is presented on Table 3.

The most detailed compilation and limited surface exploration work on the claim blocks under study has been carried out by SOQUEM during the period of 1992 to 2000 (GM-52103 (1993), GM-52441 (1993), GM-53358 (1994), GM-53360 (1994), GM-53362 (1994), GM-53357 (1995), GM-53673 (1995), GM-53822 (1995), GM-54001 (1996), GM-54002 (1996), GM-54968 (1997), GM-55732 (1998), GM-55733 (1998), GM-56521 (1999) and GM-58101 (2000)) under an option agreement with property owner Campbell Resources on the property referred to as (project 11-1119) which covered at the time, most of the claim blocks under study. During that period, SOQUEM completed a detailed compilation of all geological, geochemical and geophysical surveys along with the historical drill data. SOQUEM also carried out ground geophysical surveys before completing limited surface diamond drilling. Certain SOQUEM drill holes were also probed by Pulse EM. While drilling by SOQUEM proved remarkably successful at locating new mineralized structures, no additional work followed this initial success.



Table 3: Mines and Mineral Occurrences on the Lac Chibougamau Properties and Contiguous Claims

Name	UTM (nad 83)		Mined tonnes	Grade Au	Grade Cu %	Resources	Au	Cu %	Owner
	Easting	Northing							
Mine Chib-Kayrand	547305	5524103	144,000	0.96 g/t	1.61 %				
Mine Principale	547830	5524553	5,877,661 t.	0.96 g/t	1.61 %	xxx			
Mine Merrill Island	548180	5524428	2,692,506 t.	0.33 g/t	2.17 %	xxx			
Copper Rand Shaft #3	548855	5524778	264,000 t.	2.74 g/t	1.74 %	454,000 t.	1.2% Zn	2.20%	
Lac Dore	549080	5525178				230,515 t.	5.24 g/t	1.23 %	
Mine Kokko Creek (1959-66)	547930	5525628	754,189 t.	0.22 g/t	1.15 %	115,000 t.	0.21 g/t	1.48 %	Globex / Chibougamau Ind. Mines
Quebec Chibougamau (1963-66)	548295	5526359	249,041 t.	2.74 g/t	1.72 %	335,000 t.	1.60 g/t	1.68 %	Globex / Chibougamau Ind. Mines
Copper Cliff Siderose	5485855	5527828				472,000 t.		0.46 %	
Cedar Bay	549655	5526978	3,782,850 t.	3.12 g/t	1.57 %	248,520 t.	5.45 g/t	0.97 %	
Mine Copper Cliff	550080	5527778	951,830 t.	0.96 g/t	1.61 %	52,600 t.	0.86 g/t	1.00 %	
LD-1	550665	5526478	Cu-Au-Ag Veins						
Mine Copper Rand	552055	5526578	16,445,493 t.	2.80 g/t	1.80 %	3,328,400 t.	3.34 g/t	1.62 %	
Bateman Bay (1957-60, 1967-74)	553980	5528128	29,198 t. (678,750)	1.81 g/t	1.75 %	396,665 t.	4.35 g/t	2.64 %	Globex / Chibougamau Ind. Mines
Baie du Commencement	555226	5527329	Cu - Au veins						
Mine Jaculet	552080	5528728	1,202,119 t.	1.89 g/t	1.93 %	114,000 t.	0.86 g/t	1.70 %	
Mine Henderson I	556626	5527564	1,818,976 t.	1.54 g/t	2.23 %				
Mine Henderson II	557730	5528128	6,483,479 t.	1.41 g/t	1.60 %	136,239 t.	2.16 g/t	1.70 %	
Mine Portage	558030	5528778	6,212,934 t.	3.91 g/t	1.77 %				
Veine McKenzie	557230	5528978	272,155 t.	8.20 g/t	0.92 %				
Ile Portage N-5	556330	5528403				383,858 t.	27.7 % Fe	1.3 % TiO2	
Lac Wawabana Nord	556030	5529878	Cu veins						
Baie Hematite	557630	5530103				363,000 t.		2.01 %	
Mine Grandroy (1967-75)	557430	5531428	349,238 t.	0.68 g/t	0.83 %	181,000 t.		1.50 %	Globex / Chibougamau Ind. Mines
Valiquette	559606	5531532	Cu-Zn VMS						Globex / Chibougamau Ind. Mines
Sulphur Converting	561830	5529528	Cu-Zn VMS						Globex / Chibougamau Ind. Mines
Baie Magnétique N-5	563105	5529303				150,000,000	27.6% Fe	1.1% TiO2	Globex / CIM
Roycam	563553	5529465	Cu veins						Globex / Chibougamau Ind. Mines
Zone K-1	559774	5529390	Cu - Au - Ag veins						Globex / Chibougamau Ind. Mines
Zone K-3	559774	5528487	Au veins						Globex / Chibougamau Ind. Mines
Ile Marguerite Sud	559407	5527206	Ni-Cu (magmatic)						Globex / Chibougamau Ind. Mines
Ile Marguerite	560572	5527121	Au veins						Globex / Chibougamau Ind. Mines
Zone T-4	555471	5526155	Cu - Au veins						
1119-95-01 (52)	557077	5524447	Au-Cu veins						Globex / Chibougamau Ind. Mines
Mine S-3 (1987-90)	556480	5525078	316,732 t.	6.16 g/t	0.40 %				Globex / Chibougamau Ind. Mines
1119-95-05	554573	5525366	Au veins						Globex / Chibougamau Ind. Mines
Zone T-10 (Tommy-Yorkan)	553969	5524583				449,095 t.	2.38 g/t	0.908 %	Globex / Chibougamau Ind. Mines
Zone T-9						50,000 t.		2.10 %	Globex / Chibougamau Ind. Mines
Zone T-8						440,000 t.	8.48 g/t		Globex / Chibougamau Ind. Mines
1119-94-07	554093	5524392	Ag-Pb-Zn veins						
1119-94-12	552289	5523441	Cu-Au-Ag veins						
Berrigan	542730	5532303	Au-Ag-Zn veins						Globex / Chibougamau Ind. Mines

SOQUEM's detailed exploration work covered the Grandroy Mine (1995 & 1999), Ile Marguerite (1995), K-Zones (1993, 1994, 1996, 1997, and 1998), Québec Chibougamau (2000), S-Zones (1994, 1995, and 1996), Sulphur converting (1993, 1995) and the T-Zones (1993, 1994, and 1995). GM-30635 summarized the work completed on Mont Sorcier in 1974 by Campbell Chibougamau Mines Ltd. The company Camchib Resources Inc. completed work on Ile Marguerite in 1988 (GM-47564).

SOQUEM carried out the following surface exploration work.

1992

- Geological and geophysical compilation over most of the claims now comprising the Lac Chibougamau Properties

1993

- Line cutting over Lac Chibougamau and Magnetite Bay sector; 340 km
- Induced Polarization ("IP") survey 315 km (SAGAX) along with compilation of IP axes (GM-52103)
- Drilling completed by SOQUEM (GM-52441)

Hole #	Easting	Northing	Az / Dip / Length	Structure
SC-83-09 EXT	561774	5529770	184 / -45 / 390.0 m	Sulphur Converting
1119-93-01	562144	5529729	180 / -55 / 382.0 m	Sulphur Converting
1119-93-02	561975	5529887	180 / -67 / 633.0 m	Sulphur Converting
1119-93-03	562262	5529922	180 / -65 / 62.0 m	Sulphur Converting
1119-93-04	562262	5529922	180 / -68 / 579.0 m	Sulphur Converting
1119-93-05			030 / -60 / 200 m	Kokko Creek

- Pulse-EM of holes SC-83-09 ext and 1119-93-01
- Refreshing 28 km of grid lines on Mont Sorcier, geological mapping of Mont Sorcier along with island in Lac Chibougamau to explain IP anomalies
- Stripping on the newly discovered gold showing (East of Sulphur Converting)

1994

- Compilation of Max-Min II surveys completed by Camchib Resources Inc. (Project 11-119; D. Bernard / SOQUEM)
- Drilling completed by SOQUEM to test geophysical anomalies (GM 53360, -362)

Hole #	Easting	Northing	Az / Dip / Length	Structure
1119-94-01	553692	5524588	360 / -48 / 200 m	S-T Zones
1119-94-02	555889	5524737	360 / -55 / 304 m	30.44 g/t Au / 0.25 m
1119-94-03	557850	5523807	090 / -45 / 161 m	S-T Zones
1119-94-04	553099	5523881	000 / -45 / 152 m	S-T Zones
1119-94-05A	552289	5523526	000 / -45 / 34 m	S-T Zones
1119-94-05	552289	5523526	360 / -45 / 237 m	S-T Zones
1119-94-06	554897	5524103	360 / -45 / 343 m	S-T Zones
1119-94-07	554093	5524393	000 / -51 / 371 m	S-T Zones
1119-94-08	554700	5523801	360 / -52 / 252 m	S-T Zones

Hole #	Easting	Northing	Az / Dip / Length	Structure
1119-94-09	554298	5523970	360 / -58 / 280 m	12.44 g/t / 3.70 m
1119-94-10	554484	5525322	360 / -45 / 233 m	S-T Zones
1119-94-11	558632	5524002	090 / -45 / 164 m	S-T Zones
1119-94-12	552289	5523441	000 / -45 / 398 m	S-T Zones
1119-94-13	560572	5527120	300 / -44 / 276 m	Vein like McKenzie, 1.59 g/t Au / 3.20 m
1119-94-14	562932	5525460	090 / -48 / 212 m	S-T Zones
1119-94-15	566058	5527170	360 / -45 / 273 m	S-T Zones
1119-94-16	560586	5525040	090 / -45 / 171 m	S-T Zones
1119-94-17	562919	5528398	300 / -45 / 200 m	S-T Zones
1119-94-18	554300	5523870	000 / -46 / 208 m	T-10 North
1119-94-19	554220	5523909	000 / -46 / 170 m	T-10 North
1119-94-20	554380	5523902	000 / -46 / 176 m	T-10 North
1119-94-21	554140	5523907	000 / -46 / 267 m	T-10 North

- Low Power Borehole Transient EM surveys were completed on the above # 4, 6, 7, 8, 9, 10 and 12 holes. (GM 53358)
  - DDH 1119-94-04: No zone of geophysical interest detected in this hole
  - DDH 1119-94-06: Two zones of geophysical interest were detected in the surveys of this hole; Zone “A” is a strong off hole edge conductor likely associated with a graphitic conductor tested in the borehole. Focused near 30 m downhole depth, Zone A would extend south and west of the borehole, showing best coupling with the west loop and reverse coupling with the north loop. Zone “B” is a strong off hole anomaly best energized by the collar loop. The center of Zone B would be located approximately 20 m perpendicular from 120 m downhole depth WSW of the borehole. The directional loop responses indicate Zone B has limited surface area.
  - DDH 1119-07: One zone of geophysical interest was detected in the surveys of this hole. Zone “A” is a strong in hole edge conductor likely associated with a sulphide conductor tested in the borehole. Focused near 300 m downhole depth, Zone A extends south of the borehole, showing reverse coupling with the North Loop.
  - DDH 1119-94-08: One zone of geophysical interest detected in the hole. Zone “A” is a strong off hole anomaly focused near 190 m downhole depth. Zone A would extend 20 m (?) south and west of the borehole, showing best coupling in the west loop.
  - DDH 1119-94-09: No zones of interest detected by the surveys.
  - DDH 1119-94-10: One zone of geophysical interest detected in the hole. Zone “A” is a weak off hole anomaly focused near 180 m downhole depth. Zone A would extend 50 m (?) south and east of the borehole, showing reverse coupling with the west and north loops.
  - DDH 1119-94-12: Two zones of geophysical interest detected in the surveys of this hole. Zone “A” is a weak in hole/edge anomaly focused near 180 m downhole depth. Zone “B” is an off hole anomaly only responding with the West loop coupling. The zone is centered near 310 m downhole depth. Though the response is a late channel response, the low background level of secondary field suggests a low priority TEM target.

1995

- Diamond drilling, 7 holes on the S-Zone

Hole #	Easting	Northing	Az / Dip / Length	Structure
1119-95-01	557078	5525446	360 / -50 / 398 m	S-Zones
1119-95-02	556927	5524792	020 / -55 / 581 m	S-Zones
1119-95-03	557035	5526147	360 / -50 / 166 m	S-Zones
1119-95-04	555810	5525668	030 / -60 / 243 m	S-Zones
1119-95-05	554571	5525365	030 / -50 / 188 m	S-Zones
1119-95-06	559423	5531053	180 / -50 / 249 m	S-Zones
1119-95-07	560517	5527447	116 / -45 / 144 m	S-Zones
1114-95-01	559610	5531725	360 / -50 / 189 m	Sulphur Converting
1114-94-02	559617	5531298	180 / -50 / 195 m	Sulphur Converting
1114-94-03	556463	553384	180 / -60 / 300 m	Sulphur Converting

1996

- Exploration and compilation. Structures investigated: Henderson 1 & 2, S-2, K-1, K-2, K-3 and K-4 (GM 54002 gives a good description of the different mineralized zones at Henderson)
- Surface diamond drilling was completed from the ice on Lac Chibougamau

Hole #	Easting	Northing	Az / Dip / Length	Structure
1119-96-01				
1119-96-02	556328	5526273	320 / -55 / 402 m	K-Zones
1119-96-03	555471	5526156	320 / -55 / 417 m	Possibly the SW extension of Henderson Mine
1119-96-04	556684	5525430	000 / -50 / 417 m	K-Zones
1119-96-05	559775	5528485	340 / -55 / 276 m	K-Zones (K-3)
1119-96-06	559616	5529259	312 / -55 / 387 m	K-1 Zone; New Zone: 9.21 g/t Au / 0.55 m
1119-96-07	559314	5529412	000 / -55 / 357 m	K-2 Zone; New Zone: 4.60 g/t Au / 0.85 m
1119-96-08	559775	5529387	312 / -55 / 168 m	K-Zones (K-1)

1997

- Surface diamond drilling was completed from the ice on Lac Chibougamau

Hole #	Easting	Northing	Az / Dip / Length	Structure
1119-97-01	559900	5529542	312 / -55 / 405 m	K-Zones
1119-97-02	559851	5529321	312 / -55 / 369 m	K-Zones
1119-97-03	559691	5529193	312 / -55 / 309 m	K-Zones
1119-97-04	559567	5529037	312 / -55 / 522 m	K-Zones
1119-97-05	559756	5529270	312 / -55 / 366 m	K-Zones



GM-56521: SOQUEM (1998) completed surface work around the Grandroy mine. Ground geophysics including Induced Polarization (IP) was carried out in an east-west direction in order to identify gold-bearing N-S structures similar to some of the mineralized veins within the Grandroy intrusion. Numerous trenches were dug to investigate IP anomalies and limited drilling was also completed confirming the potential of mineralized N-S structures. These structures usually carry 1% to 5% pyrite, 1% to 5% magnetite associated to quartz veining and also breccia. The best values from drilling were: 0.67 g/t Au over 4.5 m (including 1.46 g/t Au over 1.5 m); 0.25 g/t Au over 6.0 m (including 0.74 g/t Au over 1.5 m), 1.03 g/t Au over 4.0 m, 1.97 g/t Au over 1.5 m and 1.09 g/t Au over 1.0 m. These gold intersections are located within the Grandroy intrusion.

Hole #	Easting	Northing	Az / Dip / Length	Structure
1114-98-01	559900	5529542	270 / -45 / 139 m	Grandroy
1114-98-02	558138	5531963	270 / -40 / 174 m	Grandroy
1114-98-03	556956	5531346	270 / -45 / 122 m	Grandroy
1114-98-04	559984	5531309	155 / -40 / 129 m	Grandroy
1114-98-05	567211	5531885	150 / -45 / 144 m	Grandroy
1119-98-01	559999	5529191	312 / -60 / 696 m	K Zones
1119-98-02	560247	5529481	312 / -60 / 602 m	K Zones

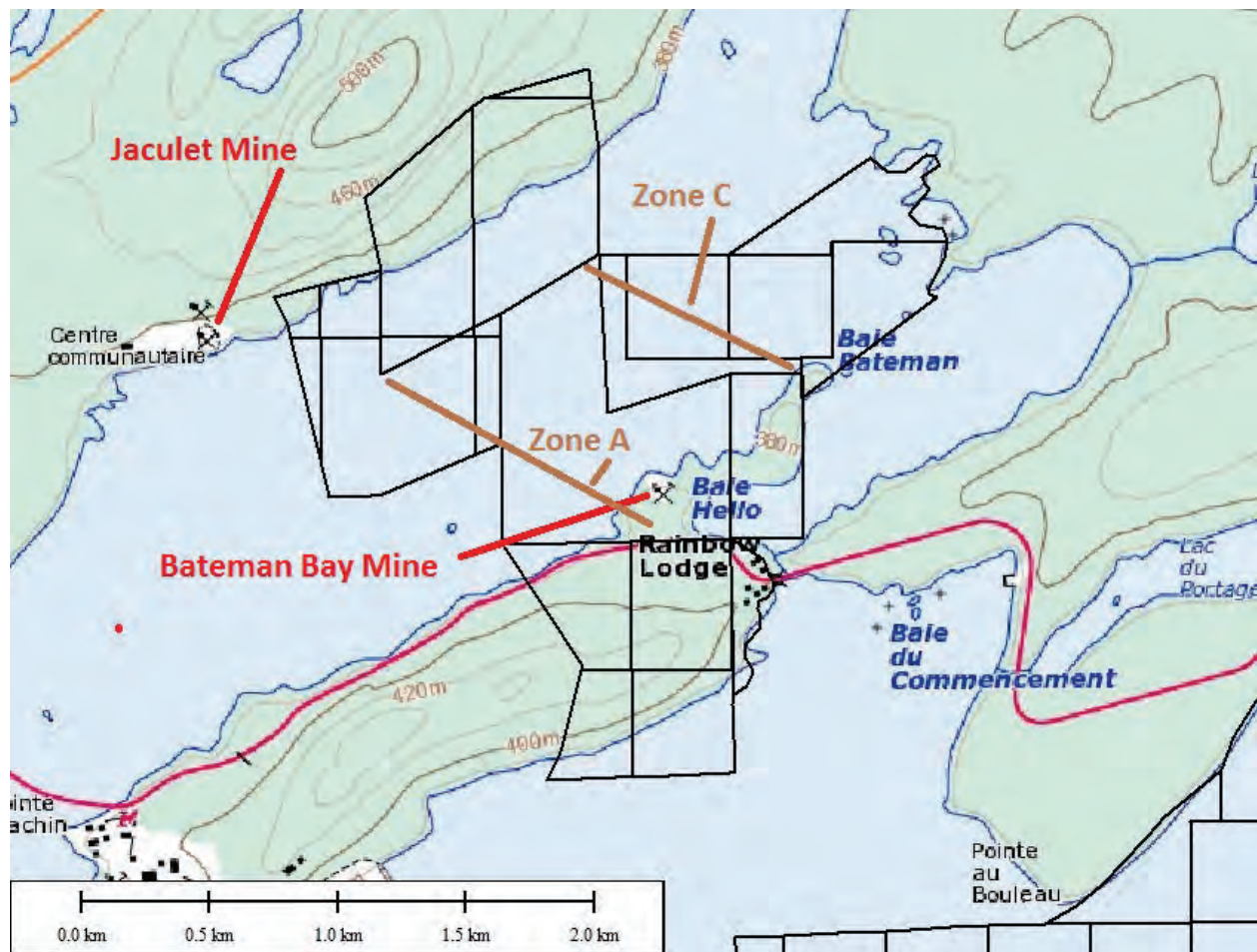
Three drill holes from the Québec Chibougamau Gold Mines (QC-17, QC-19 and QC-25) were re-sampled by SOQUEM. The core from drill hole QC-17 to QC-46 was reviewed by SOQUEM. The drilling was completed by Camchib Resources Inc. during the period of 1981 to 1983 on mining concession CM 437.

Further details on the previous work completed on the claims under study during the period of 1930's to 1980's is documented within the Ministry's assessment work files (Sigeom). The large land holding has been arbitrarily divided into sectors based on "mineralized occurrences", in order to simplify the description. The different occurrences are presented in alphabetical order and not by level of importance.

### **Bateman Bay (Au-Ag-Cu)**

The Bateman Bay (Au-Cu-Ag) mine & two former mining blocks which were part of the former Jaculet mine, are now part of one property (Figure 3). These claims adjoin the Bateman Bay Mine property to the west and cover 2/3 of the mine horizon which runs from Jaculet mine to Bateman Bay Mine. The block of claims straddles the boundary between Roy and McKenzie townships in the heart of the Chibougamau mining district. The following pertinent information has been summarized from the Ministry files and internal reports made available to the Author.

Figure 3: Sketch of the Bateman Bay Property



Historical exploration and development work.

Year	Document	Description
	<b>Bateman Bay</b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; <b>QUEPUB – M.E.R.</b> publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
1993	DV-93-01	Rapport des Géologues Résidents sur l'activité Minière Régionale; <b>QERPUB – M.E.R.</b> publication
1967	ES-002	Annotated Bibliography on Metallic Mineralization in the Regions of: NORANDA, MATAGAMI, VAL D'OR, CHIBOUGAMAU; <b>DEPARTMENT OF NATURAL RESOURCES</b> ; Special Paper 2
1955	GM-03350	Report on <b>BATEMAN BAY MINING COMPANY</b> Roy and McKenzie Townships, Chibougamau area; Québec; Graham, R.B.
1955	GM-03489	Preliminary Report on Magnetic and Electro-Magnetic Survey carried out on <b>BATEMAN BAY MINING CO LTD</b> Roy & McKenzie Townships, Chibougamau area, Québec; Sheppard, E. P.; Geo-Technical Development Company Ltd.
	GM-3515A	

1956	GM-04078	Report on <b>BATEMAN BAY MINING COMPANY</b> Roy and McKenzie Townships, Chibougamau area; Graham, R.B.
1956	GM-04136-A	Report on the Magnetometer, Resistivity and Electro-Magnetic Surveys on the property of <b>BATEMAN BAY MINING COMPANY</b> , McKenzie and Roy Townships, Chibougamau area Québec. Graham, R.B.
1956	GM-04136-B	Diamond Drill Record, <b>BATEMAN BAY MINING COMPANY</b> ; ddh -1, -2, -4, -5, -5A, -6, -7, -8, -9, -10, -11, -12, -13, -14, -15, -16, -17, -18
1956	GM-04136-C	Diamond Drill Record, <b>BATEMAN BAY MINING COMPANY</b> ; ddh -19, -19A, -20, -21, -22, -23, -24, -25, -26, -27, -27A, -28, -29, -30, -34, -36, -38, -40, -41, -42, -43, -45, -44, -46, -47, -48, -49, -50, -51, -52, -53, -54, -55A, -56, -57A, -58, -59, -60, -61, -62, -63, -64
1956	GM-04274	<b>BATEMAN BAY COMPANY</b> , letter by Assad, R.
1956	GM-04341-A	Report on the <b>BATEMAN BAY COMPANY</b> , Roy & McKenzie Townships, Bridger, J. R.
1957	GM-04341-C	Diamond Drill Record, <b>BATEMAN BAY MINING COMPANY</b> ; ddh -66, -67, -68, -69, -70, -71, -72, -73, -74, -75, -76, -77, -78, -79, -80, -81, -82, -83, -84, -85, -86, -87, -88, -89, -90, -91, -92, -93, -94, -95, -96, -97, -100, -101, -102, -103, -104, -105, -106, -107, -108, -109, -110, -111, -112, -113, -114, -115, -116, -117, -118, -119, -120, -121, -122, -123, -124, -125, -126, -127, -128, -129, -130, -131, -132, -133, -134, -135, -136, -137, -138, -139, -140, -141, -142, -143, -144, -145, -146, -147, -148, -149, -150, -151, -152, -153, -154, -155, -156, -157, -158, -159, -160, -161, -162, -163, -164, -165
1957	GM-04788-A	Report on the Electro-Magnetic drill hole Logging on the Property of <b>BATEMAN BAY MINING COMPANY</b> , McKenzie and Roy Townships, Chibougamau Area, Québec; Nicholls, E.B. ( Geo-Technical Development Company Limited)
1957	GM-04788-B	Diamond Drill Logs <b>BATEMAN BAY MINING COMPANY</b> ; ddh -166, -167, -168, -169, -170, -171, -172
1956	GM-04892	Geological Report <b>CHIBTOWN COPPER CORP.</b> ; Harris, J.J., Robertson, J.A. et al.
1957	GM-05390	<b>BATEMAN BAY MINING COMPANY</b> ; Roy & McKenzie Twps, QUÉBEC; Bridger, J.R.
1957	GM-05398	Preliminary Report, <b>BATEMAN BAY MINING CO.</b> ; Archibald, G.M.
1957	GM-05671	Report on Electromagnetic Check Survey over Three Portions of Property of <b>BATEMAN BAY MINING COMPANY</b> ; Doré and Chibougamau Lake, North-Western Québec; Maurice, O.D.
1958	GM-07577	Summary Report, <b>BATEMAN BAY MINING CO. LTD</b> , Bridger, J.R.
1959	GM-09070	Summary Report on <b>BATEMAN BAY MINING COMPANY LTD.</b> , Roy Township, QUÉBEC, Bridger, J.R.
1960	GM-09662	Application for Mining Concession by <b>BATEMAN BAY MINING COMPANY</b> , Chibougamau, Québec; Bridger, J.R.
1936	GM-10908-A	<b>NORLAKE MINING CORP. &amp; VALLIERE CLAIMS</b> Sketch Plan, SCALE 1" = 400'
1936	GM-10908-B	Report of Work Including a Resume of DDH and Assay Results ; <b>NORLAKE MINING CORP.</b> ; Ferguson, M.M.; Hotchkin, W. (Locations of original drilling) ddh -1, -2, -3, -4, -5, -A, -B, -C, -D, -F, -G, -H, -I, -J, -K, -L, -M, -N, -O, -P, -Q, -R, -S, -V, -W, -Y, -Z
1964	GM-14360	Diamond drill hole Logs, <b>BATEMAN BAY MINING CO / PATINO MINING CORP.</b> , Alexander, R.L.; M-1, M-2
1964	GM-14791	Diamond Drill Holes Logs with Assay Results <b>BATEMAN BAY MINING CO / PATINO MINING CORP.</b> ; Duquette, G.
1966	GM-25127	Fiche de Gites, Gite C-MCK-24, <b>QERDEM</b> ; Duquette, G.
1969	GM-25756	Diamond drill Hole, Jaculet Property, <b>BATEMAN BAY MINING CO / COPPER RAND CHIBOUGAMAU / PATINO MINING CORP.</b> (UNDERGROUND DRILL HOLE) 9B-11, 9B-14, 9B-15, 9B-16, 9B-27, 9B-31, 9B-41, 9B-42
1970	GM-26618	Diamond Drill Holes, <b>BATEMAN BAY MINING CO. / COPPER RAND / PATINO MINING CORP.</b> ; Tenney, D. ; R-146 (SURFACE) ; 9B-50, 9B-51,

		9B-56, 9B-57, 9B-58, 9B-61, 9B-62, 9B-64, 9B-65, 9B-66 (UNDERGROUND)
1992		Diamond Drilling, Bateman Bay Property; <b>RESSOURCES ROBEX INC.</b> ; BB-92-200, BB-92-201, BB-92-202, BB-92-203, BB-92-204, BB-92-205, BB-92-206, BB-92-207, BB-92-208
	GM-27841	cancelled
1998		Geophysical Surveys, Bateman Bay Property; <b>AMBLIN RESOURCES INC.</b> ; McKenzie and Roy Townships, March 1998; Exploration Services
2005	GM-62044	Levé de Polarisation Provoquée / Résistivité; <b>RESSOURCES MSV INC.</b> ; propriété Jaculet: Abitibi Géophysique, Octobre 2005
2005	GM-62045	Levés Magnétométriques et EMH; <b>RESSOURCES MSV INC.</b> ; propriété Jaculet, Septembre 2005; Abitibi Géophysique
1960	RG-095	South Half of McKenzie Township. <b>QERPUB – M.E.R.</b> publication, Allard, G.O.; Smith, J.R.
1957	RP-352	Description of Mining Properties visited during 1956, <b>QERPUB – M.E.R.</b> publication, Assad J.R.

#### Brief history on the Bateman Bay property

<b>1936</b> – Three drill holes and an electromagnetic survey were completed by Norlake Mining Corporation.
<b>1955-1956</b> – Bateman Bay Mines was incorporated and 64 drill holes were completed.
<b>1956-1957</b> – Important surface diamond drilling campaign and historical “resource” delineated. 694,690 tons grading 2.05% Cu, 0.09 opt Au and 0.456 opt Ag located within five mineralized zones. (average width 9.7 feet)
<b>1957–1960</b> – In 1957, an additional 108 holes were drilled. Soon after, a vertical 3-compartments shaft was sunk to a depth of 525 feet with lateral developments established on three levels (250, 375 & 500). 13 drill holes were completed from level 500. A 14,000 tons bulk sample was collected from zone A-3 (1959-1960).
<b>1967</b> – Patino Mining Ltd optioned the property.
<b>1967-1971</b> – An access drift (6,560 feet long) was established from level 900 feet at Jaculet mine to reach underneath the 500 feet Bateman Bay shaft which was extended to 900 feet, to meet with the access drift. Raises established on level 250 and 375. Sampling was carried out followed by mining 12,797 tons from the A-3 zone during the period of 1968 to 1977. For the 27,051 tons mined from 1959 to 1977, the grade was 1.81% Cu and 0.051 opt Au and 0.457 opt Ag.
<b>1972</b> – Two (2) surface drill holes to intersect the “C” zone at a vertical depth of 1,000 feet.
<b>1977</b> – A cement block was installed along the bottom drift, at the property limit with Jaculet, and the mine was flooded.
<b>1987</b> – Westminer bought the assets of Northgate.
<b>1991</b> – Bateman Bay optioned to property to Ressources Robex Inc.
<b>1991-1992</b> – With an increase in the price of gold, a new campaign of surface diamond drilling was initiated on the property along with a compilation of all available data. Robex had access to all original technical information on the project (including channel sampling and statistics on monthly production for the period of 1968 to 1977). A new estimate of “reserves”, historical in nature, non NI 43-101 compliant, totaled 396,665 tons grading 2.64% Cu, 0.127 opt Au mainly in Zone “A-3”. New drilling was recommended to increase resources.
<b>1998</b> – Ground magnetic and horizontal electromagnetic surveys were completed by Amblin Resources Inc.
<b>2006</b> – Bateman Bay property acquired by Globex Mining Enterprises Inc. who carried out, in April 2007, an airborne survey including the surrounding claims up to and including the Grandroy property further to the northeast.

### Copper Cliff Extension (Au-Cu)

The claim block acquired by Globex lies immediately adjacent to the east of the Copper Cliff shaft and covers part of the underground workings going eastward (Figure 4).

Historical exploration and development work

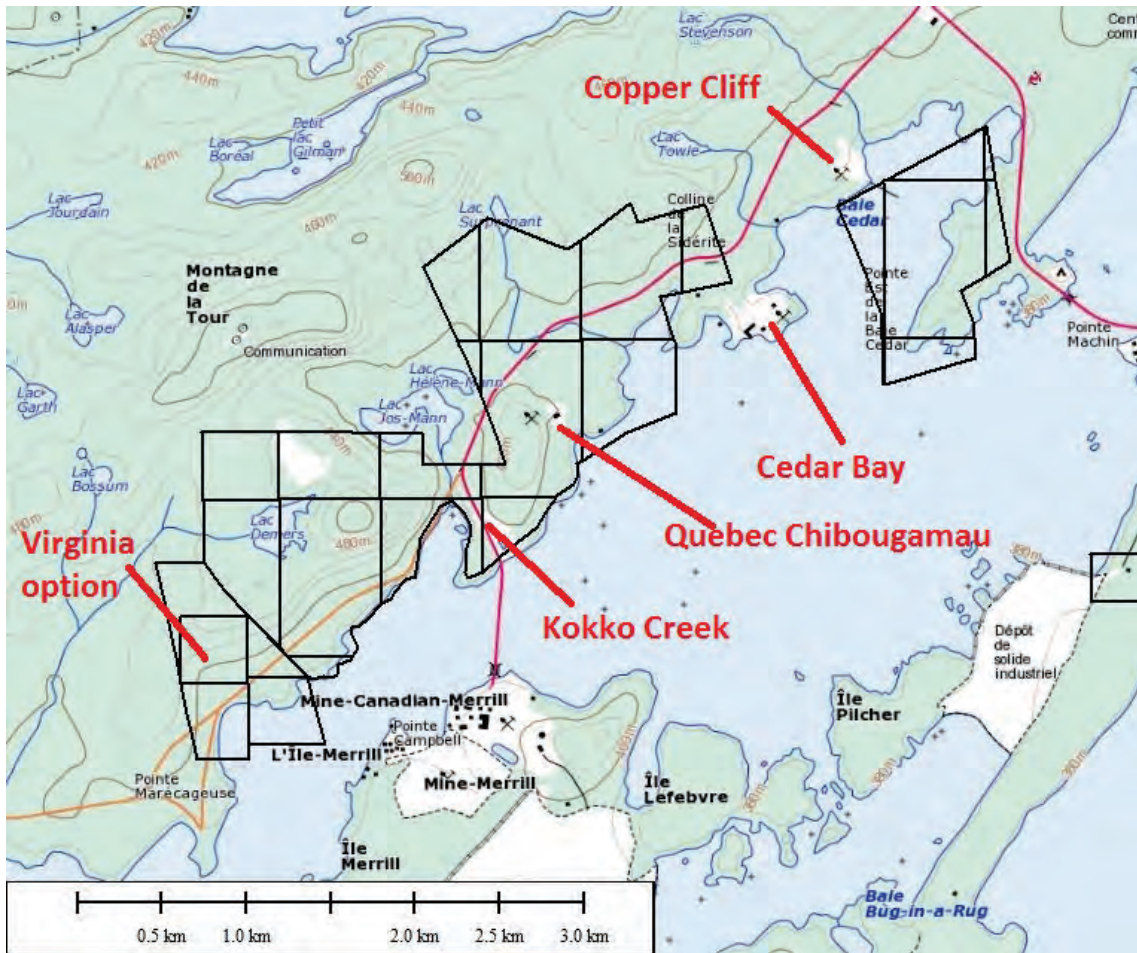
Year	Document	Description
	<b>Copper Cliff</b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; <b>QUEPUB – M.E.R.</b> publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QERPUB – M.E.R.</b> publication
1985	DV-85-08	Gîtes Minéraux à Tonnage Évalué et Production Minérale du Québec; <b>QERPUB – M.E.R.</b> publication; Lavergne, C.; MRN
1967	ES-002	Annotated Bibliography on Metallic Mineralization in the Regions of: NORANDA, MATAGAMI, VAL D'OR, CHIBOUGAMAU; <b>DEPARTMENT OF NATURAL RESOURCES</b> ; Special Paper 2
1950	GM-00985	Report on Resistivity Survey, <b>CORBETT GROUP</b> of Claims, McKenzie Township, Province of Québec; McCannell, J.D. of Geo-Technical Development Company Limited
1952	GM-02032-B	Diamond Drill Hole Log, <b>COPPER CLIFF</b> , Corbett claims; ddh C-1, C-2, C-3, C-4
1953	GM-02426	Diamond Drill Log <b>COPPER CLIFF CONS MINING CORP.</b> ; C-10, C-11, C-12, C-13, C-14, C-15, C-16, C-17, C-18, C-19, C-20, C-21, C-22, C-23, C-24, C-25, C-26, C-27, C-28, C-29, C-30, C-31, C-32, C-33, C-34, C-35, C-5, C-6, C-7, C-8, C-9, D-3, D-4, D-5, D-6, DQ-1, DQ-2, DQ-3, DQ-4, DQ-5, DQ-6, DQ-7, DQ-8, DQ-9, G-1, G-2
1955	GM-03805-A	Diamond Drill Record, <b>NEW ROYRAN COPPER MINES</b> , Bidgood, N.; CR-1A, CR-2, CR-3,
1956	GM-04892	Geological Report, <b>CHIBTOWN COPPER CORP.</b> ; Harris, J.J.; Robertson, J.A.; Smith, J.R.; Way, H.G.
1956	GM-05197	Diamond drill logs <b>CHIB-KAYRAND COPPER MINES LTD / COPPER RAND CHIBOUGAMAU MS LTD / NEW ROYRAN COPPER MINES</b> ; ddh A-144, A-145, A-146, A-147, A-148, A-149, A-150, A-151, A-152, A-153, A-154, A-155, A-156, A-157, A-157W, A-158, A-159, A-160, A-160A, A-161, A-162, A-163, A-164, A-165, A-165W, A-166, A-167, A-168, A-169, A-170, A-172, A-173, A-174, A-175, A-176, A-177, A-178, A-179, A-180, A-181, A-182, A-183, A-184, A-185, A-186, DQ-36, DQ-37, DQ-38, DQ-39, DQ-40, DQ-41, DQ-42, DQ-43, DQ-44, DQ-45, DQ-46, DQ-47, DQ-48, DQ-49, DQ-50, DQ-51, DQ-52, DQ-53, DQ-54, DQ-55, DQ-56, DQ-57, DQ-58A, DQ-59, DQ-60, DQ-61, DQ-62, DQ-63, QS-20, QS-21, R-37, R-39, R-43, R-45, R-46, R-48, R-51, R-52, R-53, R-55, R-56, R-57, R-58, R-59, R-60, R-61, R-65, R-70, R-73, R-78, R-79, R-80, R-81, R-82, R-83
1958	GM-06448-A	Airborne EM Survey, <b>COPPER RAND CHIBOUGAMAU MS LTD / QUÉBEC SMELTING &amp; REFINING LTD</b> ; Sulmac Expl Services Ltd; Prendergast, J.B.
1959	GM-06448-B	Diamond Drill Logs; <b>BAKER TALC LTD / COPPER RAND CHIBOUGAMAU MS LTD</b> ; Pudifin, A.D.; BC-1, BC-2
1958	GM-06448-C	Ddh, <b>CHIB-KAYRAND COPPER MINES LTD / COPPER RAND CHIBOUGAMAU MS LTD</b> ; GG-1
1958	GM-07741-A	Geology Report and Assays <b>BAKER TALC LTD, COPPER RAND CHIBOUGAMAU MS LTD</b> , Capraru, G.M.
1935	GM-07989	Geological Report, <b>LAKE DORÉ MINES LTD</b> ; Coleman, C.L.
1961	GM-11696	Diamond Drill Hole Logs and Assays Results <b>COPPER RAND</b>

		<b>CHIBOUGAMAU MS LTD, PORTAGE ISLAND CHIBOUGAMAU ML; P-246, R-100, R-101, R-96, R-97, R-98, R-99 ( + other underground drill holes)</b>
1966	GM-25120	Geological Survey, Fiche de Gite <b>MRN / PATINO MINING CORP.</b> Duquette, G.
1996	GM-54261	Journaux de Sondage, Projet Colline de Siderite, <b>RESSOURCES MASTON INC. / RESSOURCES MSV INC.</b> ; SD-95-1, SD-95-02, SD-95-3, SD-95-4, SD-95-5, SD-95-6, SD-95-7, SD-95-8, SD-95-9, SD-95-10, SD-95-11, SD-95-12, SD-95-13, SD-95-14, SD-95-15, SD-95-16, SD-95-17, SD-95-18, SD-95-19, SD-95-20, SD-95-21, SD-95-22, SD-95-23, SD-95-24, SD-95-25, SD-95-26, SD-95-27, SD-95-28, SD-95-29, SD-95-30, SD-95-31, SD-95-32, SD-95-33, SD-95-34, SD-95-35, SD-95-36, SD-95-37, SD-95-38, SD-95-39, SD-95-41, SD-95-42, SD-95-43, SD-95-44, SD-95-45, SD-95-46, SD-95-47, SD-95-48
1988	MB-88-04	Le Rutile, une substance en Demande; <b>QERPUB – M.E.R.</b> Lasalle, Y.
1960	RG-095	South Half of McKenzie Township. <b>QERPUB – M.E.R.</b> publication, Allard, G.O.; Smith, J.R.
	<b>Lac Towle</b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; <b>QUEPUB – M.E.R.</b> publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
1967	ES-002	Annotated Bibliography on Metallic Mineralization in the Regions of: NORANDA, MATAGAMI, VAL D'OR, CHIBOUGAMAU; <b>DEPARTMENT OF NATURAL RESOURCES</b> ; Special Paper 2
1948	GM-00390	Report on Cedar Bay Group <b>QUÉBEC SMELTING &amp; REFINING LTD</b> , Morgan, J.H.
1953	GM-02426	Diamond Drill Log <b>COPPER CLIFF CONS MINING CORP.</b> ; C-10, C-11, C-12, C-13, C-14, C-15, C-16, C-17, C-18, C-19, C-20, C-21, C-22, C-23, C-24, C-25, C-26, C-27, C-28, C-29, C-30, C-31, C-32, C-33, C-34, C-35, C-5, C-6, C-7, C-8, C-9, D-3, D-4, D-5, D-6, DQ-1, DQ-2, DQ-3, DQ-4, DQ-5, DQ-6, DQ-7, DQ-8, DQ-9, G-1, G-2
1956	GM-04892	Geological Report, <b>CHIBTOWN COPPER CORP.</b> ; Harris, J.J.; Robertson, J.A.; Smith, J.R.; Way, H.G
1956	GM-05197	Diamond drill logs <b>CHIB-KAYRAND COPPER MINES LTD / COPPER RAND CHIBOUGAMAU MS LTD / NEW ROYRAN COPPER MINES</b> ; ddh A-144, A-145, A-146, A-147, A-148, A-149, A-150, A-151, A-152, A-153, A-154, A-155, A-156, A-157, A-157W, A-158, A-159, A-160, A-160A, A-161, A-162, A-163, A-164, A-165, A-165W, A-166, A-167, A-168, A-169, A-170, A-172, A-173, A-174, A-175, A-176, A-177, A-178, A-179, A-180, A-181, A-182, A-183, A-184, A-185, A-186, DQ-36, DQ-37, DQ-38, DQ-39, DQ-40, DQ-41, DQ-42, DQ-43, DQ-44, DQ-45, DQ-46, DQ-47, DQ-48, DQ+49, DQ-50, DQ-51, DQ-52, DQ-53, DQ-54, DQ-55, DQ-56, DQ-57, DQ-58A, DQ-59, DQ-60, DQ-61, DQ-62, DQ-63, QS-20, QS-21, R-37, R-39, R-43, R-45, R-46, R-48, R-51, R-52, R-53, R-55, R-56, R-57, R-58, R-59, R-60, R-61, R-65, R-70, R-73, R-78, R-79, R-80, R-81, R-82, R-83
1961	GM-11696	Diamond Drill Hole Logs and Assays Results <b>COPPER RAND CHIBOUGAMAU MS LTD, PORTAGE ISLAND CHIBOUGAMAU ML; P-246, R-100, R-101, R-96, R-97, R-98, R-99 ( + other underground drill holes)</b>
1966	GM-25121	Fiche de Gites <b>QERDEM</b> mining exploration files, Duquette, G.
1974	GM-29448	Summary of Work undertaken during 1973 <b>PATINO MINES (QUÉBEC) limited</b> , Patel, J. Chief Geologist; Diamond drill logs: 6-C-163, 1-OR-365, 1-OR-366, 1-OR-367, 1-OR-368, 1-OR-369, 1-OR-370, 1-OR-371, 1-OR-372, 1-OR-380, 8R-477, 8R-478, 8R-479, 8R-489, 8R-496, 8R-496A, 8R-497, 8R-498, 24-P-1, 24-P-2, 24-P-3, 24-P-4, 24-P-6, 24-P-9, 24-P-10, 8R-466, 8R-468, 8R-470, 8R-471, 8R-473, 8R-491, 8R-493, 8R-494, 8R-495, 8R-469, 8R-505, 24-R-61, 24-R-65, 24-R-76, 24R-78, 24-R-83, 24-R-84, 24-R-104, 24-R-108A, 24-R-109, 24-



		R-112, 9-C-143, 9-C-144, 9-C-145, 9-C-154, 9-C-155, 9-C-156
1988	GM-46635	Journaux de Sondage au Diamant, <b>MINES NORTHGATE INC.</b> , Gervais, D.; Larouche, V. et al.; F-1-87, F-2-87, F-3-87, F-4-87, F-5-87, F-6-87, S1-87-5, S1-87-8, S3-86-5, S3-86-6, Shaft #3, T-88-1
1960	RG-095	South Half of McKenzie Township. <b>QERPUB – M.E.R.</b> publication, Allard, G.O.; Smith, J.R.

Figure 4: Sketch of Kokko Creek, Québec Chibougamau Goldfields, Copper Cliff Ext. and Virginia Option Properties



#### Brief History on the Copper Cliff Mine

**1956** – Mining operations by Copper Rand Chibougamau Mines Ltd from a 5-compartment shaft to a depth of 160 m with openings on three (3) levels (-82 m, -121 m and -160 m).

**1969** – Reserves evaluated at 816,466 tonnes grading 2.15% Cu.

**1970-1974** – Mines Patino extended the shaft to a depth of 494 m (3 compartments), 10 levels became accessible. During the period of 1970 to 1974, production of 864,382 tonnes grading 1.69% Cu, 0.96 g/t Au and 6.5 g/t Ag was recorded. Allard (1976) estimated the total production at Copper Cliff to amount to 1,273,819 tonnes grading 1.83% Cu.

**1975** – Historical resources of 56,245 tons grading 1.00% Cu and 0.86 g/t Au are reported to remain in place.

## Grandroy Copper & Gold Mine (Cu-Au-Mo)

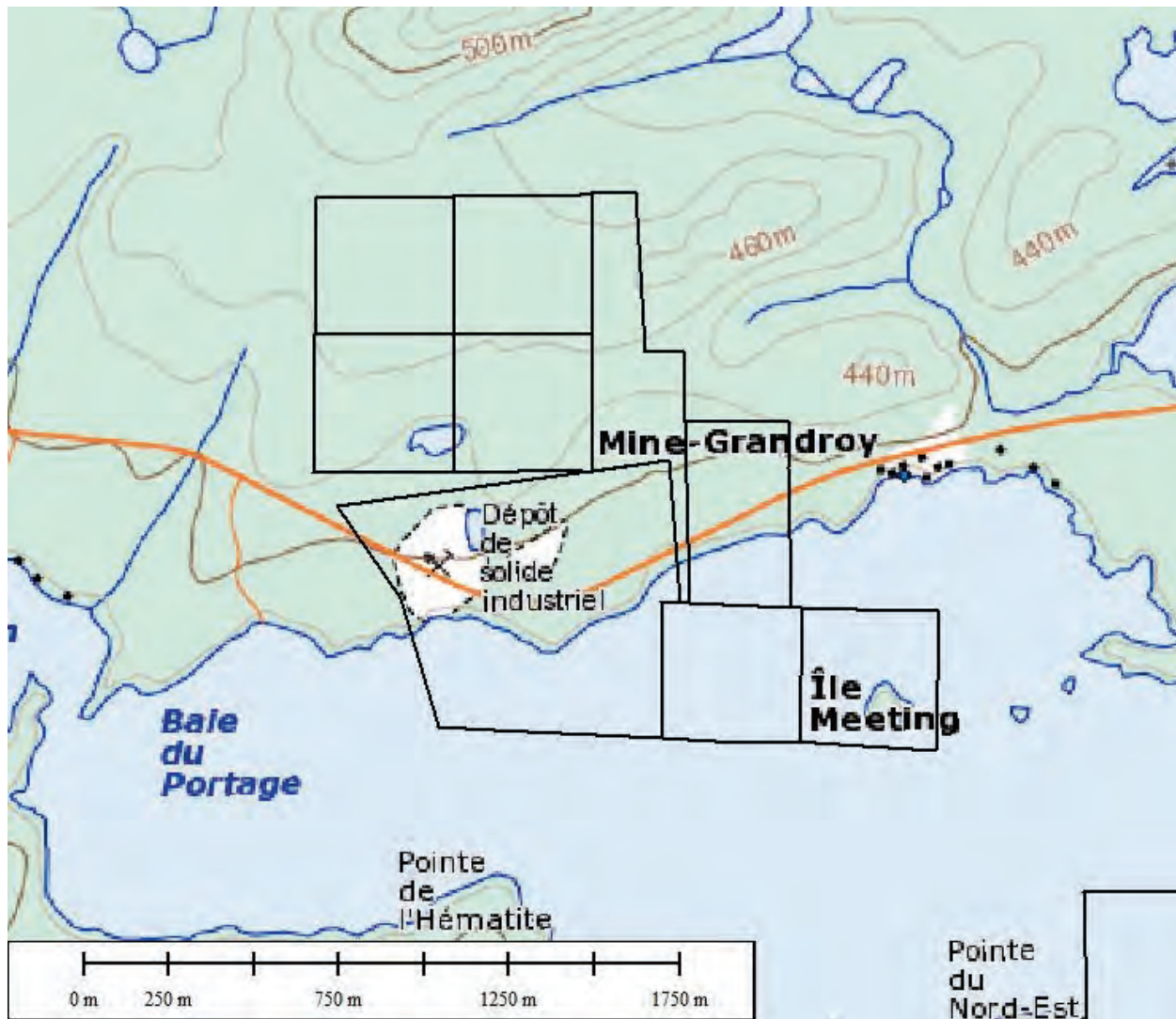
Historical exploration and development work (sketch of property, Figure 5)

Year	Document	Description
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; QUEPUB – M.E.R. publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV 368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
1980	DPV 727	Production Minérale du Québec au 1 Janvier 1979 <b>QERPUB – M.E.R.</b> publication; Avramtchev, L.; Lebel-Drolet, S.
1985	DV 85-08	Gîtes Minéraux à Tonnage Évalué et Production Minérale du Québec; <b>QERPUB – M.E.R.</b> publication; Lavergne, C.
1967	ES 002	Annotated Bibliography on Metallic Mineralization in the Regions of: NORANDA, MATAGAMI, VAL D'OR, CHIBOUGAMAU; <b>DEPARTMENT OF NATURAL RESOURCES</b> ; Special Paper 2
1969	ES 004	Copper in Québec; <b>QERPUB – M.E.R.</b> publication, Waddington, G.W.
1970	ES 008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1952	GM-01903	Magnetometer Survey <b>GRANDINES MINES LTD</b> , by Geo-explorers Ltd, Salt, D.J.
1953	GM-02066	Diamond Drill Logs <b>GRANDINES MINES LTD</b> Bernier, A.F.; Malouf, S.E.; 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59
1952	GM-02120	Magnetometer Survey <b>GRANDINES MINES LTD</b> , by Geo-Explorers Ltd; Honyman, K.G.; Salt, D.J.
1952	GM-02130-A	Summary Report; <b>GRANDINES MINES LTD</b> , Malouf, S.E.
1952	GM-02031-B	Diamond Drill Log; <b>GRANDINES MINES LTD</b> , 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42
1961	GM-11633	Report on Geological, Magnetic, Electromagnetic and Resistivity Survey <b>GRANDROY MINES LTD</b> , Baldwin, A.B.
1962	GM-11817	Diamond Drill Record <b>GRANDROY MINES LTD</b> , Boyd, J.A.; 147-8
1967	GM-19314	Summary Report on Grandroy Mines, <b>GRANDROY MINES LTD</b> , Dempsey, R.W.
1947	GM-21086	Report on the Property <b>ROYBAR CHIBOUGAMAU MINES LTD</b> ; Ross, S.H.
1947	GM-21087	Diamond Drill Logs, Holes S1 – S 22; <b>ROYBAR CHIBOUGAMAU MINES LTD</b> ; Hough, J.L.; McCannell, J.D. ;S-1, S-2, S-3, S-4, S-5, S-6, S-7, S-8, S-9, S-10, S-11, S-12, S-13, S-14, S-15, S-16, S-17, S-18, S-19, S-20, S-21, S-22
1966	GM-21271	Diamond Drill Logs, <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDINES MINES LTD, GRANDROY MINES LTD</b> ; Benussi, G.; G-1, G-2, G-3, G-4, G-5, G-6, G-7, G-8, G-9, G-10, G-11, G-12, G-13, G-14, G-15
1967	GM-21656	Induced Polarization and Bathymetric Survey on the Lake Claims at the Grandroy Property; <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDROY MINES LTD</b> ; Masterman, P.C.
1967	GM-21657	Surface Exploration Progress Report on the Grandroy Claims; <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDROY MINES LTD</b> ; Masterman, P.C.
1968	GM-23161	Diamond Drill Record <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDROY MINES LTD</b> ; Masterman, P.C. & Mogri, Z.; G-16, G-17, G-18, G-19, G-20, G-21, G-22, G-23, G-24, G-25, G-26
1968	GM-23162	Report on Grandroy Geology & Structure <b>GRANDROY MINES LTD</b> ; Krause, C.A.; Larson, L.R.
1970	GM-26637	Diamond Drill Record; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Daco, A.C.; Poliscuk, V.E.; K-22, K-23, K-24, K-25
1970	GM-26638	Report on the EM 16 Geophysical Survey; <b>HENDERSON MINE AND ENVIRONS</b> ; Masterman, P.C.; Watson, D
1972	GM-28549	Rapport sur les Claims du Groupe Sulphur Converting; <b>CAMPBELL CHIBOUGAMAU MINES, SULPHUR CONVERTING CORP.</b> ; Budrevics,



		V; Kloeren, C.J., Morasse, M
1975	GM-30765	Geology, Geophysics, Drilling, Roy project; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Sethuraman, K.; GR-57, GR-58, GR-59
1976	GM-32723	Geology, Geophysics, Drilling, Roy Project; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Betz, J.E.; Hamilton, W.; GR-64, GR-65, GR-67
1977	GM-33409	Progress Report, 1977 Exploration Program, Roy Project, Main Block; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Hamilton, W.; GR-68, GR-69, GR-70, GR-71, GR-72, GR-73, GR-74
1982	GM-40712	Drilling Program, Report on Roy Project; Grandroy Extension; <b>MINES CAMCHIB INC.</b> ; GR-84
1995	GM-53822	Campagne de Décapage et Sondage, Automne 1994 – Hiver 1995, Propriété Valiquette (1114), <b>SOQUEM, TECHNI-LAB</b> ; Poitras, S.; 1114-95-01, 1114-95-02, 1114-95-03
1999	GM-56521	Rapport Annuel d'Exploration, Propriété Valiquette (1114); <b>SOQUEM INC.</b> ; Pouliot, J.F.; 1114-98-01, 1114-98-02, 1114-98-03, 1114-98-04, 1114-98-05
1949	RP 227	Mining Properties and Development in Abitibi and Temiscamingue Counties During 1946 and 1947, <b>M.R.N.</b> ; Ingham, W.N.; Robinson, W.G.; Ross, S.H.
1953	RP 287	Mining Properties and Development in the Chibougamau Region, Abitibi-east and Roberval Counties During 1952; <b>M.R.N.</b> ; Graham, R.B.
1958	RP-370	Preliminary Report on the Southwest Quarter of Roy Township, Abitibi-East Electoral District; <b>M.R.N.</b> ; Horscroft, F. D. M.
1958	RP 371	Preliminary Report on the Lead Zinc Deposits of the Province of Québec; <b>M.R.N.</b> ; Sater, G.S.

Figure 5: Sketch of the Grandroy Mine Property



## Brief History

**1944 – 1952** The area of the mine was covered by a full array of geophysical surveys (Mag., EM, and Resistivity). Surface mapping was also completed. Twenty-two drill holes totalling 2,729 m were completed.

**1959 – 1967** From 1959 to 1967 Campbell Chibougamau explored the area around the mine block and performed additional geophysical surveys (IP) which located an anomaly east of the present pit area. 48 holes in the G and GR series were drilled largely on this “East Anomaly” area.

**1967** Open pit mining started on the main ore body in February 1967 and ceased in May 1968 due to high costs caused by an ever increasing waste to ore ratio.

**1970 – 1975** From 1970 to 1975 a spiral decline to a depth of 230 feet below the pit floor was used to continue production. A total of 385,047 tons grading 1.24% Cu and 0.02 opt Au were mined from the altered porphyry. A new copper-gold zone was discovered in 1973 – 1974 approximately 400 m south of the open pit. The best intersections for gold were: GR-47 intersected 0.464 opt Au & 0.14% Cu over 4.1 feet and GR-48 which intersected 0.125 opt Au and 0.20% Cu over 11.2 feet.

**1974 – 1977** Further geophysical test work (HLEM, Mag.) and geological surveys. Seven (7) additional drill holes were collared in the mine area (GR-68 to GR-74).

**1981** Four (4) holes (GR-78 to GR-81) tested the mine zone to a vertical depth of 335 m. Low copper-gold values over narrow widths were intersected in the granite and Grandines Shear Zone. One hole GR-80 is reported to have intersected about 30 m of chlorite alteration at a rhyolite-granite contact at a vertical depth of 365 m. Both the alteration zone and the footwall granite contained weak copper-gold values over a core length of up to 46 m. It has been postulated that this zone may be the root zone of the main mineralized section.

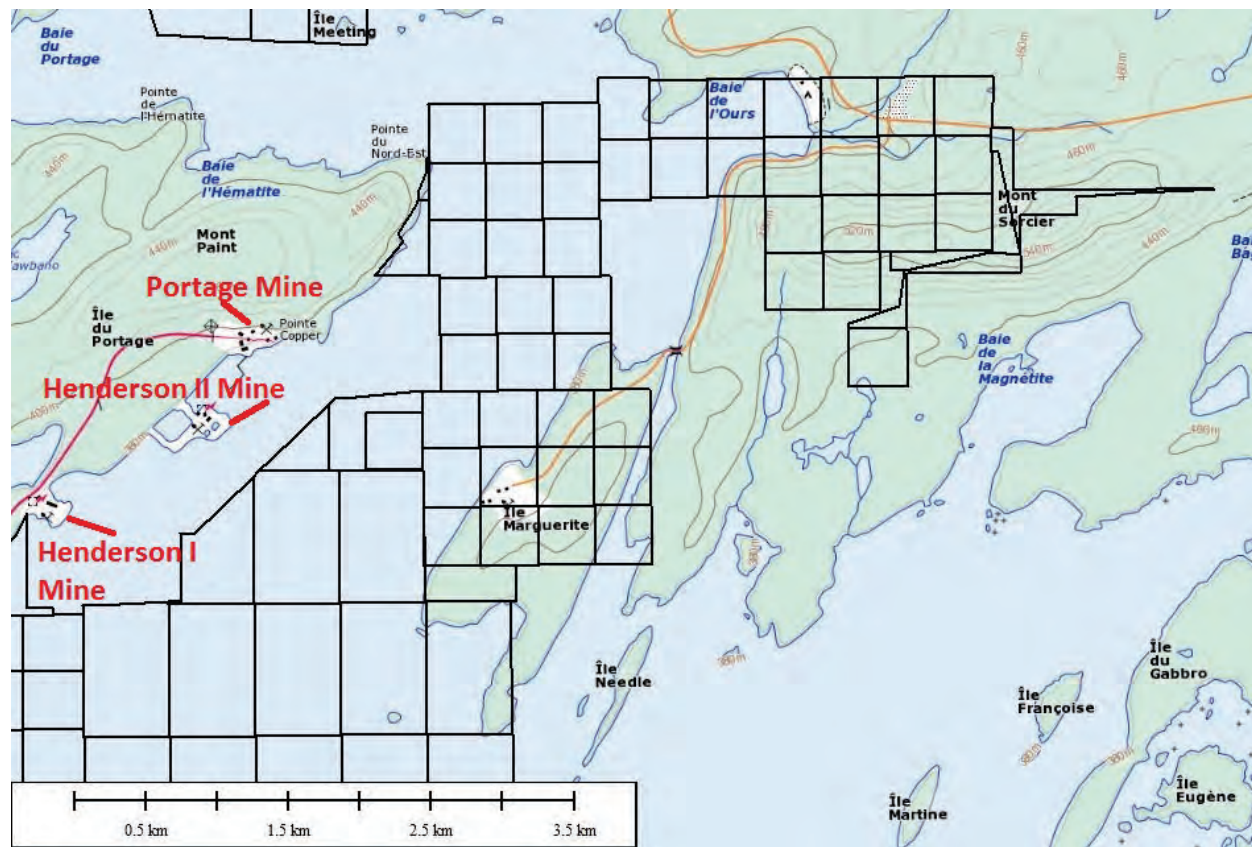
**1981** In 1981, Masterman (Campbell Chibougamau Mines Ltd) calculated a resource of either 48,806 tons grading 0.053 opt Au and 2.65% Cu or 195,983 tons grading 0.023 opt Au and 1.48% Cu.

**1990-1991** A small grid was cut and surveyed (Mag – VLF) northeast of the open pit by Inlet Resources Ltd. Three drill holes GD-4, -5 and -6 were drilled on the Grandroy Mine structure and the Portage Bay gold-copper zone (494 m). At the Grandroy Mine, a 306 m vertical hole was drilled to explore the down dip extension of several gold-copper lenses below the 183 m and 213 m levels. Several narrow zones were intersected but it was impossible to establish dip and therefore the depth extension of the zones to be tested may or may not be adequately tested. The casing was left in place to facilitate possible extension of the hole. A second hole GR-91-2 (306 m) collared 65 m east of the pit intersected wide zones of less than 1% chalcopyrite in rhyolite and granodiorite including one zone of 1.4% Cu and 0.005 opt Au over 1.33 m. A third hole GR-91-2 (188 m) was drilled in the Portage Bay copper-gold zone. Two (2) narrow intersections of up to 11.88 g/t Au were encountered.

**2006** Globex flew an EM and Mag survey over the property and commissioned a NI 43-101 report in 2008. In 2010, Globex also completed a magnetometer survey over the principal main claim and its extension southward into the lake.

----- Two (2) intersections near the bottom of the decline returned significant intersections on a zone referred to as the “Footwall Branch”. GRU-129 returned 0.375 opt Au and 4.85% Cu over a core length of 10.4 feet and GRU-112 intersected 0.171 opt Au and 3.01% Cu over 12.7 feet. Masterman, Curtis and Associates (1986) and P.J. DeVeaux (1991) all concluded that there may be some potential for a higher grade copper-gold deposit on the Grandroy property and that the chlorite alteration pipe intersected in drill hole GR-80 warrants follow-up. Curtis in his report points out that a porphyry model is supported by the fact that mill heads contained about 0.10% molybdenum which was not recovered nor systematically assayed for.

Figure 6: Sketch of Ile Marguerite Property



### Ile Marguerite (Cu-Au)

Historical exploration and development work (Sketch of property, Figure 6)

Year	Document	Description
	<b>Ile Marguerite</b>	
1977	DPV-507	Levé Géophysique Marin; Lac Chibougamau (Partie Nord); <b>RELEVÉS GÉOPHYSIQUES INC.;</b>
1979	DPV-719	Levé Géophysique Marin; Lac Chibougamau (Partie Sud); <b>GÉOPHYSIQUE FRANCE-QUÉBEC INC.</b>
1991	DV-91-29	Traitement des Données Géophysiques (Aéromagnétiques) – Chibougamau (32G/16, Cartes 2158 A et B); <b>SIAL GÉOSCIENCES INC.</b>
1965	GM-17245	Summary Report on Surface Exploration, Henderson Mine Area; <b>CAMPBELL CHIBOUGAMAU MINES LTD.;</b> Krause, C.A.
1967	GM-21776	Summary Report – Lake Chibougamau Exploration, K, T and Sulphur Converting Groups; <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDROY MINES LTD, MID-CHIBOUGAMAU MINES LTD, MONTREAL TRUST CO.;</b> Masterman, P.C.
1970	GM-26639	Summary Report on Surface Exploration, <b>CAMPBELL CHIBOUGAMAU MINES LTD.;</b> Masterman, P.C.
1974	GM-30759	Preliminary Report; <b>CAMPBELL CHIBOUGAMAU MINES LTD;</b> Essop, S.
1984	GM-41356	Levé Sismique, Ile Sainte Marguerite du Lac Chibougamau; <b>MINES CAMCHIB INC.;</b> Edwin Gaucher & Associates Inc.; Desbiens, R.; Gaucher, E.;
1993	GM-52103	Rapport sur un Levé de Polarisation Provoquée, Projet Chibougamau (11-1119); <b>RESSOURCES MESTON INC.;</b> Sagax Géophysique Inc., Bérubé, P.
1995	GM-53044	Levé de Polarisation Provoquée, Projet Lac Chibougamau (1119) Propriétés Valiquette et Ile Marguerite; <b>RESSOURCES MESTON INC.;</b> Géola Ltée; Lavoie, C.
1994	GM-53360	Rapport de Synthèse, Propriété 1119; <b>RESSOURCES MESTON INC., SOQUEM;</b> Bernard, D.; 1119-94-01, 1119-94-02, 1119-94-03, 1119-94-04, 1119-94-05, 1119-94-06, 1119-94-07, 1119-94-08, 1119-94-09, 1119-94-10, 1119-94-11, 1119-94-12, 1119-94-13, 1119-94-14, 1119-94-15, 1119-94-16, 1119-94-17,
1995	GM-53673	Campagne de Sondage, Hiver 1995, Projet Chibougamau, <b>RESSOURCES MESTON INC., SOQUEM;</b> Cloutier, P.; 1119-95-01, 1119-95-02, 1119-95-03, 1119-95-04, 1119-95-05, 1119-95-06, 1119-95-07
1988	MB-88-26	Levé Gravimétrique dans la Région de Chibougamau – Chapais; <b>GÉOPHYSIQUE G P R INTERNAT INC.;</b> Auger, A.

### Ile Marguerite South (Talc)

Year	Document	Description
	<b>Ile Marguerite S</b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; <b>QUEPUB – M.E.R.</b> publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
1967	ES-002	Annotated Bibliography on Metallic Mineralization in the Regions of: NORANDA, MATAGAMI, VAL D'OR, CHIBOUGAMAU; <b>DEPARTMENT OF NATURAL RESOURCES;</b> Special Paper 2
1956	GM-03763-A	Airborne Geophysical Survey <b>CHIBOUGAMAU MINING &amp; SMELTING COMPANY INC.;</b> by Aeromagnetic Surveys Limited
1956	GM-04082	EM Survey, Marguerite Island Property; <b>QUÉBEC SMELTING &amp; REFINING LTD;</b> Geo-Technical Dev Co Ltd, Maurice O.D.

1956	GM-04543-C	8 DDH Logs; <b>QUÉBEC SMELTING &amp; REFINING LTD</b> ; Dumas, A.; Lea, H.; M-1, M-2, M-3, M-4, M-5, M-6, M-7, M-8
1957	GM-05206-A	Resistivity and EM Check Surveys; <b>BAKER TALC LTD, QUÉBEC SMELTING &amp; REFINING LTD, YORCAN EXPL LTD</b> ; Geo-technical Dev Co Ltd; Maurice O. D.
1958	GM-05206-B	7 DDH Logs; <b>BAKER TALC LTD, QUÉBEC SMELTING &amp; REFINING LTD</b> ; Angus, W. L.; Bidgood, N.; M-9, M-10-A, M-11, M-12, M-13, M-14, (M-9 intersected 0.70% Cu and 0.06% Ni over 0.6 m)
1963	GM-13394	Geological Report on Two Properties; <b>BAKER TALC LTD</b> ; Pudefin, A.D.
1967	GM-25255	Fiche de Gites, Gite C-RY-28, <b>M.R.N.</b> ; Duquette, G.
	GM-27841	Cancelled
1988	GM-47564	Journal des Carottes de Forage; <b>MINES CAMCHIB INC.</b> ; Potapoff, P.; IM-87-1, IM-88-2
1958	RP-370	Preliminary Report on the Southwest Quarter of Roy Township, Abitibi-East Electoral District; <b>M.R.N</b> ; Horscroft, F.D.M.
1959	RP-388	Description of Mining Properties Visited During 1957 in the Chibougamau, Bachelor Lake and Waswanipi Regions, Abitibi Territory, Abitibi-East Electoral District, an Outline of Geology and Exploration Work; <b>QERPUB – M.E.R. publication</b> ; Archibald, G.M.
1960	RP-409	Iron Ore Deposits of the Province of Québec; <b>M.R.N.</b> ; Waddington, G.W.

**1956** – A series of electromagnetic and magnetic anomalies were outlined in 1956. Québec Smelting and Refining Limited drilled later that year. Drilling intersected an altered ultramafic with magnetite.

**1957** - Baker Talc Mines Limited after testing an iron rich mafic intrusive on the south end of Ile Marguerite, drilled three holes towards the straights between Ile Marguerite and the main land (M-12, M-13, M-14). No significant results. One hole on the magnetite rich zone intersected 2.0 feet grading 0.7% Cu and 0.065% Ni.

**1965 – 1974** Campbell Chibougamau Mines Limited conducted a number of geophysical surveys to the west of Ile Marguerite (1965, 1967, 1970).

**1983** - Camchib conducted a seismic survey to determine the depth of overburden on the west side of Ile Marguerite. The survey also covered the west central part of the island to determine the location of a potential shaft to access the Henderson – Portage orebodies at depth. The survey was followed by drill hole IM-87-1, drilled to a depth of 5,983 feet by Ressources Campbell Inc. This drill hole intersected chlorite – sericite schists from 5,483.3 feet to 5483.7 feet returning 2.995 opt Au.

**1992-1996** In 1994 SOQUEM conducted an IP survey which located a strong IP anomaly trending 030° on the east side of Ile Marguerite, extending over 2 km northward. The anomaly was drilled in 1994. Hole 1119-94-13 intersected 1.59 g/t Au over 3.2 m in a quartz vein carrying pyrite – pyrrotite and tourmaline. The vein is hosted by a tonalite. Additional drilling in 1995 (hole 1119-95-07) encountered a quartz vein system with pyritic zones but returned no significant values.





**K-Zones + Henderson-Portage depth Extension (Cu-Au)**

Year	Document	Description
	<b><u>Zone K-1</u></b>	
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; QUEPUB – M.E.R. publication; <b>QUESTOR SURVEYS LTD</b>
1982	DP-867	Levé EM Aérien par INPUT MK VI à l'échelle modifiée; Région de Chibougamau; <b>QERPUB – M.E.R. publication</b> ; Questor Surveys Ltd.
1983	DP-84-03	Compilation d'Anomalies Électromagnétiques de Type Input – Région de l'Abitibi; <b>M.E.R.</b>
1985	DP-85-17	Carte Aéromagnétique a 1 = 20,000 Région de Chibougamau; <b>M.E.R. RELEVÉS GÉOPHYSIQUES INC.</b>
1989	DP-89-12	Levé EM Hélicopté RexHem IV – Région du Lac Bourbeau; <b>QERPUB – M.E.R. publication</b> ; Sial Géosciences Inc.
1956	GM-03706	Report on Portion of Group “ K “ <b>CHIBOUGAMAU MINING &amp; SMELTING CO INC.</b> ; Allard, G
1956	GM-03796-A	Report on a Portion of Group “ K “ <b>CHIBOUGAMAU VENTURES LTD</b> ; Allard, G.
1956	GM-04013-A	Summary of Work Done; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Graham, R.B.
1956	GM-04397-A	1 plan of EM Survey; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CHIBOUGAMAU MNG &amp; SMTG CO INC., CLAIMS CHEVRETTE</b> ; Allard, G.O.; Sharpe Geophysical Surveys Ltd
1956	GM-04397-B	Information Report; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Assad, J.R.
1956	GM-04401	Information report; <b>PORTAGE ISLAND CHIBOUGAMAU M.L.</b> ; Assad, J.R.
1957	GM-05204	Report on Work (Jan 1 <sup>st</sup> 1956 to Feb 15 <sup>th</sup> , 1957) <b>BATEMAN BAY MINING CO, PORTAGE ISLAND CHIBOUGAMAU M.L.</b> ; Graham, R. B.
1959	GM-07860	Report on Exploration Works; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B.S.W.
1957	GM-07861	Report on Property(Geology, Diamond Drilling and Sampling) <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Graham, R.B.
1959	GM-07939	Copper Deposit; <b>CAMPBELL CHIBOUGAMAU MINES LTD, PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Assad, J.R.
1959	GM-08618	Report on the Property; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B. S. W.
1960	GM-09477	Report on Development Work; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B. S. W.
1960	GM-09934	Report on Property; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B. S. W.;
1958	GM-13120	Note sur le Terrain; <b>M.R.N.</b> ; Gilbert, J. E.
1966	GM-18265	Summary of Surface Diamond Drilling, Portage Island Mines; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP, PORTAGE ISLAND CHIBOUGAMAU M L</b>
1966	GM-18266	Ground Geophysical and Geological Coverage, Portage Island Mine; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP, PORTAGE ISLAND CHIBOUGAMAU M L</b>
1960	GM-19067	2 Plans of magnetic Survey; <b>CHIBOUGAMAU JACULET MINES LTD</b>
1966	GM-19177	Report Obalski Mining Corporation; <b>OBALSKI MINING CORP.</b> ; Germain, L.
1967	GM-21775	DDH Logs; <b>CAMPBELL CHIBOUGAMAU MINES LTD, MONTREAL TRUST CO.</b> ; Masterman, P. C.; K-16, K-17, K-18, K-19, K-20, K-21, SC-1, SC-3, T-329, T-330, T-331
1967	GM-21776	Summary Report –Lake Chibougamau Exploration, K, T, and Sulphur Converting Groups; <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDROY MINES LTD, MID CHIBOUGAMAU MINES LTD, MONTREAL TRUST CO</b> ; Masterman, P. C.
1970	GM-26639	Summary Report on Surface Exploration, <b>CAMPBELL CHIBOUGAMAU</b>



		<b>MINES LTD; Masterman, P. C.</b>
1974	GM-30759	Preliminary Report; <b>CAMPBELL CHIBOUGAMAU MINES LTD;</b> Essop, S.; T-361, T-362, T-363, T-364, T365, T-366, T-367, T-368, T-369A, T-370, T-371, T-372, T-373, T-374, T-375, T-376, T-377, T-378, T-379, T-387, T-388, T-389, T-390, T-391, T-392, T-393, T-394, T-385, T-396, T-397, T-398, T-399, T-400, T-401, T-402
1976	GM-32676	Summary of Work Undertaken in 1976; <b>PATINO MINES (QUÉBEC) INC.;</b> Boutin, L.; Kanwar, R.
1977	GM-33411	Diamond Drill Hole Log, Copper Rand Property; <b>PATINO MINES (QUÉBEC) LTD;</b> Boutin, L.; Niels, R.; Scannell, D.R.; Siddiqui, M.; (underground drill holes)
1979	GM-34359	Assessment Report on the Magnetite Bay Group; <b>CAMPBELL CHIBOUGAMAU MINES LTD;</b> Sethuraman, K.
1978	GM-34360	Summary Report on Geology, Geophysics, Drilling, Roy Project, Main Block; <b>CAMPBELL CHIBOUGAMAU MINES LTD;</b> Hamilton, W.; GR-75
1981	GM-37502	Summary Report on Geophysics 1981 Exploration; <b>RESSOURCES CAMCHIB INC.;</b> Hamilton, W.
1983	GM-40865	Diamond Drill Logs, Property K-CEJV; <b>MINES CAMCHIB INC. / RESSOURCES CAMCHIB INC.;</b> K-83-1, K-83-2, K-83-3
1984	GM-41875	Diamond Drill Logs, K Property; <b>MINES CAMCHIB INC.;</b> Kane, M. A.; K-84-1, K-84-2, K-84-3, K-84-4, K-84-5, K-84-6, K-84-7, K-84-8
1993	GM-52103	Rapport sur un Levé de Polarisation Provoquée, Projet Chibougamau (11-1119); <b>RESSOURCES MESTON INC.;</b> Sagax Géophysique Inc.; Bérubé, P.
1994	GM-53360	Rapport de Synthèse, Propriété Chibougamau 1119; <b>RESSOURCES MESTON INC., SOQUEM;</b> Bernard, D.; 1119-94-01, 1119-94-02, 1119-94-03, 1119-94-04, 1119-94-05, 1119-94-06, 1119-94-07, 1119-94-08, 1119-94-09, 1119-94-10, 1119-94-11, 1119-94-12, 1119-94-13, 1119-94-14, 1119-94-15, 1119-94-16, 1119-94-17
1996	GM-54001	Rapport d'Interprétation de Levés électromagnétiques Pulsé EM en Forage, Projet Lac Chibougamau; <b>RESSOURCES MESTON INC.;</b> SOQUEM – Val d'Or Géophysique Ltée; Lambert, G.
1996	GM-54002	Rapport de Sondage Hiver 1996, Projet Chibougamau (1119); <b>RESSOURCES MESTON INC.;</b> SOQUEM – Techni-Lab Abitibi Inc.; Fournier, G; 1119-96-02, 1119-96-03, 1119-96-04, 1119-96-05, 1119-96-06, 1119-96-07, 1119-96-08
1997	GM-54968	Campagne de Forage, Projet Chibougamau (1119); <b>RESSOURCES MESTON INC.;</b> SOQUEM, Bellavance, Y.; 1119-97-01, 1119-97-02, 1119-97-03, 1119-97-04, 1119-97-05
1998	GM-55732	Rapport de la Campagne de Forage, Projet Chibougamau; <b>RESSOURCES MESTON INC.;</b> SOQUEM; Schmitt, L.; 1119-98-01, 1119-98-02
1998	GM-55733	Levés Pulsé-Em en forage, Projet Chibougamau; <b>RESSOURCES MESTON INC.;</b> Val d'Or – Sagax; Boileau, P.
1988	MB-88-26	Levé Gravimétrique dans la Région de Chibougamau-Chapais; <b>GÉOPHYSIQUE G P R INTERNAT INC.;</b> Auger, A.
1990	MB-90-03	Le Complexe du Lac Doré et son Environnement Géologique Annexe 3, <b>IREM – MERI;</b> Daigneault, R.; Allard, G.O.
1990	MM-89-03	Le Complexe du Lac Doré et son Environnement Géologique – Région de Chibougamau – Sous Province de l'Abitibi; <b>IREM – MERI;</b> Daigneault, R.; Allard, G.O.
	<b>Zone K-3</b>	
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; QUEPUB – M.E.R. publication; <b>QUESTOR SURVEYS LTD</b>
1982	DP-867	Levé EM Aérien par INPUT MK VI à l'échelle modifiée – Région de Chibougamau; <b>QUESTOR SURVEYS LTD</b>
1983	DP-84-03	Compilation d'Anomalies Électromagnétiques de Type INPUT – Région de Chibougamau; <b>M.E.R.</b>
1989	DP-89-12	Levé EM Hélicopté REXHEM IV, Région du Lac Bourbeau; <b>SIAL GÉOSCIENCES INC.</b>
1954	GM-02732	Magnetometer Survey; <b>CHIBOUGAMAU VENTURES LTD;</b> Malouf, S. E.

1954	GM-02872-A	Portage Island Plans; <b>PORTAGE ISLAND CHIBOUGAMAU M. L.</b> ; Penstone, M. E.
1956	GM-03796-A	Report on a Portion of Group “ K “ <b>CHIBOUGAMAU VENTURES LTD</b> ; Allard, G.
1956	GM-03796-B	Diamond Drill Log. <b>CHIBOUGAMAU MINING &amp; SMELTING CO INC.</b> ; Krause, C.; K-6
1956	GM-04397-A	1 Plan of EM Survey; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CHIBOUGAMAU MNG &amp; SMTG CO INC., CLAIMS CHEVRETTE</b> ; Sharpe Geophysical Surveys Ltd, Allard, G. O.
1957	GM-04619-B	78 DDH Logs; <b>CHIBOUGAMAU MNG &amp; SMTG CO INC., CHIBOUGAMAU VENTURES LTD, YORCAN EXPL LTD</b> ; Allard, G. O.; Dumas, A.; Koene, J.; Krause, C. A. ; Schrijver, K.; Vollo, N. B. ; K-1, K-2, K-3, K-4, K-5, K-6, K-7, K-8, K-9, K-10, K-11, K-12, K-13, K-14, K-15, T-105, T-106, T-107, T-108, T-109, T-110, T-115, T-116, T-122, T-123, T-125, T-126, T-127, T-132, T-134, T-140, T-142, T-145, T-146, T-147, T-148, T-149, T-150, T-152, T-153, T-155, T-156, T-159, T-162, T-163, T-166, T-167, T-33, T-37, T-39, T-45, T-46, T-47, T-54, T-56, T-58, T-59, T-60, T-63, T-67, T-69, T-70, T-71, T-72, T-74, T-75, T-76, T-77, T-80, T-84, T-85, T-86, T-87, T-88, T-89, T-90, T-91, T-96, T-97, T-98
1959	GM-07860	Report on Exploration Works; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B. S. W.
1959	GM-07939	Copper Deposit; <b>CAMPBELL CHIBOUGAMAU MINES LTD, PORTAGE ISLAND CHIBOUGAMAU M.L.</b> ; Assad, J. R.
1959	GM-08618	Report on the Property; <b>PORTAGE ISLAND CHIBOUGAMAU M. L.</b> ; Buffam, B. S. W.
1959	GM-09372	Long Wire Electromagnetic and Magnetometer Survey; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Hinse, R.
1960	GM-09477	Report on Development Work; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B. S. W.
1960	GM-09934	Report on the Property; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B. S. W.
1950	GM-12888	Geological Report Including Surface Sampling Values; <b>OBALSKI 1945 LTD, OBALSKI MINING CORP.</b> ; Corbett, H. E.
1965	GM-17245	Summary Report on Surface Exploration, Henderson Mine Area; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Krause, C. A.
1966	GM-18265	Summary of Surface Diamond Drilling, Portage Island Mine; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP, PORTAGE ISLAND CHIBOUGAMAU M L</b>
1966	GM-18266	Ground Geophysical and Geological Coverage, Portage Island Mine; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP, PORTAGE ISLAND CHIBOUGAMAU M L</b>
1960	GM-19067	2 Plans of Magnetic Survey; <b>CHIBOUGAMAU JACULET MINES LTD</b>
1956	GM-19071	Report on Electrical Resistivity Survey; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Szetu, S. S.; Geo-Technical Dev Co Ltd
1966	GM-19177	Report Obalski Mining Corporation; <b>OBALSKI MINING CORP.</b> ; Germain, L.
1966	GM-19219	Summary Report on Surface Exploration – Lake Chibougamau; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Krause, C. A.
1967	GM-21776	Summary Report, Lake Chibougamau Exploration, K, T, and Sulphur Converting Groups; <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDROY MINES LTD, MID-CHIBOUGAMAU MINES LTD, MONTREAL TRUST CO</b> ; Masterman, P. C.
1970	GM-26639	Summary Report on Surface Exploration; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Masterman, P. C.
1974	GM-30759	Preliminary Report; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Essop, S.; T-361, T-362, T-363, T-364, T-365, T-366, T-367, T-368, T-369, T-370, T-371, T-372, T-373, T-374, T-375, T-376, T-377, T-378, T-379, T-387, T-388, T-389, T-390, T-391, T-392, T-393, T-394, T-395, T-396, T-397, T-398, T-399, T-400, T-

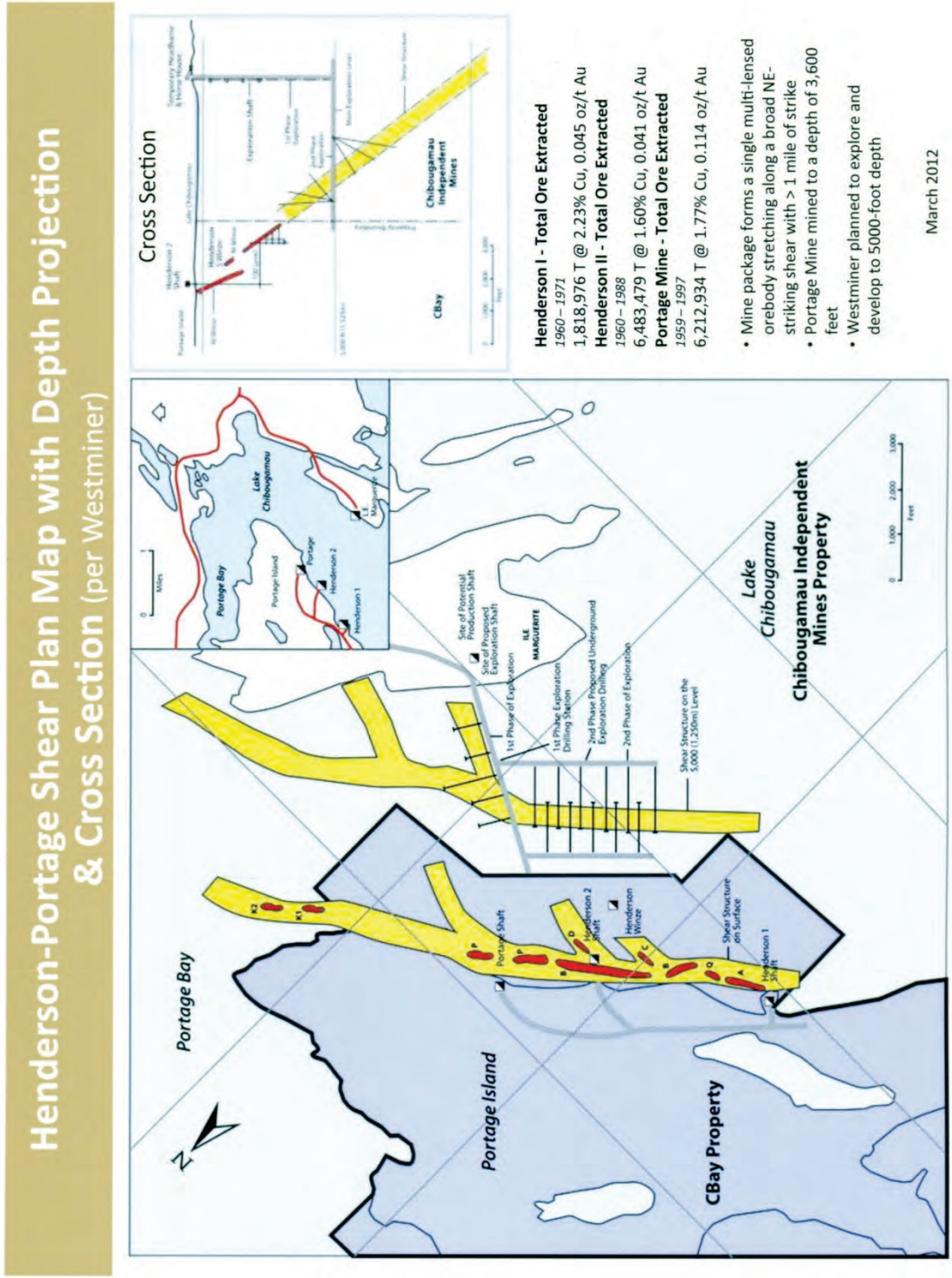
		401, T-402
T-387, 1975	GM-31867	Report on the Max-Min II EM Survey on Lake Chibougamau During the Winter; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Betz, J.E. and Verret, G.
1976	GM-32676	Summary Work Undertaken During 1976; <b>PATINO MINES (QUÉBEC) LTD.</b> ; Boutin, L.; Kanwar, R.
1977	GM-33411	Diamond Drill Hole Log, Copper Rand Property; <b>PATINO MINES (QUÉBEC) LTD</b> ; Boutin, L.; Niels, R.; Scammell, D. R.; Siddiqui, M.
1983	GM-40865	Diamond Drill Logs, Property K-CEJV; <b>MINES CAMCHIB INC., RESSOURCES CAMCHIB INC.</b> ; Kane, M.; Ross, N.; K-83-1, K-83-2, K-83-3
1984	GM-41875	Diamond Drill Log, K – Property; <b>MINES CAMCHIB INC.</b> ; Kane, M. A.; K-84-1, K-84-2, K-84-3, K-84-4, K-84-5, K-84-6, K-84-7, K-84-8
1995	GM-53044	Levé de Polarisation Provoquée, Projet Lac Chibougamau (1119) Propriétés Valiquette et Ile Marguerite; <b>RESSOURCES MESTON INC., SOQUEM</b> ; Geola Ltée; Lavoie, C.
1996	GM-54001	Rapport d'Interprétation de Levés Électromagnétiques Pulsé EM en Forage, Projet Lac Chibougamau; <b>RESSOURCES MESTON INC., SOQUEM</b> ; Val d'Or Géophysique Ltée; Lambert, G.
1996	GM-54002	Rapport de Sondage Hiver 1996, Projet Chibougamau (1119); <b>RESSOURCES MESTON INC., SOQUEM</b> ; Fournier, G.; 1119-96-02, 1119-96-03, 1119-96-04, 1119-96-05, 1119-96-06, 1119-96-07, 1119-96-08
1988	MB-88-26	Levé Gravimétrique dans la Région de Chibougamau – Chapais; <b>GÉOPHYSIQUE G P R INTERNAT INC.</b> ; Auger, A.
1989	MM-89-03	Le Complex du Lac Doré et son Environnement Géologique, Région de Chibougamau – Sous Province de l'Abitibi; <b>IREM – MERI</b> ; Daigneault, R.; Allard, G. O.

**1954-1970** – The property was part of Campbell Chibougamau Mines Limited. An airborne survey identified a number of EM conductors in the area. This was followed up by ground geophysical surveys by Chibougamau Venture Limited (1954). Drilling in 1956 was done to test the anomalies. One hole is reported to include 10 feet of 0.6% copper. This was followed up by further drilling, holes K-1 to K15 and geophysics. This work indicated that the sulfide zones responded to airborne, VLF, Max-min and IP surveys. Additional drilling was done in 1967, Holes K16 to K20, Campbell Chibougamau Mines Limited (1967). The mineralization was associated with quartz-sulfide veins within altered (chlorite-sericite) anorthosite.

**1983-1984** – Camchib Resources Inc. did some additional drilling to further test the K zones: Hole K-83-1 and K-83-2 tested K10 and K83-3 tested K5. No significant mineralization was encountered. Further drilling was done in 1984.

**1992-1996** – La Société Québécoise d'Exploration Minière (SOQUEM) optioned the property from Ressource Meton Inc., in June 1992. SOQUEM did a regional compilation of all existing data and produced a series of compilation maps of the regional geology, max-min compilation. SOQUEM conducted additional geophysics and drilling in 1996.

Figure 8: Projected depth extension of Portage-Henderson mineralization.



**Kokko Creek Mine (Cu-Au)**

Year	Document	Description
	<b><u>Mine Kokko Creek</u></b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; QUEPUB – M.E.R. publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
	DPV-727	
1985	DV-85-08	Gites Minéraux à Tonnage Évalué et Production Minérale du Québec; <b>QERPUB – M.E.R.</b> publication; Lavergne, C.; MRN
1967	ES-002	Annotated Bibliography on Metallic Mineralization in the Regions of: NORANDA, MATAGAMI, VAL D'OR, CHIBOUGAMAU; <b>DEPARTMENT OF NATURAL RESOURCES</b> ; Special Paper 2
1950	GM-00854	Informational Bulletin; <b>MERRILL ISLAND MINING CORP. LTD</b> ; Desrossiers, J. E.
1956	GM-04892	Geological Report; <b>CHIBTOWN COPPER CORP.</b> ; Harris, J. J.; Robertson, J. A.; Smith, J. R.; Way, H. G.
1956	GM-05197	100 DDH Logs; <b>CHIB-KAYRAND COPPER MINES LTD, COPPER RAND CHIBOUGAMAU MS LTD, NEW ROYRAN COPPER MINES LTD</b> ; Archer, W. W.; Asbury, D. W.; Brown, A.; Daniel, J.; De Montigny, P. A.; Wilson, R. J.; A-144, A-145, A-146, A-147, A-148, A-149, A-150, A-151, A-152, A-153, A-154, A-155, A-156, A-157, A-157W, A-158, A-159, A-160, A-160A, A-161, A-162, A-163, A-164, A-165, A-165W, A-166, A-167, A-168, A-169, A-170, A-172, A-173, A-174, A-175, A-176, A-177, A-178, A-178, A-180, A-181, A-182, A-183, A-184, A-185, A-186, DQ-36, DQ-37, DQ-38, DQ-39, DQ-40, DQ-41, DQ-42, DQ-43, DQ-44, DQ-45, DQ-46, DQ-47, DQ-48, DQ-49, DQ-50, DQ-51, DQ-52, DQ-53, DQ-54, DQ-55, DQ-56, DQ-57, DQ-58A, DQ-59, DQ-60, DQ-61, DQ-62, DQ-63, QS-20, QS-21, R-37, R-39, R-43, R-45, R-46, R-48, R-51, R-52, R-53, R-55, R-56, R-57, R-58, R-59, R-60, R-61, R-65, R-70, R-73, R-78, R-79, R-80, R-81, R-82, R-83
1957	GM-05454	Report on the Property; <b>MERRILL ISLAND MINING CORP LTD</b> ; Archibald, G. M.
1958	GM-07611	Report on Development Works and Exploration; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CHIBOUGAMAU MNG &amp; SMTG CO INC.</b> ; Malouf, S. E.
1959	GM-09314-A	Diamond Drill Record; <b>CAMPBELL CHIBOUGAMAU MINES LTD, COPPER RAND CHIBOUGAMAU MS LTD</b> ; Hinse, R.; Koene, J.
1940	GM-10907	Geological Plan of Trenches, Block B; <b>NORTHERN INVESTMENT &amp; MNG CO</b>
1966	GM-19383	Longitudinal Projection & Level Plans; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b>
1968	GM-23617	7 DDH Logs and DDH Sample Sheets; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; K-306, K-307, K-308, K-309, K-310, K-311, K-312
1966	GM-25130	Fiche de Gites, Gite C-MCK-27; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Duquette, G.
1969	GM-25695	Surface Exploration, Kokko Creek, Main Mine, Merrill, Chib-Kayrand, Cedar Bay; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CHIB-KAYRAND COPPER MINES LTD, MERRILL ISLAND MINING CORP LTD, MONTREAL TRUST CO</b> ; Masterman, P. C.
1972	GM-27676	Report on Work Performed on the Merrill Mainland Property; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Kloeren, C. J.
	GM-27841	

1974	GM-30763	Assessment Report, Mainland Property; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Crevier, B.; Ford, G. M.; Kloeren, C. J.
1972	GM-28222	Main Mine Area; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b>
1960	RG-095	South Half of McKenzie Township, Abitibi-East Electoral District; Part I: Southwest Quarter and North Half of Southeast Quarter, Part II: South Half of Southeast Quarter; <b>MRN</b> ; Allard, G. O.; Smith, J.R.
	<b>Chib-Kayrand Mine</b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; <b>QUEPUB – M.E.R.</b> publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
	DPV-727	
1985	DV-85-08	Gites Minéraux à Tonnage Évalué et Production Minérale du Québec; <b>QERPUB – M.E.R.</b> publication; Lavergne, C.; <b>MRN</b>
1967	ES-002	Annotated Bibliography on Metallic Mineralization in the Regions of: NORANDA, MATAGAMI, VAL D'OR, CHIBOUGAMAU; <b>DEPARTMENT OF NATURAL RESOURCES</b> ; Special Paper 2
1969	ES-004	Copper in Québec; <b>M.R.N.</b> ; Waddington, G. W.
1950	GM-00624	Report on Geophysical Survey, Doré Lake; <b>ROYRAN GOLD FIELDS LTD</b> ; Eveleigh, F. J.; Rabdall, J. T.
1954	GM-00846	Diamond Drill Logs, Merrill Island; <b>KAYRAND MINING &amp; DEV CO LTD</b> ; T-1, T-2, T-3, T-4, T-5, T-6, T-7, T-8, T-9, T-10, T-11, T-12, T-13, T-14, T-15, T-16, T-17, T-18, T-19, T-20, T-21, T-22, T-23, T-24, T-25, T-26, T-27, T-28, T-29, T-30, T-31, T-32, T-33, T-34, T-35, T-36, T-37, T-38, T-39, T-40, T-41, T-42, T-43, T-44, T-45, T-46, T-47, T-48, T-49, T-50, T-51, T-52, T-53, T-54, T-55, T-56, T-57, T-58, T-59, T-60, T-61, T-62, T-63, T-64, T-65, T-66
1952	GM-02106	Magnetometer Survey, Merrill Island; <b>KAYRAND MINING &amp; DEV CO LTD</b>
1957	GM-03683	Diamond Drill Hole Record (GEOLOGY + ASSAYS) <b>CHIB-KAYRAND COPPER MINES LTD</b> ; JO-1, JO-2, JO-3, JO-4, JO-5, CK-1, CK-2, CK-3, CK-4, CK-5, CK-7, CK-8, CK-9, CK-10, CK-11, CK-12, CK-13, CK-14, CK-15, CK-16, CK-17, CK-18, CK-19, CK-20, CK-21, CK-22, CK-23, CK-24, CK-25, CK-26, CK-27, CK-28, CK-29, CK-30, CK-31, CK-32, CK-51, CK-52, CK-53, CK-54, CK-55, CK-56, CK-57, CK-58, CK-59, CK-60, CK-61, CK-62, CK-63, CK-64, CK-65, CK-66, CK-67, CK-68, CK-69, CK-70, CK-71, CK-72, CK-73, CK-74, CK-75, CK-76, CK-77, CK-78, CK-79, CK-80, CK-81, CK-82
1956	GM-05197	100 DDH Logs; ; <b>CHIB-KAYRAND COPPER MINES LTD, COPPER RAND CHIBOUGAMAU MS LTD, NEW ROYRAN COPPER MINES LTD</b> ; Archer, W. W.; Asbury, D. W.; Brown, A.; Daniel, J.; De Montigny, P. A.; Wilson, R. J.; A-144, A-145, A-146, A-147, A-148, A-149, A-150, A-151, A-152, A-153, A-154, A-155, A-156, A-157, A-157W, A-158, A-159, A-160, A-160A, A-161, A-162, A-163, A-164, A-165, A-165W, A-166, A-167, A-168, A-169, A-170, A-172, A-173, A-174, A-175, A-176, A-177, A-178, A-178, A-180, A-181, A-182, A-183, A-184, A-185, A-186, DQ-36, DQ-37, DQ-38, DQ-39, DQ-40, DQ-41, DQ-42, DQ-43, DQ-44, DQ-45, DQ-46, DQ-47, DQ-48, DQ-49, DQ-50, DQ-51, DQ-52, DQ-53, DQ-54, DQ-55, DQ-56, DQ-57, DQ-58A, DQ-59, DQ-60, DQ-61, DQ-62, DQ-63, QS-20, QS-21, R-37, R-39, R-43, R-45, R-46, R-48, R-51, R-52, R-53, R-55, R-56, R-57, R-58, R-59, R-60, R-61, R-65, R-70, R-73, R-78, R-79, R-80, R-81, R-82, R-83
1959	GM-09025	Report on Miscellaneous Properties in the Chibougamau Mining Area; <b>DADSON LAKE CHIBOUGAMAU M L</b> ; Hogan, H. R.; Hogan & McCuaig
1959	GM-09887	Diamond Drill Log; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CHIB-KAYRAND COPPER MINES LTD, COPPER RAND CHIBOUGAMAU MS LTD</b> ; Pudifin, A. D.

1962	GM-11737	Geological Report, Obalski Township; <b>CHIB-KAYRAND COPPER MINES LTD</b> ; Morgan, J. H.
1966	GM-12261	Fiche de Renseignement sur le Gite C-OB-3; Le Gite de Cuivre Kayrand; <b>CHIB-KAYRAND COPPER MINES LTD</b> ; Duquette, G.
1965	GM-16359	Geological Report; <b>CHIB-KAYRAND COPPER MINES LTD</b> ; Morgan, J. H.
1956	RG-071	North Half of Obalski Township, Electoral District of Abitibi-East; <b>MRN</b> ; Graham, R. B.
1953	RP-283	Mining Properties and Development in Abitibi-East, Abitibi-West and Rouyn – Noranda Counties During 1950 and 1951; <b>MRN</b> ; Graham, R. B.; Ingham, W. N.; Robinson, W. G.; Weber, W. W.
1956	RP-330	Description of Mining Properties Visited in 1952 and 1953, An Outline of Geology and Exploration Work; <b>MRN</b>
1959	RP-388	Description of Mining Properties Visited During 1957 in the Chibougamau, Bachelor Lake and Waswanipi Regions, Abitibi Territory, Abitibi-East Electoral District; An Outline of Geology and Exploration Work; <b>MRN</b> ; Archibald, G. M.

**1906** - Discovery by John Kokko, probably the first significant discovery in Chibougamau.

**1906 – 1907** Stripping and trenching by John Kokko.

**1929** - Additional surface work completed by Northern Investment & Mining.

**1951 – 1952** Merrill Island drilled 16 holes for a total of 5,709 feet; completion of a resistivity survey.

**1956** Campbell Chibougamau completed 16 holes for 10,203 feet.

**1958** Campbell Chibougamau sunk a vertical shaft to 593 feet.

**1959** Campbell Chibougamau rent property for 99 years.

**1959 – 1966** Production of about 667,426 tonnes grading 1.15% % Cu, 0.01 opt Au & 1.50 opt Ag; Note: Ore mined at Kokko Creek was first transported to the Campbell Main Mine through a drift at the 400 foot level and later on the 800 foot level. Open Pit operation which produced an estimated 255,000 tonnes.

**1966** Operations suspended in 1966.

**1959 – 1975** A production of 745,169 tons grading 1.15 % Cu and 0.24 g/t Au has been recorded during the period of 1959 to 1975. Additional historical resources of about 115,000 tons grading 1.48 % Cu and 0.21 g/t Au are reported after the closing of the mine in 1979.

### **Lac Fleury – McKenzie**

Year	Document	Description
	<b><u>Lac Fleury</u></b>	
1949	GM-00571	Property Report, Central Group; <b>ROYRAN GOLD FIELDS LTD</b> ; Morgan, J.H.
1945	GM-00867-C	Geological Report, Group 8; <b>ROYRAN GOLD FIELDS LTD</b> ; Longley, W. W.
1956	GM-03861-A	Mag and Resistivity Surveys; <b>NEW ROYRAN COPPER MINES LTD</b> ; Morgan, J. H.
1955	GM-03861-B	4 DDH Logs; <b>NEW ROYRAN COPPER MINES LTD / ROYRAN GOLD FIELDS LTD</b> ; 44-A, 45, 46, 47, G-13
1936	GM-09625	Geological Report; <b>CENTRAL CHIBOUGAMAU MINES LTD</b> ; Mulholland, J. F.
1937	GM-09680	Report on the Development Work; <b>CENTRAL CHIBOUGAMAU MINES LTD</b> ; Schmidt, E. A.
1947	GM-09681	Geological Survey; <b>CENTRAL CHIBOUGAMAU MINES LTD</b> ; Ross, S. H.

1945	GM-16422	Report on Exploration and Development in the Chibougamau Area; <b>KENNCO EXPLS LTD, KENNECOTT COPPER CORP., ROYRAND PROSPECTING SYND.;</b>
1966	GM-25116	Fiche de Gites, Gite C-MCK-13, <b>MRN;</b> Duquette, G.
1966	GM-25117	Fiche de Gites, Gite C-MCK-14, <b>MRN;</b> Duquette, G.
	GM-27841	Cancelled
1997	GM-54601	Rapport Annuel d'Exploration 1996-1997, Projet David (1165), <b>SOQUEM</b>

### Mont Sorcier Fe-Ti-V

Year	Document	Description
	<b>Mont Sorcier</b>	
1950	GM-01222	Report Covering Expedition into Chibougamau; <b>CAMBRIDGE SYND.;</b> McKenzie, M.H. from Corbett, Howe & Associates Ltd.
1951	GM-01640	Information Report; <b>CHIBMAC MINES LTD;</b> Corbett, H.E.
1956	GM-04600	Geological Report <b>ROYCAM COPPER MINES LTD;</b> Lawrence, R.D. & Ogden, M.; from Halet, Broadhurst & Ogden
1957	GM-05190-B	6 DDH Logs; <b>ROYCAM COPPER MINES LTD;</b> Schimunek, K.W.; 1, 2, 3, 4, 5, 6
1957	GM-05537	Geological Report <b>ROYCAM COPPER MINES LTD,</b> QERDEM, Mining Exploration Files; Archibald, G.M.; M.R.N.
1957	R.P. (1957)	Description des Terrains Miniers Visités en 1956 dans la Région de Chibougamau, Districts Électoraux de Roberval. Un Aperçu de la Géologie et des Travaux d'Exploration; <b>QERRP ;</b> Assad, J.R.
1958	RP-370	Rapport Préliminaire sur le Quart Sud – Ouest du Canton de Roy, District Électoral d'Abitibi – Est; <b>QERPUB – M.E.R.</b> publication; Horscroft, F.D.M.
1959	RP-379	Rapport Préliminaire sur le Quart Sud-Est du Canton de Roy, District Électoral d'Abitibi-Est; <b>QERPUB – M.E.R.</b> publication; Gaucher, E. H.
1959	RP-388	Description des Terrains Miniers Visités 252lkali 1957 dans les Régions de Chibougamau, Lac Bachelor et Waswanipi, Territoire d'Abitibi, District Électoral d'Abitibi Est; <b>QERPUB – M.E.R.</b> publication; Archibald, G.M.
1959	GM-05861	Reports on Property; <b>SULPHUR CONVERTING CORP.;</b> Corbett, H.E., Dallaire, J.R., Jewell, J. P.
1965	GM-17227	20 Diamond Drill Hole Logs; <b>CAMPBELL CHIBOUGAMAU MINES LTD;</b> Benussi, G.; Hosain, I.; Krause, C. A.; Masterman, P. C.; FE-10, FE-11, FE-12, FE-13, FE-14, FE-15, FE-16, FE-17, FE-18, FE-19, FE-2, FE-20, FE-21, FE-22, FE-3, FE-4, FE-5, FE-6, FE-7, FE-8, FE-9
1966	GM-17300	3 DDH Logs; <b>CAMPBELL CHIBOUGAMAU MINES LTD;</b> Benussi, G.; FE-22, FE-23, FE-31
1966	GM-18247	Diamond Drill Logs, Magnetite Bay; <b>CAMPBELL CHIBOUGAMAU MINES LTD / CHIBIRON MINING CORP.</b> Montréal Trust Co.; Benussi, G.; FN-46, FN-48, FN-50, FN-54, FN-55, FN-60, FN-62, FN-65, FN-67, FN-68
1966	GM-18553	Diamond Drill Hole, Magnetite Bay, Corval Group; <b>CAMPBELL CHIBOUGAMAU MINES LTD;</b> Benussi, G.; FE-24, FE-25, FE-26, FE-27;
1966	GM-19218	DDH logs; <b>CAMPBELL CHIBOUGAMAU MINES LTD;</b> FE-28, FE-29, FE-30, FE-32, FE-33, FE-34, FE-35, FE-36, FE-37, FE-38, FE-40, FE-41, FE-42, FE-43, FE-44, FE-45, FE-47, FE-49, FE-51, FE-52, FE-53, FE-56, FE-57, FE-58, FE-59, FE-61, FE-63, FE-64, FE-66, FE-69
1967	GM-19331	Report on Geological and Magnetometer Surveys Over the Iron Deposit at Magnetite Bay <b>CAMPBELL CHIBOUGAMAU MINES LTD / CHIBIRON MINING CORP.</b> Montréal Trust Co.; Benussi, G.
1967	ES-002	Bibliographie Annotée sur la Minéralisation Métallique dans les Régions de Noranda, Matagami, Val d'Or et Chibougamau; <b>QERPUB – M.E.R.</b> publication; Dugas, J., Duquette, G., Latulippe, M.
1967	GM-21777	Report on Geochemical Survey, Lempira Silver Prospect; <b>CAMPBELL CHIBOUGAMAU MINES LTD / CHIBIRON MINING CORP.</b> Montreal Trust Co.; Masterman, P. C.



1967	GM-25250	Fiche de Gites, Gite C-RY-23, <b>CAMPBELL CHIBOUGAMAU MINES LTD / CHIBIRON MINING CORP</b> Montréal Trust Co; Duquette, G.
1969	GM-25694	Surface Exploration, Lempira Claim Group; <b>CAMPBELL CHIBOUGAMAU MINES LTD / CHIBIRON MINING CORP.</b> Montréal Trust Co; Mastermas, P.C.
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1971	GM-28547	Methods of Analysis for Iron Ores and Concentrates; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; CRM, Marimark Technical Services
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; <b>QUEPUB – M.E.R.</b> publication; <b>QUESTOR SURVEYS LTD</b>
		Surface Diamond Drilling; <b>CAMPBELL CHIBOUGAMAU MINES LTD.</b> ; SC-74-1, SC-74-2, SC-74-3, SC-74-4
1975	GM-30635	Travaux de Recherches en Laboratoires; <b>CAMPBELL CHIBOUGAMAU MINES LTD.</b> Delisle, G.
	GM-30764	
1975	GM-30765	Roy Project, Geology, Geophysics, Drilling; 1974 Exploration; <b>CAMPBELL CHIBOUGAMAU MINES LTD.</b> ; Sethuraman, K.
1975	GM-30851	
1975	GM-31867	Report on the Max-Min II EM Survey on Lake Chibougamau During the Winter; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Betz, J.E. and Verret, G.
1976	GM-32723	<b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Roy Project, Geology, Geophysics, Drilling; 1976 Exploration; Hamilton, W.; GR-64, GR-65, GR-67
1977	GM-33409	Roy Project, Main Block; 1977 Exploration Program; Progress Report; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Hamilton, W.; GR-68, GR-69, GR-70, GR-71, GR-72, GR-73, GR-74
1979	GM-34359	Assessment Work Report on the magnetite Bay Group; <b>CAMPBELL CHIBOUGAMAU MINES LTD.</b> ; Sethuraman, K.;
1779	GN-34360	<b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Roy Project, Main Block; Summary Report on Geology, Geophysics, Drilling; 1978 Exploration; Hamilton, W.
1981	GM-37502	Roy Project, Main Block; Summary Report on Geophysics, 1981 Exploration; <b>CAMCHIB RESOURCES INC.</b> ; Hamilton, W.
1982	GM-37865	McQuest; Report on a Marine Seismic Survey; <b>CAMPBELL RESOURCES INC.</b> ; Lac Chibougamau area.
1984	GM-41502	Diamond Drilling, Corval Property; <b>MINES CAMCHIB INC.</b> ; Dallaire, J.G.; De Grosbois, M.; Tremblay, A.; Houls, P.; COR-W1, COR-W10, COR-W11, COR-W12, COR-W13, COR-W14, COR-W15, COR-W16, COR-W17, COR-W2, COR-W3, COR-W4, COR-W5, COR-W6, COR-W7, COR-W8, COR-W9, SC-83-1, SC-83-10, SC-83-11, SC-83-12, SC-83-13, SC-83-14, SC-83-2, SC-83-3, SC-83-4, SC-83-5, SC-83-6, SC-83-7, SC-83-8, SC-83-9;
	GM-52441	
1994	GM-53357	Rapport Géologique; Propriété Chibougamau 1119, Secteur du Mont Sorcier, <b>SOQUEM</b> , SNRC 1994
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication

**1920 – 1972** Area has been explored by Dome Mines, Noranda Mines, Consolidated Chibougamau Goldfields, Sulphur Converting Copr., and Campbell Chibougamau Mines Ltd

**1974** Diamond drilling; Resource Estimate 270,000,000 tons grading 27.7% Fe & 1.1% TiO<sub>2</sub>, 2 zones

**Québec Chibougamau Goldfields Mine (Cu-Au-Ag)**

Year	Document	Description
	<b>Québec Chibougamau</b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; QUEPUB – M.E.R. publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
1980	DPV-727	Production Minérale au Québec au 1 Janvier 1979; <b>MRN</b> ; Avramchev, L.; Lebel-Drolet, S.
1985	DV-85-08	Gîtes Minéraux à Tonnage Évalué et Production Minérale du Québec; <b>QERPUB – M.E.R.</b> publication; Lavergne, C.; <b>MRN</b>
1989	DV-89-01	Rapport des Géologues Résidents sur L'Activité Régionale en 1988; <b>MRN</b> ; Rive, M.; Racicot, D.; Gobeil, A.; Globensky, Y.; Lachance, S.; Duquette, G. Marcoux, P.
1998	DV-98-03	Géologie et Métallogénie du District Minier de Chapais-Chibougamau; Nouvelle vision du Potentiel de Découverte; <b>MRN</b>
1967	ES-002	Annotated Bibliography on Metallic Mineralization in the Regions of: NORANDA, MATAGAMI, VAL D'OR, CHIBOUGAMAU; <b>DEPARTMENT OF NATURAL RESOURCES</b> ; Special Paper 2
1949	GM-00515	Summary of Properties and Development; <b>QUÉBEC SMELTING &amp; REFINING LTD</b> ; Morgan, J. H.
1950	GM-01145	Resistivity Survey; <b>KOKKO CREEK MINING CORP LTD</b> ; McCannell, J. D.; Geo-Technical Dev Co Ltd
1951	GM-01146-A	Rapport sur Kokko Creek Mining Corporation Limited; <b>KOKKO CREEK MINING CORP LTD</b> ; Malouf, P. M.
1951	GM-01146-B	Diamond Drill Record; <b>KOKKO CREEK MINING CORP LTD</b> ; Dallaire, J. R.; D-2, K-1, K-3, K-6, KD-1, KD-10, KD-11, KD-12, KD-13, KD-14, KD-15, KD-16, KD-2, KD-3, KD-4, KD-5, KD-6, KD-7, KD-8, KD-9
1955	GM-03302	1 Geological Plan; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Allard, G. O.
1955	GM-03399-A	Information Report; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Malouf, P. M.
1955	GM-03399-B	Progress Report; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Malouf, P. M.
1956	GM-04269	Information Report; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Assad, J. R.
1956	GM-04633-A	Report on the Ore Reserves; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Graham, R. B.
1956	GM-04633-B	Progress Report; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Malouf, P. M.
1955	GM-04633-C	1 Geological Sketch & 1 Geological Plan; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ;
1956	GM-04634	Report on the Property; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Lacaille, G. E.
1956	GM-04892	Geological Report; <b>CHIBTOWN COPPER CORP</b> ; Harris, J. J.; Robertson, J. A.; Smith, J. R.; Way, H. G.
1956	GM-05197	100 DDH Logs; <b>CHIB-KAYRAND COPPER MINES LTD, COPPER RAND CHIBOUGAMAU MS LTD, NEW ROYRAN COPPER MINES LTD</b> ; Archer, W. W.; Asbury, D. W.; Brown, A.; Daniel, J.; De Montigny, P. A.; Wilson, R. J.; A-144, A-145, A-146, A-147, A-148, A-149, A-150, A-151, A-152, A-153, A-154, A-155, A-156, A-157, A-157W, A-158, A-159, A-160, A-160A, A-161, A-162, A-163, A-164, A-165, A-165W, A-166, A-167, A-168, A-169, A-170, A-172, A-173, A-174, A-175, A-176, A-177, A-178, A-178, A-180, A-181, A-182, A-183, A-184, A-185, A-186, DQ-36, DQ-37, DQ-38, DQ-39, DQ-40, DQ-41, DQ-42, DQ-43, DQ-44, DQ-45, DQ-46, DQ-47, DQ-48, DQ-49, DQ-50, DQ-51, DQ-52, DQ-53, DQ-54, DQ-55, DQ-56, DQ-57, DQ-58A, DQ-59, DQ-60, DQ-61, DQ-62, DQ-63, QS-20, QS-21, R-37, R-39, R-43, R-45, R-46, R-48, R-51, R-52, R-53, R-55, R-56, R-57, R-58, R-59, R-60, R-61, R-65, R-70, R-73, R-78, R-79, R-80, R-81, R-82, R-83
1962	GM-11734	Summary and Results of Works; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Shaw, J. C.
1963	GM-14006	4 Diamond Drill Hole Logs With Assay Results; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Shepherd, N.; QP-1, QP-2, QP-3, QP-4
1965	GM-17198	41 DDH Logs With Assay Results; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP</b> ; Asbury, D. W.; Shepherd, N.; Tully, J.; BT-65-1, BT-65-2, QP-6, QP-7, R-

		117, R-118, R-119, R-120, R-121, R-122
1966	GM-19200	8 Level Plans; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP., QUÉBEC CHIBOUGAMAU GOLDFIELDS</b>
1966	GM-19239	Diamond Drill Holes Log; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP</b>
1966	GM-19264	Diamond Drill Logs; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP, QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Tully, J.; Newson, R.
1967	GM-22043	Portage Mine <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP.</b>
1966	GM-25128	Fiche de Gites, Gite C-MCK-25; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS</b> ; Duquette, G.
	GM-32086	Gouin Peninsula
1989	GM-58053	Cedar Bay, Trou 5599; <b>MINES CAMCHIB INC.</b>
2000	GM-58101	Rapport Annuel d'Exploration 2000, Secteur Chibougamau, Concession Minière CM-437 (1119); <b>RESSOURCES MESTON INC.</b> ; Falco, P.; re-sampling of Holes QC-18, QC-19 and QC-25
1956	RG-071	North Half of Obalski Township, Electoral District of Abitibi-East; <b>MRN</b> ; Graham, R. B.
1960	RG-095	South Half of McKenzie Township, Abitibi-East Electoral District; Part I: Southwest Quarter and North Half of Southeast Quarter, Part II: South Half of Southeast Quarter; <b>MRN</b> ; Allard, G. O.; Smith, J. R.
1957	RP-352	Description of Mining Properties Visited During 1956 in the Chibougamau Region, Electoral Districts of Abitibi-East and Roberval, An Outline of Geology and Exploration Works; <b>MRN</b> ; Assad, J. R.

**1930** - Discovery dates back to prior 1930; trenching completed.

**1951** – Kokko Creek Mining completed 16 drill holes on “B” zone and 7 drill holes on “A” zone for a total of 3,564 feet.

**1955** – Property acquired by Québec Chibougamau Goldfields; EM & Mag surveys along with self-potential survey.

**1957** – Completion of 80,910 feet of diamond drilling in 94 holes; Q-101 to Q-210, from surface.

**1957** – A shaft was sunk to a vertical depth of 847 feet in order to give access to the “A” vein, 5 levels were opened.

**1957** – Work abandoned due to low copper price.

**1962** Shaft deepened. At the time Patino Mining agreed to mine and mill ore from Québec Chibougamau.

**1962 – 1969** – Northgate – Patino acquired 50% interest and produced 226,400 tonnes grading 0.09 opt. Au and 1.72% Cu and 0.60 opt Ag (32 stopes on 5 levels).

**1970** – Campbell acquires the property and carried out stripping and trenching on “C”, “G”, “H” and “I” Zones.

**1974** – Campbell mines surface pillar of vein “A” through a decline. Minor open pit on vein “H”; Production of 29,000 tonnes grading 1.00 g/t Au and 1.28% Cu.

**1970-1974** During this period, production amounts to 264,000 tons grading 1.74% Cu and 3.08 g/t Au. A remaining historical resource of 19,191 tons grading 1.93% Cu and 2.64 g/t Au was reported at the time.

**1974** – Four (4) drifts were driven from Cedar Bay in order to explore and mine part of vein “G”. A total of 12,539 tonnes grading 0.89 g/t Au and 1.45% Cu were extracted.

**1981 – 1983** – Campbell completed few surface diamond drill holes.

**1988** – Holmer Gold Mine optioned the property. The mine was dewatered and accessible drifts were re-sampled. A total of 18 drill holes were completed from surface (16,935 feet) mainly on the extension of the “A” vein.

**1992** – Holmer abandoned their option.

1994 – SOQUEM Inc. completed one 196.0 m drill hole to test a NW-SE structure, no significant results.

1997 – SOQUEM Inc. compiled all data, identified 18 targets, 13 of which were tested by stripping. One sample from a “siderite” vein mineralized with pyrite and chalcopyrite returned 266.0 g/t Ag and 2.11% Cu.

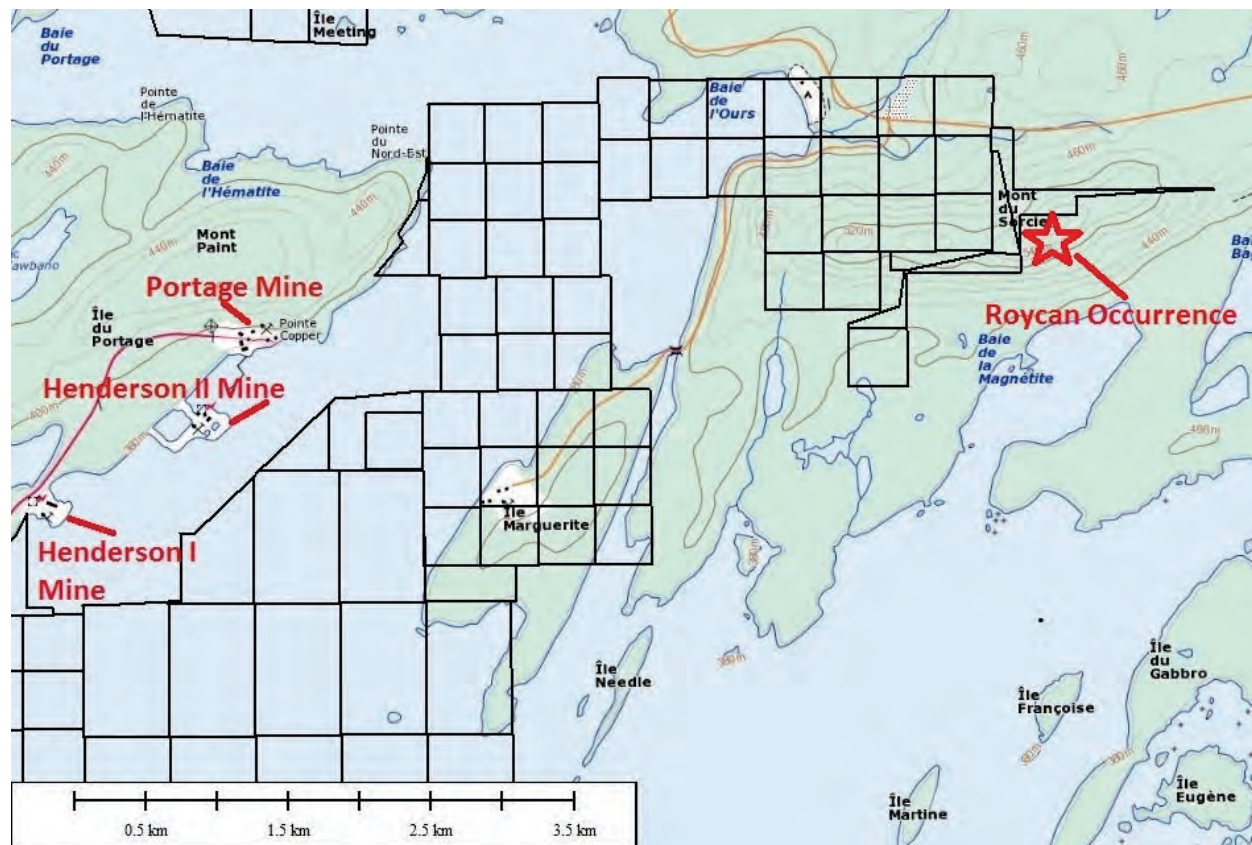
1998 – GEOLA completes 5.5 km of IP (Induced Polarization) for SOQUEM; 6 anomalies were located

1999 – SOQUEM completes one hole 162.0 m to test NW extension of “C” zone; no significant results.

**Roycam**

Year	Document	Description
1950	GM-01222	Report Covering Expedition into Chibougamau; <b>CAMBRIDGE SYND</b> ; McKenzie, M. H.
1955	GM-03680	Magnetometer and Spontaneous Polarization Surveys; <b>CLAIMS PUDDICOMBE, MARVELOR MINES LTD</b> ; Hogan, H.R.; Mccuaig, J.A.; Rukeyser, W.A.; Young, M.E.
1956	GM-03763-A	3 Plans (2 Airborne Mag and 1 Airborne EM); <b>CHIBOUGAMAU MNG &amp; SMTG CO INC.</b> ; Allard, G.O.
1956	GM-04092	Resistivity Survey; <b>ROYCAM COPPER MINES LTD</b> ; Maurice O.D.
1956	GM-04271	Information Report; <b>ROYCAM COPPER MINES LTD</b> ; Assad, J.R.
1956	GM-04600	Geological Report; <b>ROYCAM COPPER MINES LTD</b> ; Lawrence, R.D.; Ogden, M.
1957	GM-05190-B	6 DDH Logs; <b>ROYCAM COPPER MINES LTD</b> ; Schimunek, K.W.; 1, 2, 3, 4, 5, 6
1957	GM-05537	Geological Report; <b>ROYCAM COPPER MINES LTD</b> ; Archibald, G. M.
1959	GM-09405	AFMAG Geophysical Survey; <b>ROYCAM COPPER MINES LTD</b> ; Ward, J.T.
1960	GM-09960	SE 200 Vertical Coil EM Survey; <b>ROYCAM COPPER MINES LTD</b> ; Ward, J.T.
1965	GM-17227	20 Diamond Drill Hole Logs; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Benussi, G.; Hosain, I.; Krause, C.A.; Masterman, P.C.; FE-2, FE-3, FE-4, FE-5, FE-6, FE-7, FE-8, FE-9, FE-10, FE-11, FE-12, FE-13, FE-14, FE-15, FE-16, FE-17, FE-17, FE-19, FE-20, FE-21
1966	GM-18553	Diamond Drill Hole, Magnetite Bay, Corval Group; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Benussi, G.; FE-24, FE-25, FE-26, FE-27
1966	GM-19218	Diamond Drill Holes Logs, Magnetite Bay; <b>CAMPBELL CHIBOUGAMAU MINES LTD / CHIBERON MINING CORP.</b> ; Benussi, G.; Hosain, I.; Krause, C.A.; FE-28, FE-29, FE-30, FE-32, FE-33, FE-34, FE-35, FE-36, FE-37, FE-38, FE-40, FS-41, FS-42, FS-43, FS-44, FS-45, FS-47, FS-49, FS-51, FS-52, FS-53, FS-56, FS-57, FS-58, FS-59, FS-61, FS-63, FS-64, FS-66, FS-69, S-32, S-33, S-34, S-35, S-36, S-37, S-38, S-39, S-40, T-313, T-314, T-315, T-316, T-317, T-318, T-319, T-320, T-321, T-322, T-323, T-324, T-325, T-326, T-327, T-328
1967	GM-19331	Report on Geological and Magnetometer Surveys over the Iron Deposits at Magnetite Bay; <b>CAMPBELL CHIBOUGAMAU MINES LTD / CHIBERON MINING CORP / MONTREAL TRUST CO</b> ; Benussi, G.
1967	GM-21777	Report on geochemical survey, Lempira Silver Prospect; <b>CAMPBELL CHIBOUGAMAU MINES LTD / CHIBERON MINING CORP / MONTREAL TRUST CO</b> ; Masterman, P. C.
1968	GM-23615	Report on Pyrite-Pyrrhotite Mineralization on the Sulphur Converter Group of Claims; <b>CAMPBELL CHIBOUGAMAU MINES LTD / MONTREAL TRUST CO</b> ; Mogri, Z.
1967	GM-25249	Fiche de Gite, Gite C-RY-22; <b>MRN</b> ; Duquette, G.
1967	GM-25250	Fiche de Gite, Gite C-RY-23; <b>MRN</b> ; Duquette, G.
1969	GM-25694	Surface Exploration, Lempira Claim Group; <b>CAMPBELL CHIBOUGAMAU MINES LTD / CHIBERON MINING CORP / MONTREAL TRUST CO</b> ; Masterman, P.C.
	GM-27841	Cancelled

Figure 9: Location of the Roycan Occurrence



**S-Zones (Au-Cu)**

Year	Document	Description
	<b>Mine S-3</b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; QUEPUB – M.E.R. publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
1977	DPV-454	Patrons Aéromagnétiques et Gravimétriques de Minéralisations Cupro-Zincifères de l'Abitibi; <b>MRN</b> ; Favini, G.
1988	DV-88-01	Rapports des Géologues Résidents sur L'Activité Minière Régionale en 1987; <b>MRN</b> ; Rive, M.; Racicot, D.; Lachance, S.; Gobeil, A.; Vallières, A.; Duquette, G.; Marcoux, P.
1956	GM-03914-A	Malouf M. Claims, Geophysical Report, <b>CHIBOUGAMAU MINING &amp; SMELTING CO</b> ; Allard, G.
1956	GM-03914-B	MacLean-Arpin-Malouf Claims, <b>CHIBOUGAMAU MINING &amp; SMELTING CO. INC.</b> ; DDH: S-1, S-2, S-3, S-4, S-5, S-6
1958	GM-03914-C	12 Diamond Drill Holes Logs; <b>CHIBOUGAMAU MNG &amp; SMTG CO INC.</b> ; Allard, G. O.; S-10, S-11, S-12, S-13, S-14, S-15, S-16, S-17, S-18, S-7, S-8, S-9
1965	GM-17245	Summary Report on Surface Exploration, Henderson Mine Area; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Krause, C. A.
1966	GM-19218	DDH logs; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; S-32, S-33, S-34, S-35, S-36, -S37, -S38, -S39, -S40
1969	GM-25693	Diamond Drill Record; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CLAIMS METALLGESELLCHAFT</b> ; Poliscuk, V. E.; Thalenhorst, H.; S-3/1, S-3/2, T-8/1, T-8/2, T-9/1, T-9/2, T-9/3, T-9/4, T-9/4A, T-9/5
1969	GM-25696	Surface Exploration Report on Lake Chibougamau Claims; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CLAIMS METALLGESELLSCHAFT, MONTREAL TRUST CO</b> ; Thalenhorst, H.
1969	GM-25697	AFMAG Test Survey, Lake Chibougamau; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CLAIMS METALLGESELL CHAFT, MONTREAL TRUST CO</b> ; Pelton, W. H.; McPhar Geophysics Ltd
1975	GM-31867	Report on the MaxMin II Em Survey on Lake Chibougamau during the Winter of 1975; <b>CHIBOUGAMAU MINES LTD</b> ; Betz, J.E.
	GM-32676	Copper Rand drill logs
1983	GM-40996	Diamond Drill Logs; <b>MINES CAMCHIB INC.</b> ; A Tremblay; T-83-01, T-83-10, T-83-11, T-83-4, T-83-5, T-83-9
1986	GM-44630	Report, Henderson 1; S/3 Mine; <b>MINES CAMCHIB INC.</b> ; Zuckerkandel W.
1994	GM-53358	Summary Interpretation Report of Low Power Borehole Transient EM Surveys, Chibougamau 11-1119 Project; <b>SOQUEM / RESSOURCES MESTON INC.</b> ; Dawson, D.J.W.
1994	GM-53360	Rapport de Synthèse, Propriété Chibougamau 1119; <b>RESSOURCES MESTON INC., SOQUEM</b> ; Bernard, D.; 1119-94-01, 1119-94-02, 1119-94-03, 1119-94-04, 1119-94-05, 1119-94-06, 1119-94-07, 1119-94-08, 1119-94-09, 1119-94-10, 1119-94-11, 1119-94-12, 1119-94-13, 1119-94-14, 1119-94-15, 1119-94-16, 1119-94-17
1995	GM-53673	Campagne de Sondage, Hiver 1995, Projet Chibougamau; <b>LES RESSOURCES MESTON INC., SOQUEM</b> ; Cloutier, P.; 1119-95-01, 1119-95-02, 1119-95-03, 1119-95-04, 1119-95-05, 1119-95-06, 1119-95-07
1996	GM-54002	Rapport de Sondage Hiver 1996, Projet Chibougamau (1119); <b>RESSOURCES MESTON INC., SOQUEM</b> ; Fournier, G.; 1119-96-02, 1119-96-03, 1119-96-04, 1119-96-05, 1119-96-06, 1119-96-07, 1119-96-08
1961	RP-437	Preliminary Report on the Southwest and a Part of the Southeast of the Lemoine Township, Abitibi-East Electoral District; <b>MRN</b> ; <b>CHIBOUGAMAU MNG &amp; SMTG CO INC., LA-CHIB MINES LTD, TREPAN MINING CORP LTD</b> ; De Montigny, P. A.

<b>1954</b> - Airborne EM Survey
<b>1956</b> - Ground HELM and VLF-EM surveys. Surface diamond drilling
<b>1958</b> - Surface diamond drilling
<b>1959-1961</b> EM long wire (lines 200 feet apart), N-315°
<b>1964-1965</b> Induced Polarization (IP) survey, lines 400 feet apart
<b>1965- 1969</b> Chibougamau Mining and Smelting Company Inc. and Metallgesellschaft entered into an agreement to explore the S and T zone areas. An AFMag survey was run but failed to find additional targets (1968). Further drilling (1731 feet) on S-2 was done (1969) but failed to encounter significant mineralization.
<b>1974</b> - Ground magnetic survey, line 200 feet apart oriented at 315°
<b>1975</b> - MaxMin survey following ground magnetic survey the previous year
<b>1980's</b> Campbell estimated resources
<b>1981-1990</b> The Henderson Mine shaft was deepened by 391 feet to 1185 feet. In a report (1987), a total of surface 32 holes (31,642 feet) had been drilled. A cross-cut 8300 feet long was driven to access the S2 mineralization. Limited production is estimated at 420,943 tons grading 0.4% copper and 3.91 g/t gold.
<b>1982-1994</b> Surface diamond drilling
<b>1990</b> - Closure of the mine
<b>1993</b> - Induced Polarization (IP) survey, line 200 feet apart (SAGAX)
<b>1992-1996</b> Compilation and limited surface drilling by Campbell / SOQUEM. La Société Québécoise d'Exploration Minière (SOQUEM) optioned the property from Ressource Meston Inc. in June 1992. SOQUEM did a regional compilation of all existing data and produced a series of compilation maps of the regional geology, max-min compilation. Existing assessment work was reviewed and sub-divided into different types of work, a list of all drilling and the holes coordinates were developed using the original mine grid in the area.

### South Berrigan

Year	Document	Description
	<b>South of Berrigan</b>	
	GM-0361 B	
1956	GM-04060	Mag Survey; <b>CLAIMS POTTER / RED CREST GOLD MINES LTD;</b> Spafford, S.L.
1955	GM-04061	Report on Geochemical Survey (soil) and 4 ddh Logs; <b>AMALGAMATED CHIBOUGAMAU G M L;</b> Bischoff, C.T.; 1, 2, 3, 4
1963	GM-13417	3 DDH Logs; <b>CHIB-KAYRAND COPPER MINES LTD;</b> Bidgood, N.; P-13, P-14, P-15
1963	GM-13459	12 ddh Logs; <b>CHIB-KAYRAND COPPER MINES LTD;</b> Bidgood, N.; P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12
1963	GM-13609	1 ddh Log; <b>CHIB-KAYRAND COPPER MINES LTD;</b> Bidgood, N.; P-16
1965	GM-17194	7 DDH Logs with Assay Results; <b>CHIB-KAYRAND COPPER MINES LTD;</b> Bidgood; K-1, K-2, K-3, K-4, K-5, K-6, K-7
1975	GM-31055	1 ddh Log and Programme; <b>CAMPBELL CHIBOUGAMAU MINES LTD / YORBEAU MINES INC.;</b> Essop, S.; AL-7
1984	GM-40971	RAPPORT DE Sondage, Groupe Lac Antoinette: <b>COMPAGNIE MINIÈRE</b>

		<b>YORBEAU / MINES CAMCHIB INC.;</b> Lariviere L.; AL-83-8
1984	GM-40999	Summary Report 1983, Beltac Property; <b>MINES CAMCHIB INC / SOQUEM;</b> Racine, M.; BTC-83-1, BTC-83-2, BTC-83-4
2006	GM-62549	Rapport d'Exploration, Propriété Gilman; <b>RESSOURCES ITAMINERAQUE INC.;</b> Falco, P.; 1291-05-01

### South Lac Doré

Year	Document	Description
1973	GM-35085	Rapport Préliminaire sur le Programme Conjoint: Projet <b>UMEX / SOQUEM</b> dans le Pluton de Chibougamau; Projet Sept-Lieux (11-490); Felder, F.; Porphyry-copper type mineralization; Chibougamau & Opemisca Plutons

### Sulphur Converting (VMS)

Year	Document	Description
	<b><u>Sulphur Converting</u></b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; QUEPUB – M.E.R. publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
1967	ES-002	Annotated Bibliography on Metallic Mineralization in the Regions of: NORANDA, MATAGAMI, VAL D'OR, CHIBOUGAMAU; <b>DEPARTMENT OF NATURAL RESOURCES;</b> Special Paper 2
1969	ES-004	Copper in Québec; <b>MRN;</b> Waddington, G. W.
1951	GM-01640	Information Report; <b>CHIBMAC MINES LTD;</b> Corbett, H. E.
1952	GM-01723	Report on Available Information Sulphur Converting Corporation; <b>SULPHUR CONVERTING CORP;</b> MRN, Graham, R. B.
1952	GM-01737	Report on Property; <b>SULPHUR CONVERTING;</b> Corbett, H. E.; Jewell, J. P.
1952	GM-01877	Progressive Bulletin; <b>SULPHUR CONVERTING CORP.;</b> Leclerc, J. A.
1959	GM-05861	Report on Property; <b>SULPHUR CONVERTING CORP.;</b> Corbett, H. E.; Dallaire, J. R.; Jewell, J. P.
1957	GM-06042	Rapport d'Information Avec Extraits; <b>SULPHUR CONVERTING CORP.;</b> Denis, B. T.;
1959	GM-10833	Memorandum; <b>SULPHUR CONVERTING CORP;</b> Leclerc, J. A.
1959	GM-10834	Memorandum; ; <b>SULPHUR CONVERTING CORP;</b> Leclerc, J. A.
1960	GM-10835	Memorandum; ; <b>SULPHUR CONVERTING CORP;</b> Nyman E.
1958	GM-10836	Reports A-714 to A-723, Covering Mineralogical, Petrographic and 60 Elements Semi-Quantative Spectrographic Analyses and Also Chemical Analyses for Iron and Sulphur Contents; <b>SULPHUR CONVERTING CORP.;</b> Warnock Hersey Co Ltd; Nyman, E.
1958	GM-10837	Report on Property; <b>SULPHUR CONVERTING CORP.;</b> Atwater, R. M.
1959	GM-10838	Description of the Ore Body At Bear Bay; <b>SULPHUR CONVERTING CORP.;</b> Atwater, R. M.
1961	GM-12621	Metallurgical Report on Ore; <b>SULPHUR CONVERTING CORP.;</b> Thornton, E. W. J.
1952	GM-21158	Report on Property; <b>SULPHUR CONVERTING CORP.;</b> Graham, R. B.
1960	GM-21163	Résumé des Travaux; <b>SULPHUR CONVERTING CORP.;</b> Gilbert, J. E.
1967	GM-25248	Fiche de Gite, Gite C-RY-21; <b>MONTREAL TRUST CO.;</b> Duquette, G.
1972	GM-28549	Rapport sur les Claims du Groupe Sulphur Converting; <b>CAMPBELL CHIBOUGAMAU MINES LTD, SULPHUR CONVERTING CORP.;</b> Budrevics, V.; Kloeren, C. J.; Morasse, M.



1974	GM-30764	Assessment Report, Sulphur Converters Property; <b>CAMPBELL CHIBOUGAMAU MINES LTD, SULPHUR CONVERTING CORP.</b> ; Ford, G, M.; Gilman, W. F.; diamond drill logs; SC-74-1, SC-74-2, SC-74-3, SC-74-4
1982	GM-40711	Report on Roy Project, 1982 Drilling Project, Contact Bay; <b>MINES CAMCHIB INC.</b> ; GR-83
1993	GM-52441	Journal de Sondage, Propriété Chibougamau; <b>RESSOURCES MESTON INC.</b> ; Bernard, D.; 1119-93-01, 1119-93-02, 1119-93-03, 1119-93-04, SC-83-09 EXT
1995	GM-53357	Rapport Géologique, Propriété Chibougamau, 1119, Secteur du Mont Sorcier, Canton Roy, SNRC 32 G/16, <b>SOQUEM / RESSOURCES MESTON INC.</b> ; Falco, P. & Bernard, D. (trenching and assay results)
1995	GM-53882	Campagne de Décapage et Sondage, Automne 1994 – Hiver 1995, Propriété Valiquette (1114); <b>SOQUEM</b> ; Poitras, S.
1958	RP-370	Preliminary Report on the Southwest Quarter of Roy Township, Abitibi-East Electoral District; <b>MRN</b> ; Horscroft, F. D. M.

<b>1929</b> - Discovery of VMS mineralization
<b>1929-1930</b> - Stripping & drilling by Dome Mines Ltd and Chibougamau McKenzie Mines Limited
<b>1931</b> - Chibougamau Goldfields Limited conducted 1,357 feet of drilling
<b>1934</b> - Property visited by Noranda and Chibougamau Goldfields
<b>1947</b> - Roybar Chibougamau Mines Ltd complete magnetic survey and drilling: H-21, H-22
<b>1951</b> - Early history documented by Dominion Geological Survey
<b>1951</b> - Chibmac Mines Limited carried out trenching
<b>1952</b> - Sulphur Converting Company was incorporated
<b>1952 – 1959</b> Drilling by Sulphur Converting, studies to determine its economic potential
<b>1952 – 1956</b> Grandine Mines Ltd complete EM survey, geological mapping, trenching and diamond drilling: H-46, H-67, H-68
<b>1959-1970</b> - Sporadic exploration works by Sulphur Converting
<b>1970 – 1974</b> Campbell Chibougamau Mines Limited conducted 17.5 miles of cut lines, 4.9 miles of magnetic survey, 13.6 miles of EM and 12 trenches. Drilling of 4 holes (SC-74-01 to -04)
<b>1992</b> – Geological and geophysical compilation by SOQUEM
<b>1993</b> – Line cutting on Lac Chibougamau, 340 km, 315 km of I.O. (Induced Polarization) , 2 ddh (SC-83-09ext and 1119-93-01 for a total of 641 m. on the Sulphur Converting horizon
<b>1993</b> – Pulse EM in hole SC-83-09 ext and 1119-93-01
<b>1993</b> – Refresh 28 km of lines; mapping sector of Bay Magnetite; mapping islands in Lac Chibougamau in order to investigate IP anomalies, drilling 1119-93-02, 1119-93-03 and 1119-93-04 for 1,275 m on Sulphur Converting
<b>1993</b> – Stripping of a new gold showing east of Sulphur Converting occurrences

Figure 10: Location of S-Zones & T-Zones

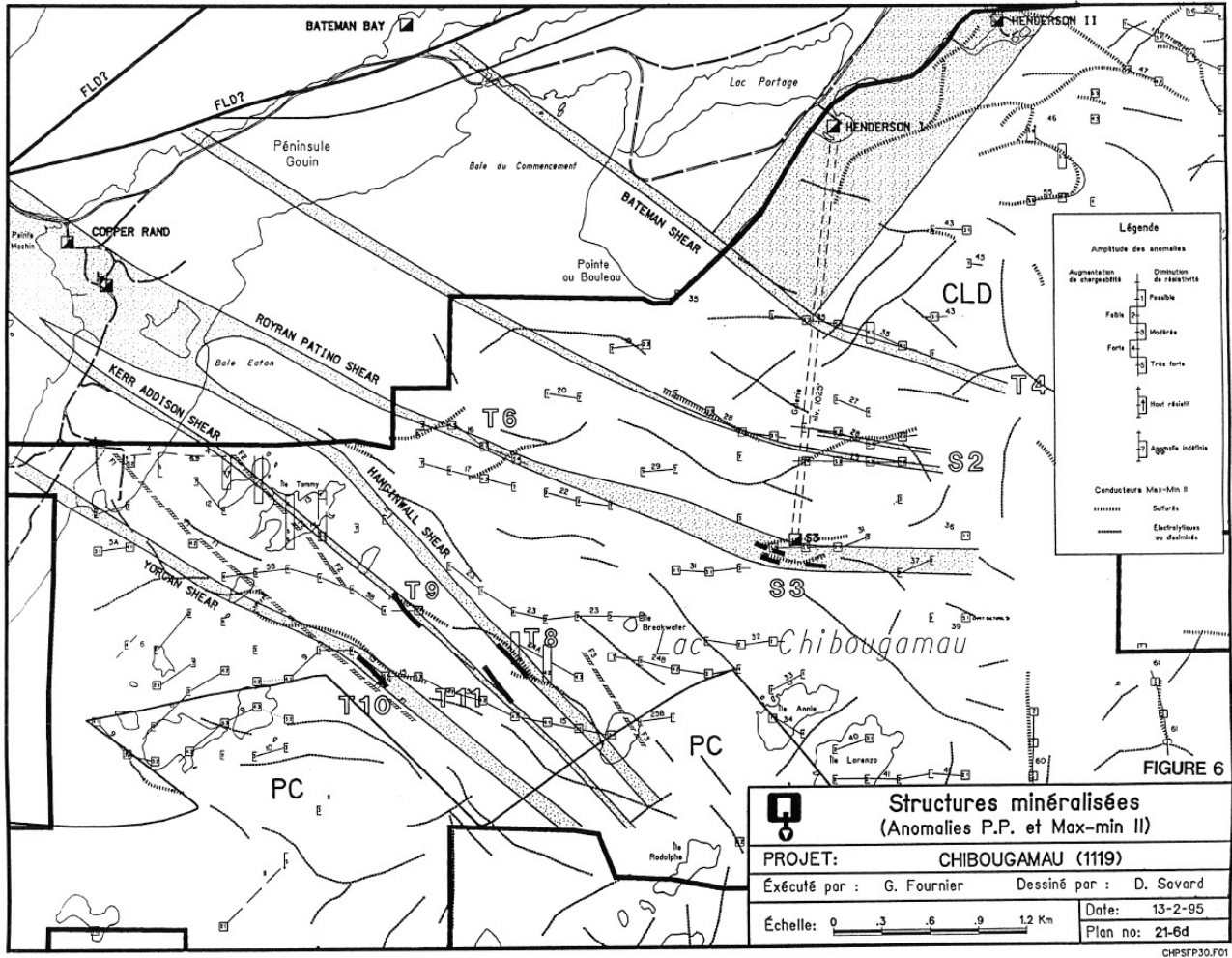
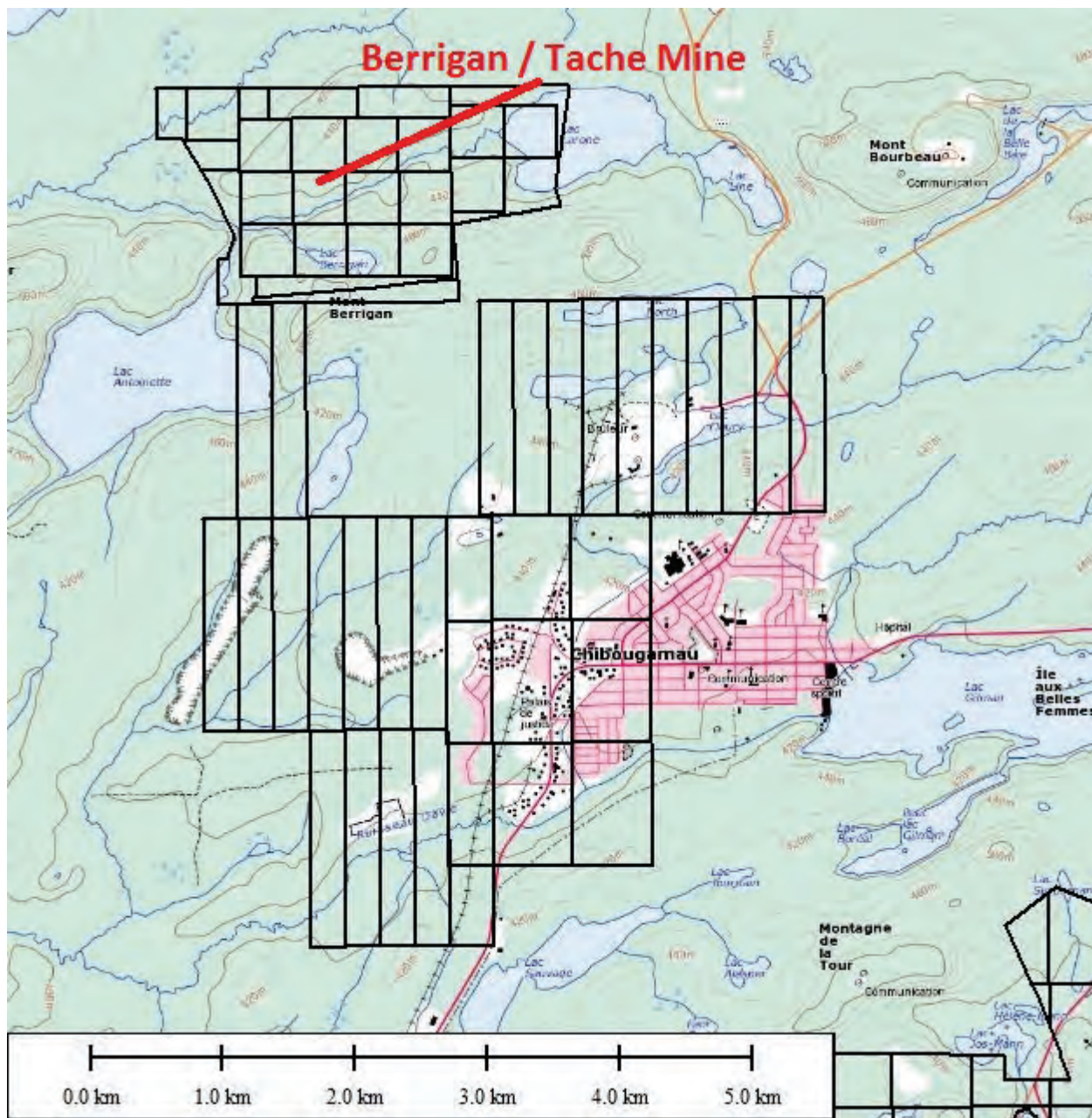


Figure 11: Sketch of the Claims “South of Berrigan”



**T (Tommy / Yorcan Zones) (Au-Cu)**

Year	Document	Description
	<b><u>Zones T (Tommy)</u></b>	
1970	ES-008	Stratigraphie de l'Archéan et Relations Métallogéniques dans la Région de Chibougamau; <b>QERPUB – M.E.R.</b> publication
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; QUEPUB – M.E.R. publication; <b>QUESTOR SURVEYS LTD</b>
1976	DPV-368	Doré Lake Complex and Its Importance to Chibougamau Geology and Metallogeny; G.O. Allard. <b>QUEPUB – M.E.R.</b> publication
1977	DPV-507	Levé Géophysique marin; Lac Chibougamau (Partie Nord); <b>RELEVÉS GÉOPHYSIQUES INC.</b>
1979	DPV-719	Levé Géophysique Marin, Lac Chibougamau (Partie Sud); <b>GÉOPHYSIQUE FRANCE-QUÉBEC INC.</b>
1991	DV-91-29	Traitement des Données Géophysiques (Aéromagnétiques) Chibougamau (32G/16, cartes 2158 A et B); <b>SIAL GEOSCIENCES INC.</b>
1956	GM-04816-A	Geological Plan with Trenches; <b>CHIBOUGAMAU MNG &amp; SMTG CO INC.</b>
1957	GM-05651-A	10 Plans ( 1 property, 5 EM, 1 Resistivity, 1 Water Depth, 2 Mags); <b>CAMPBELL CHIBOUGAMAU MINES LTD, CHIBOUGAMAU MNG &amp; SMTG CO INC., CHIBOUGAMAU VENTURES LTD, YORKAN EXPL LTD</b>
1957	GM-05651-B	79 ddh Logs & Assays Results; <b>CHIBOUGAMAU MNG &amp; SMTG CO INC., YORKAN EXPL LTD</b> ; T-100, T-101, T-102, T-103, T-104, T-111, T-112, T-113, T-114, T-117, T-118, T-119, T-120, T-121, T-124, T-128, T-130, T-131, T-133, T-135, T-136, T-137, T-137-A, T-138, T-139, T-141, T-143, T-144, T-151, T-154, T-157, T-158, T-160, T-161, T-164, T-165, T-23, T-24, T-25, T-26, T-27, T-28, T-29, T-30, T-31, T-32, T-34, T-35, T-36, T-38, T-40, T-41, T-43, T-44, T-48, T-49, T-50, T-51, T-52, T-53, T-55, T-57, T-61, T-62, T-64, T-65, T-66, T-68, T-73, T-78, T-79, T-81, T-82, T-83, T-92, T-93, T-94, T-95, T-99
1959	GM-09025	Report on Miscellaneous Properties in the Chibougamau Mining Area; <b>DADSON LAKE CHIBOUGAMAU M L</b> ; Hogan, H. R.; Hogan & McCuaig
1965	GM-17245	Summary Report on Surface Exploration – Henderson Mine- Area; Krause, C.A.
1966	GM-19218	Diamond Drill Holes Logs, Magnetite Bay R-1 Property; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CHIBERON MINING CORP.</b> ; Benussi, G.; Hosain, I; Krause, C. A.; FE-28, FE-29, FE-30, FE-32, FE-33, FE-34, FE-35, FE-36, FE-37, FE-38, FE-40, FS-41, FS-42, FS-43, FS-44, FS-45, FS-47, FS-49, FS-51, FS-52, FS-53, FS-56, FS-57, FS-58, FS-59, FS-61, FS-63, FS-64, FS-66, FS-69, S-32, S-33, S-34, S-35, S-36, S-37, S-38, S-39, S-40, T-313, T-314, T-315, T-316, T-317, T-318, T-319, T-320, T-321, T-322, T-323, T-324, T-325, T-326, T-327, T-328, T-328A
1966	GM-19219	Summary Report on Surface Exploration – Lake Chibougamau; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Krause, C. A.
1967	GM-21776	Summary Report – Lake Chibougamau Exploration, K, T, ans Sulphur Converting Groups; <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDROY MINES LTD, MID-CHIBOUGAMAU MINES LTD, MONTREAL TRUST CO</b> ; Masterman, P. C.
1969	GM-25693	Diamond Drill Record; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CLAIMS METALLGESELLSCHAFT</b> ; Poliscuk, V. E.; Thalenhorst, H.; S-3/1, S-3/2, T-8/1, T-8/2, T-9/1, T-9/2, T-9/3, T-9/4, T-9/4A, T-9/5
1969	GM-25696	Surface Exploration Report on Lake Chibougamau Claims; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CLAIMS METALLGESELLSCHAFT, MONTREAL TRUST CO</b> ; Thalenhorst, H.
1969	GM-25697	AFMAG Test Survey, Lake Chibougamau; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CLAIMS METALLGESELLSCHAFT, MONTREAL TRUST CO</b> ; Pelton, W, H.; McPhar Geophysics Ltd

1973	GM-28551	Report on EM and IP Surveys, T-9 A case Study; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Dompierre, F.
1973	GM-29544	Rapport des Travaux Exécutés sur le Lac Chibougamau, pendant l'Hiver 72/73; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Betz, J. E.; Crevier, B.; Dompierre, F.
1973	GM-29546	Diamond Drill record; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> , Crevier, B.; Dompierre, F.; Kloeren, C. J.; Morasse, M.; T-338, T-339, T-340, T-341, T-342, T-343A, T-343B, T-344, T-345, T-346, T-347, T-348, T-349, T-350, T-351, T-352, T-353, T-354, T-355, T-356, T-357, T-358, T-359, T-360
1974	GM-30759	Preliminary Report; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Essop, S.; T-361, T-362, T-363, T-364, T-365, T-366, T-367, T-368, T-369, T-370, T-371, T-372, T-373, T-374, T-375, T-376, T-377, T-378, T-379, T-387, T-388, T-389, T-390, T-391, T-392, T-393, T-394, T-395, T-396, T-397, T-398, T-399, T-400, T-401, T-402
1981	GM-37865	Marine Seismic Survey on the S3 Group, Chibougamau Lake; <b>RESSOURCES CAMCHIB INC., RESSOURCES CAMPBELL INC.</b> ; Prior, J. W.; McQuest Marine Sciences Ltd
1993	GM-52103	Rapport sur un Levé de Polarisation Provoquée, Projet Chibougamau (11-1119); <b>RESSOURCES MESTON INC.</b> ; Bérubé, P.: Sagax Géophysique Inc.
1994	GM-53358	Summary Interpretation Report of Low Power BoreHole Transient EM Surveys, Chibougamau 11-1119 Project; <b>RESSOURCES MESTON INC., SOQUEM</b> ; Dawson, D. J.
1994	GM-53360	Rapport de Synthèse, Propriété Chibougamau 1119; <b>RESSOURCES MESTON INC. SOQUEM</b> ; Bernard, D.; 1119-94-01, 1119-94-02, 1119-94-03, 1119-94-04, 1119-94-05, 1119-94-06, 1119-94-07, 1119-94-08, 1119-94-09, 1119-94-10, 1119-94-11, 1119-94-12, 1119-94-13, 1119-94-14, 1119-94-15, 1119-94-16, 1119-94-17
1994	GM-53362	Campagne de Sondage, Hiver 1994, Propriété Chibougamau, Phase 2; <b>RESSOURCES MESTON INC.</b> ; Folco, P.; 1119-94-18, 1119-94-19, 1119-94-20, 1119-94-21
1995	GM-53673	Campagne de Sondage, Hiver 1995, Projet Chibougamau; <b>RESSOURCES MESTON, INC., SOQUEM</b> ; Cloutier, P.; 1119-95-01, 1119-95-02, 1119-95-03, 1119-95-04, 1119-95-05, 1119-95-06, 1119-95-07
1988	MB-88-26	Levé Gravimétrique dans la Région de Chibougamau – Chapais; <b>GÉOPHYSIQUES G P R INTERNAT INC.</b> ; Auger, A.
1956	RG-071	North Half of Obalski Township, Electoral District of Abitibi-East; <b>M R N</b> ; Graham, R. B.
1957	RP-352	Description of Mining Properties Visited During 1956 in the Chibougamau Region, Electoral Districts of Abitibi-East and Roberval. An Outline of Geology and Exploratory Works; <b>MRN</b> ; Assad, J. R.
	<b>Zone T-4</b>	
1972	DP-079	Levé EM Aérien par Input MK V, Région de Chibougamau; QUEPUB – M.E.R. publication; <b>QUESTOR SURVEYS LTD</b>
1982	DP-867	Levé EM Aérien Par Input MK VI à l'échelle modifiée – Région de Chibougamau; <b>QUESTOR SURVEYS LTD</b>
1983	DP-84-03	Compilation d'Anomalies Électromagnétiques de Tyoe INPUT – Région de l'Abitibi; <b>MER</b>
1989	DP-89-12	Levé EM Hélicopté REXHEM IV, Région du Lac Bourbeau; <b>SIAL GÉOSCIENCES INC.</b>
1991	DP-91-04	Levé EM Aérien Hélicopté REXHEM IV, Région de la Rivière Armitage; <b>SIAL GÉOSCIENCES INC.</b>
1979	DPV-719	Levé Géophysique marin – Lac Chibougamau (Partie Sud); <b>GÉOPHYSIQUE FRANCE-QUÉBEC INC.</b>
1955	GM-03253-B	Report on EM Survey; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Burlinson A.; Davidson, S.; McPhar Geophysics Ltd
1955	GM-03350	Geological Report; <b>BATEMAN BAY MINING CO</b> ; Graham, R. B.
1955	GM-03362-A	Geological Report; <b>MARVELOR MINES LTD</b> ; McCuaig, J. A.



1955	GM-03636	Magnetometer Survey, Group C.N. 4; Roy Township, Québec; <b>MARVELOR MINES LTD</b> ; Hogan, H.R., McCuaig, J. A.
1956	GM-03763-A	Airborne Geophysical Survey <b>CHIBOUGAMAU MINING &amp; SMELTING COMPANY INC.</b> ; by Aeromagnetic Surveys Limited
1956	GM-03916	Geophysical Surveys Report; <b>CHIBOUGAMAU MNG &amp; SMTG CO INC.</b> ; Allard, G. O.
1956	GM-04013-A	Summary Report of Work Done; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Graham, R. B.
1956	GM-04078	Geological Report; <b>BATEMAN BAY MINING CO</b> ; Graham, R. B.
1956	GM-04136-A	Report on magnetometer, Resistivity and Electro-Magnetic Surveys; <b>BATEMAN BAY MINING CO</b> ; Graham, R. B.; Geo-technical Dev Co Ltd
1956	GM-04204	Geological Report; <b>YORCAN EXPL LTD</b> ; Assad, J. R.
1956	GM-04274	Information Report; <b>BATEMAN BAY MINING CO</b> ; Assad, J. R.
1956	GM-04341-A	Geological Report and DDH Results; <b>BATEMAN BAY MINING CO</b> ; Bridger, J. R.
1956	GM-04396	Information Report; <b>CHIBOUGAMAU MNG &amp; SMTG CO INC.</b> ; Assad, J. R.
1956	GM-04401	Information Report; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Assad, J. R.
1956	GM-05108	Results of Works Done With Analyses; <b>CHIBOUGAMAU MNG &amp; SMTG CO INC., NEW YORK &amp; HONDURAS ROS MNG CO, YORCAN EXPL LTD</b> ; Malouf, S. E.
1957	GM-05396	Information Report; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Archibald, G. M.
1957	GM-05398	Mining Property Report; <b>BATEMAN BAY MINING CO</b> ; Archibald, G. M.
1957	GM-05651-A	10 Plans ( 1 property, 5 EM, 1 Resistivity, 1 Water Depth, 2 Mag); <b>CAMPBELL CHIBOUGAMAU MINES LTD, CHIBOUGAMAU MNG &amp; SMTG CO INC., CHIBOUGAMAU VENTURE LTD, YORCAN EXPL LTD</b> ; Prospecting Geophysics Ltd
1957	GM-05671	Report on Electromagnetic Survey; <b>BATEMAN BAY MINING CO</b> ; Maurice, O. D.; Geo-Technical Dev Co Ltd
1959	GM-07860	Report on Exploration Works; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B. S. W.
1957	GM-07861	Report on the Property (Geology, Diamond Drilling and Sampling); <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Graham, R. B.
1959	GM-08618	Report on the Property; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B, S. W.
1959	GM-09070	Summary of Work Completed on the Property; <b>BATEMAN BAY MINING CO</b> ; Bridger, J. R.
1959	GM-09372	Long Wire Electromagnetic and Magnetic Survey; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Hinse, R.
1960	GM-09477	Report on Development Work; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam, B. S. W.
1960	GM-09662	Application for Mining Concessions; <b>BATEMAN BAY MINING CO</b> ; Bridger, J. R.
1960	GM-09934	Report on Property; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Buffam B. S. W.
1964	GM-14499	Report on Exploration Work: Base Metal Property; <b>PATINO MINING CORP</b> ; Duquette, G.
1965	GM-17245	Summary Report on Surface Exploration, Henderson Mine Area; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Krause, C. A.
1966	GM-18264	Travaux Exécutés sur les Blocks A, B, D et E de l'île Portage; <b>PATINO MINING CORP, PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Duquette, G.
1966	GM-18265	Summary of Surface Diamond Drilling, Portage Island Mine; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP, PORTAGE ISLAND CHIBOUGAMAU M L</b>
1966	GM-18266	Ground Geophysical and Geological Coverage, Portage Island Mine; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP, PORTAGE ISLAND CHIBOUGAMAU M L</b>

1957	GM-19068	1 Plan of Magnetic Survey with Proposed DDH; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Pearce, J. A.
1966	GM-19070	Report on Induced Polarization Survey, Portage Island (Area No 3); <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP</b> ; Lewis, M.; Seigel, H. O.
1956	GM-19071	Report on Electrical Resistivity Survey on the Portage Island; <b>PORTAGE ISLAND CHIBOUGAMAU M L</b> ; Szetu, S. S.; Geo-Technicaln Dev Co Ltd
1965	GM-19072	Report on Induced Polarization Survey; <b>COPPER RAND CHIBOUGAMAU MS LTD, PATINO MINING CORP</b> ; Siegel, H. O.; Siegel Associates Ltd
1966	GM-19219	Summary Report on Surface Exploration - Lake Chibougamau; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Krause, C. A.
1967	GM-21776	Summary Report – Lake Chibougamau Exploration, K, T and Sulphur Converting Groups; <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDROY MINES LTD, MID-CHIBOUGAMAU MINES LTD, MONTREAL TRUST CO</b> ; Masterman, P. C.
1969	GM-25696	Surface Exploration Report on Lake Chibougamau Claims; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CLAIMS METALLGESELLSCHAFT, MONTREAL TRUST CO</b> ; Thalenhorst, H.
1969	GM-25697	AFMAG Test Survey, Lake Chibougamau; <b>CAMPBELL CHIBOUGAMAU MINES LTD, CLAIMS METALLGESELLSCHAFT, MONTREAL TRUST CO</b> ; Pelton, W. H.; McPhar Geophysics Ltd
1975	GM-31867	Report on the Max-Min II EM Survey on Lake Chibougamau During the Winter; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Betz, J.E. and Verret, G.
1981	GM-37865	Marine Seismic Survey on the S-3 Group, Chibougamau Lake; <b>RESSOURCES CAMCHIB INC., RESSOURCES CAMPBELL INC.</b> ; Prior, J. W.; McQuest Marine Science Ltd
1993	GM-52103	Rapport sur un Levé de Polarisation Provoquée, Projet Chibougamau (11-1119); <b>RESSOURCES MESTON INC., SOQUEM</b> ; Bérubé, P.; Sagax Géophysique Inc.
1994	GM-53360	Rapport de Synthèse, Propriété Chibougamau 1119; <b>RESSOURCES MESTON INC., SOQUEM</b> ; Bernard, D.
1996	GM-54001	Rapport d'Interprétation de Levés Électromagnétiques Pulse EM en Forage, Projet Lac Chibougamau; <b>RESSOURCES MESTON INC.</b> ; Lambert, G.; SOQUEM – Val d'Or Géophysique Ltée
1996	GM-54002	Rapport de Sondage Hiver 1996, Projet Chibougamau (1119); <b>RESSOURCES MESTON INC.</b> ; Fournier, G.; SOQUEM – Techni-Lab Abitibi Inc.; 1119-96-02, 1119-96-03, 1119-96-04, 1119-96-05, 1119-96-06, 1119-96-07, 1119-96-08
1988	MB-88-26	Levé Gravimétrique dans la Région de Chibougamau –Chapais: <b>GÉOPHYSIQUE G P R INTERNAT INC.</b> ; Auger, A.
1970	RP-589	Preliminary Report, Geology of the Northwest Quarter of Lemoine Township, Abitibi-East County; <b>MRN</b> ; Allard, G. O.

**1956 – 1984** 12 drill hole drilled on T-8 zone during the period.

**1980's** In the mid 1980's Campbell Chibougamau Ltd estimated on the T-8 Zone a probable resource of 140,000 t. grading 0.245 opt. Au over an average width of 5.5 feet with an inferred resource of 300,000 t. still grading 0.245 opt. Au (GM 53673).

**Virginia Property**

Year	Document	Description
1950	GM-00872	Diamond Drill Log, Merrill Island Group; <b>ROYRAN GOLD FIELDS LTD</b> ; 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16
1951	GM-01455	Diamond Drill Log, Merrill Island Group; <b>QUÉBEC CHIBOUGAMAU GOLDFIELDS, ROYRAN GOLD FIELDS LTD</b> ; 17, 18A, 19, 20, 21
1957	GM-03683	73 ddh Logs; <b>CHIB-KAYRAND COPPER MINES LTD, COPPER CLIFF CONS MINING CORP</b> ; Archer, W. W.; Asbury, D. W.; Bidgood, N.; Daniel, L.; Phillipson, J.; Wilson, R. J.; JO-1, JO-2, JO-3, JO-4, JO-5, CK-1, CK-2, CK-3, CK-4, CK-5, CK-7, CK-8, CK-9, CK-10, CK-11, CK-12, CK-13, CK-14, CK-15, CK-16, CK-17, CK-18, CK-19, CK-20, CK-21, CK-22, CK-23, CK-24, CK-25, CK-26, CK-27, CK-28, CK-29, CK-30, CK-31, CK-32, CK-51, CK-52, CK-53, CK-54, CK-55, CK-56, CK-57, CK-58, CK-59, CK-60, CK-61, CK-62, CK-63, CK-64, CK-65, CK-66, CK-67, CK-68, CK-69, CK-70, CK-71, CK-72, CK-73, CK-74, CK-75, CK-76, CK-77, CK-78, CK-79, CK-80, CK-81, CK-82
1973	GM-28552	5 DDH Logs & Reports on Works Done; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; A-27, A-28, A-29, A-30A, A-31
	GM-30763	
2009	GM-64290	Cartes Géochimiques Modelbuilder et Cibles Anomales de l'Environnement Secondaire pour le Québec. <b>MRNF</b> ; Lamothe, D.

**1119-94-07**

Year	Document	Description
1966	GM-19219	Summary Report on Surface Exploration – Lake Chibougamau; <b>CAMPBELL CHIBOUGAMAU MINES LTD</b> ; Krause, C. A.
1967	GM-21776	Summary Report – Lake Chibougamau Exploration, K, T, and Sulphur Converting Groups; <b>CAMPBELL CHIBOUGAMAU MINES LTD, GRANDROY MINES LTD, MID-CHIBOUGAMAU MINES LTD, MONTREAL TRUST CO</b> ; Masterman, P.C
1994	GM-53360	Rapport de Synthèse, Propriété Chibougamau; <b>RESSOURCES MESTON INC., SOQUEM</b> ; Bernard, D.; 1119-94-01, 1119-94-02, 1119-94-03, 1119-94-04, 1119-94-05, 1119-94-06, 1119-94-07, 1119-94-08, 1119-94-09, 1119-94-10, 1119-94-11, 1119-94-12, 1119-94-13, 1119-94-14, 1119-94-15, 1119-94-16, 1119-94-17

**1119-95-01**

Year	Document	Description
1995	GM-53673	Campagne de Sondage, Hiver 1995, Projet Chibougamau; <b>RESSOURCES MESTON INC., SOQUEM</b> ; Cloutier, P.; 1119-95-01, 1119-95-02, 1119-95-03, 1119-95-04, 1119-95-05, 1119-95-06, 1119-95-07

**1119-95-05**

Year	Document	Description
1995	GM-53673	Campagne de Sondage, Hiver 1995, Projet Chibougamau; <b>RESSOURCES MESTON INC. SOQUEM</b> ; Cloutier, P.; 1119-95-01, 1119-95-02, 1119-95-03, 1119-95-04, 1119-95-05, 1119-95-06, 1119-95-07



## 7 GEOLOGICAL SETTING AND MINERALIZATION

The volcanic stratigraphy in the Chibougamau area is representative of deep water deposition to subaerial environments. The volcano-sedimentary package is cut by mafic to ultramafic sills, and younger plutonic intrusions ranging from tonalities to carbonatites. Structural features from Archean (synvolcanics to Grenvillian in age) and their various controls on ore formation have been summarized by Pilote et al (1996). The recent work by F. Leclerc (2008, 2011) in the Chapais-Chibougamau area has further refined this complex geology and stratigraphy of this sector. The earlier stratigraphic interpretation has been modified in order to accommodate recent field observations (Figure 3: Regional Geology; Figure 4: Stratigraphic section within the Roy Group).

The area under study is located within the Superior Structural Province of the Canadian Shield in the eastern part of Canada and the northern part of the USA. These Precambrian formations are usually covered by a “veneer” of variable thickness of glacial debris overburden.

The Abitibi Sub-province is the world’s largest contiguous area of Archean volcanic and sedimentary rocks that host a significant number of base and precious metal mineral deposits. Bedrock exposure is generally quite low over much of the property. Much of the geological information and structural features of the bedrock have been derived from the aggregate of surface exploration including: a) thousands of meters of diamond drilling, b) significant amount of trenching and c) abundant conventional surface geophysical surveys. Elsewhere, detailed information from underground mapping and related structural studies, have proven invaluable to a better understanding of the geologic and metallogenic features of the ore bodies of the Chibougamau Camp.

The volcano-sedimentary Matagami-Chibougamau Archean Belt represents the eastern portion of the better known “Abitibi Volcanic Belt”. The Matagami – Chibougamau “band” occupies the northeastern part of the Abitibi Belt. It has been characterized as the “Internal Zone” of the Abitibi Belt. This band extends over a distance of more than 400 km from the Kapuskasing Structure to the west to the Grenville Front to the east. The Archean Greenstone Belt has even been traced for at least 10 km eastward as metamorphosed vestiges within the younger Grenville Structural Province.

The general appearance is one of oval-shape batholiths surrounded by east-west trending “greenstone belts” usually “wrapping” around the batholiths. Regional and local folding is common and the dips of the formation are usually sub-vertical. Further to the east, Proterozoic sedimentary rocks lie horizontally on the Archean basement.

Figure 12: Regional Geology

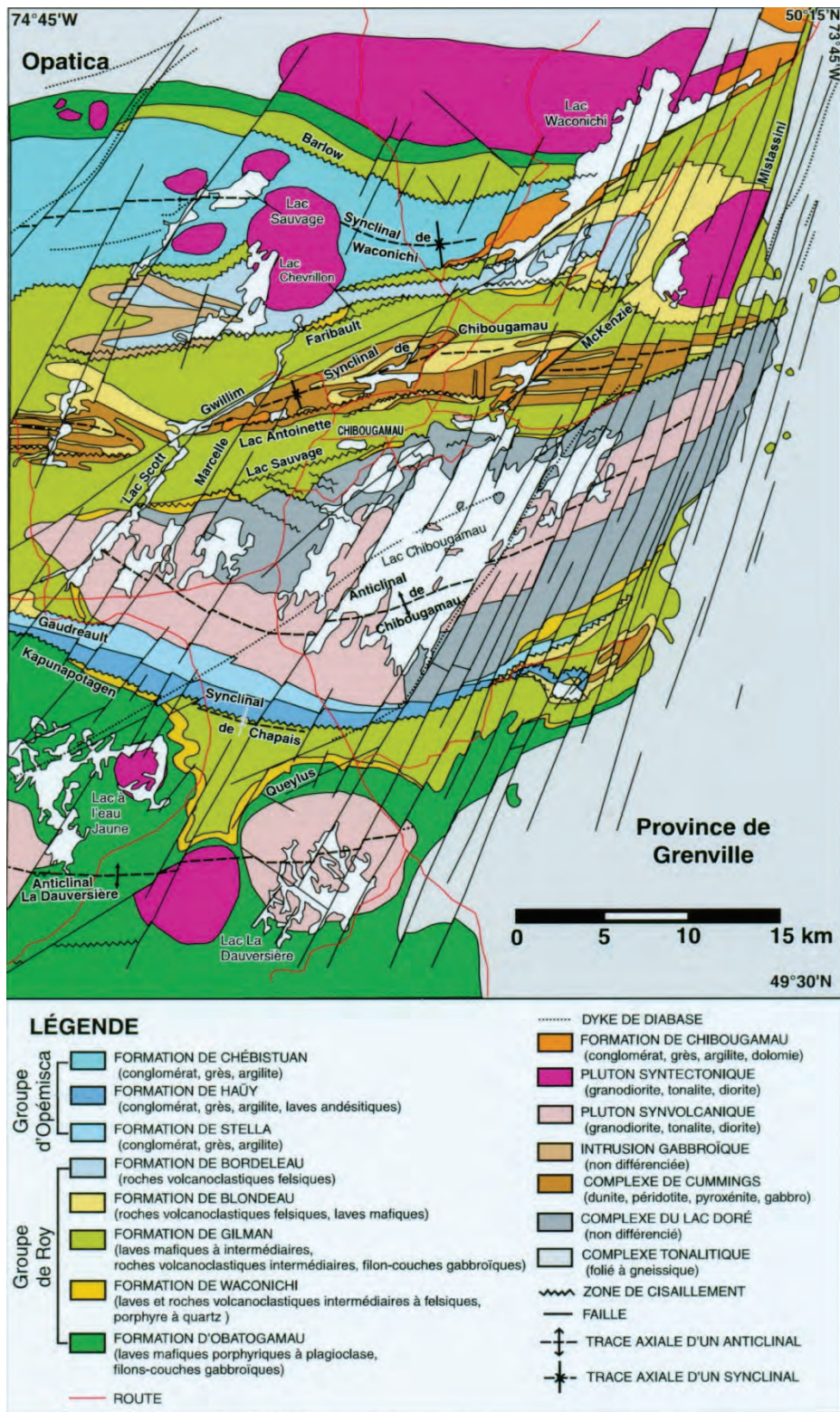
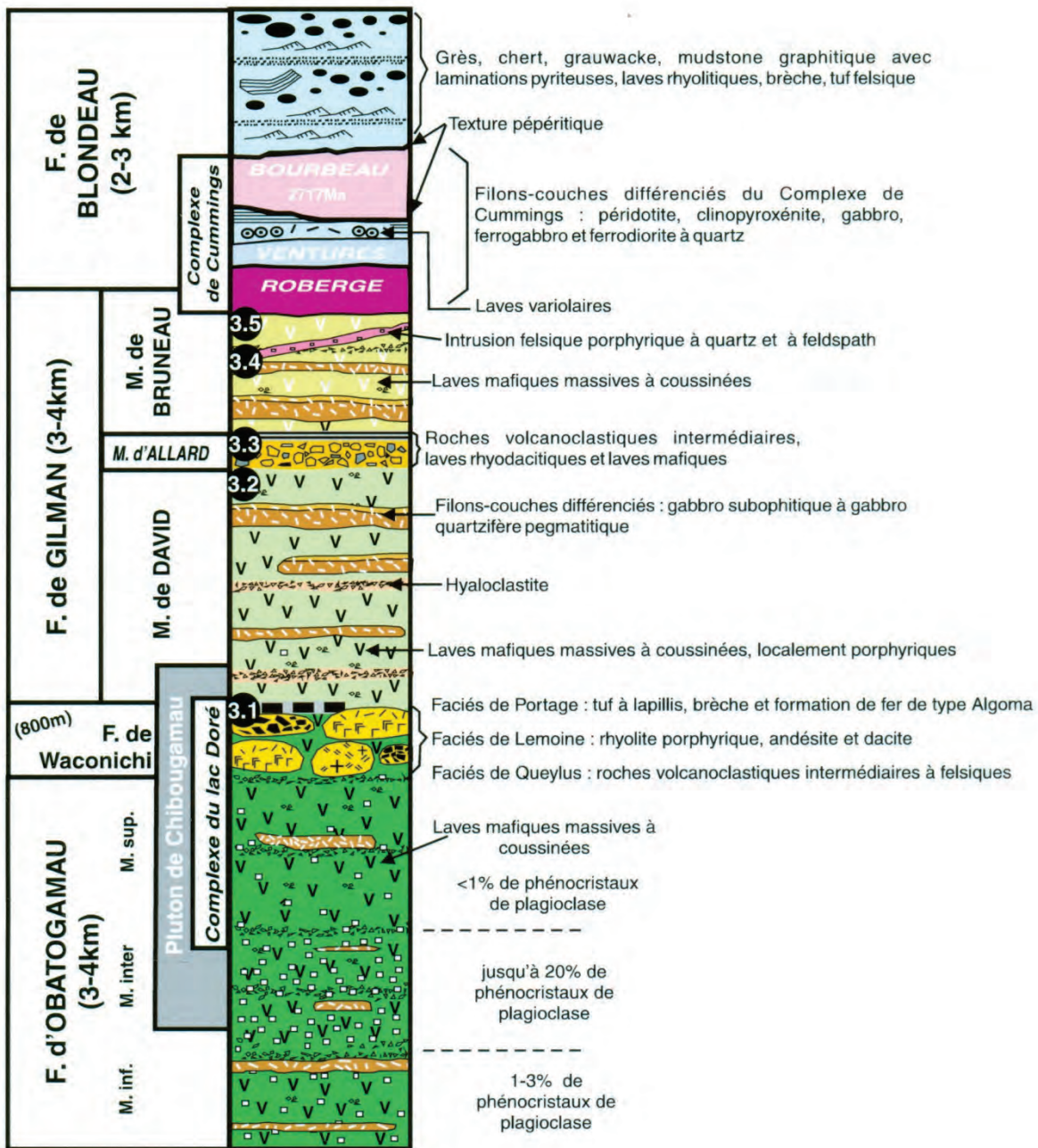


Figure 13: Stratigraphic section within the Roy Group





The Matagami-Chibougamau band differs from the Kirkland – Noranda – Val d’Or band by the presence of large “stratiform differentiated complexes” such as the Lac Doré Complex, Lac Des Chaleur Complex, Opiwaca River Complex and the Bell River Complex. Some of these complexes can host important concentrations of Fe-Ti-V and are being evaluated as potential sources of ferro-vanadium, titanium and also vanadium.

The greenstone belts are generally metamorphosed from lower/middle greenschists facies to locally lower amphibolite facies as a result of the “Kenorean Orogeny” (2,600 to 2,800 Ma.). Contact metamorphism is also locally well developed. Just east-southeast of the Chapais-Chibougamau area, the grade of metamorphism increases toward the Grenville Front. The Grenville Front represents a tectonic zone separating the Superior Province from the Grenville Province.

The “Abitibi Volcanic Belt” has been affected by numerous phases of deformation. The main deformation episode created large E-W trending, steeply dipping isoclinal folds. The center or axial zone of these folds is commonly occupied by intrusive bodies.

## 7.1 REGIONAL GEOLOGY

The rocks of the Chibougamau area are Archean in age and part of the Chibougamau-Mattagami Belt. Within the Chibougamau area, the Archean volcano-sedimentary assemblage has originally been divided into two groups (Allard et al, 1979), the Roy Group at the base, overlain by the Opemisca Group. Volcanic rocks predominate in the “Roy Group” and sedimentary rocks in the Opemisca Group. Locally an unconformity separating the two groups has been observed.

### The “ROY GROUP”

It is comprised of two volcanic cycles which have been divided into four (4) formations. Cycle 1: includes the Obatogamau Formation (porphyritic mafic volcanics) capped by the Waconichi Formation (felsic volcanics). Cycle 2: includes the Gilman formation (mafic volcanics, minor felsic rocks) overlaid by the Blondeau Formation (largely felsic volcanics). The Bordeleau Formation overlies the Blondeau Formation. In the literature, two other formations have been described, the Chrissie formation, older than the Obatogamau and the Andy formation, immediately following the Obatogamau formation.

The Cummings group mafic intrusive rocks have intruded predominately the contact between the Gilman and the Blondeau volcanic formations. The volcanic formations have been folded about a large regional fold into which the Lac Doré complex and later the Lac Chibougamau tonalite-trondhjemite have been intruded. Regional metamorphism is green schist facies. The Opemisca sediments have been unconformably laid down on the volcanic units noted above.

The Opemisca Group comprises the Stella Formation at its base, composed essentially of clastic sedimentary rocks, and the Hauy Formation constituted of sedimentary and volcanic assemblages at its tops.

### Stratigraphy of the ROY Group

OBATOGAMAU Fm (Cimon, 1977b)	Represented largely by pillowed basalts injected by abundant sills of co-magmatic gabbro. The porphyritic character of the lavas (large phenos of feldspar) distinguishes this formation. Flows are commonly 5 to 60 m in thickness and usually massive at the base, pillowed at the center and more brecciated at the top. Locally, felsic volcanic rocks of diverse origin, graphitic argillites and sulphide & carbonate facies exhalites are also described. The Obatogamau Formation is traced for at least 200 km west of Chibougamau and appears to be a typical example of “shield-type” volcanism.
WACONICHI Fm (Duquette, 1970)	Represents the end of the first volcanic cycle and includes rhyolites, felsic pyroclastites, several mafic flows and iron formations. This formation is present on the north flank and south flank of the Doré Lake Complex and elsewhere up to Chapais. This formation may simply be a series of lenses representing different volcanic centers. Within literature, the Waconichi formation has been divided into three members: Lemoine, Queylus and Scott members.
GILMAN Fm (Duquette, 1970)	Is a sequence of pillowed basalt, andesite and co-magmatic gabbro sills, as well as significant quantities of hyaloclastites and pyroclastites. Numerous flows show a massive inferior part followed by a pillowed section and the tops is usually represented by pillow breccia with a matrix composed of hyaloclastites. Locally mafic tuffs have been mapped between pillowed flows. Very rarely large phenos of feldspar are present at the base of some flows. Co-

	magmatic gabbro sills are abundant within the Gilman formation. They are usually massive and homogeneous, and locally within the thicker dykes or sills the “top” is richer in quartz. Within the central part of the Gilman formation, tuffaceous sediments, tuffs and locally andesitic breccia carrying pyrrhotite were observed at numerous occasions. The recent work by F. Leclerc (MRNF, Ministère des ressources naturelles et de la faune du Québec) redefines the stratigraphy within the former Gilman Formation.
BLONDEAU Fm (Duquette, 1970)	Is a volcano-sedimentary assemblage including several rhyolitic flows, felsic tuffs, cherty tuffs, graphitic (black) argillites, greywackes and stratiform masses of iron sulfides.
BORDELEAU Fm (Caty, 1979)	Is comprised of tuffs and feldspar rich sedimentary rocks.
The SCORPIO Fm	Is composed of intermediate to felsic volcanic rocks.

### The “OPEMISCA GROUP”

This group consists of an assemblage of sedimentary and volcanic rocks seemingly discordant on the predominantly volcanic rocks of the underlying Roy Group. This series includes conglomerates, greywackes, argillites, tuffs and porphyritic lavas. At its contact with the Doré Lake Complex, the Stella Formation displays a conglomerate containing 15% to 20% granophyre pebbles derived from the granophyric zone of the Complex. This suggests (Cimon, 1977a) the presence of an emergent dome coincident with the Chibougamau anticline within the Chibougamau pluton.

The Opemisca Group, in the Chibougamau area, comprises two formations, the Stella Formation at the base and the Haüy Formation at the top. Caty (1977) recognized only one formation in the group, the Chebistuan Formation, which was later recorded as equivalent of the Stella Formation.

West of Chapais (Picard, 1983) elevated the Opemisca Group to the level of Super group and the Stella and Haüy formation to the level of group, and introduced many new formations. The Stella Group contains the La Treve and Daubree Formations composed of conglomerate, sandstone, greywacke, siltstone and argillite. The Haüy Group includes five formations which correspond to the five facies of the Haüy Formation previously described. It is composed of porphyritic basalts, potassic andesites, sandstones and conglomerates (Charbonneau, Picard and Piche, 1984)

STELLA formation (Cimon, 1976)	Later upgraded to Group, is essentially composed of sedimentary rocks. It contains a basal conglomerate, various granitoid and volcanic pebble conglomerates, sandstones, argillites and a small amount of andesitic lavas. West of Chapais the Stella Group has been further divided into the La Treve and Daubree formations composed of conglomerate, sandstone, greywacke, siltstone and argillites.
HAUY formation (Cimon, 1976)	Later upgraded to Group, lies concordantly on the Stella formation and is composed of alternations of volcanic and sedimentary rocks. It is characterized by the presence of potassic andesite flows (up to 4% K <sub>2</sub> O) containing olivine, pyroxene and plagioclase phenocrysts. These flows are interbedded with tuffs, sandstones and some argillites as well as conglomerate lenses. These conglomerates contain a considerable portion of andesite pebbles identical to the underlying flows. West of Chapais, the Haüy Group has been subdivided into 5 formations comprising porphyritic basalts, potassic andesites, sandstone and conglomerates.

### The “LAC DORÉ COMPLEX” (LDC)

At the contact between the Obatogamau formation and the Waconichi formation, the “Lac Doré Complex” (LDC) is present. This complex is a layered stratiform intrusion. It is comparable to other better known complexes such as the “Bushveld” in Africa, the Skaergaard in Scandinavia, and closer to Chibougamau, the Bell River Complex in Matagami. The Lac Doré Complex has been dated at 2.8 Ga.

The Lac Doré Complex (LDC) comprises four zones (Allard 1976):

The anorthositic zone	Is composed of anorthosite, gabbroic anorthosite, anorthositic gabbro and true gabbro. A maximum thickness of 3,000 m has been estimated by Allard in 1976.
The layered zone	Is composed of bands of ferro-pyroxenite, gabbro rich in iron oxides, magnetites rich in titanium and vanadium alternating with anorthosite. The maximum thickness has been estimated at 900 m (Allard, 1976). The layered zone rocks pass gradually into anorthositic gabbro and anorthosite.
The granophyre zone (at the top)	Composed of soda-rich leuco-tonalite.
The border zone	Terminates the complex. It is in contact with the volcanic rocks of the Roy Group (Waconichi formation). This border zone is discontinuous and is composed of gabbro and anorthosite locally containing a considerable percentage of quartz.

The internal structure within the Lac Doré Complex is not well understood; it is not a simple layering process. Numerous “segments” of the layered zones have been identified. The Fe-V-Ti rich segments referred to as the “SE Flank” is the better known having received more exploration over the years. The “N – NE Flank” (2 zones) has also been detailed in the late 1970’s along with the “NW Flank” (main zone + inferior zone) which received attention mainly in the late 1950’s.

A more detailed description, taken from the published literature, of the “layered Zone” indicates a certain “gradation” within the different “occurrences” of the layered series. The two parallel zones to the north of Lac Chibougamau (N-NE Flank) are possibly one main zone folded. Certain symmetry has been recognized by the work of Allard in 1965. The section of the “altered zone” is comprised of ferro-dunite, ferro-peridotite and ferro-pyroxenite with locally abundant magnetite disseminated and concentrated within certain layers. One characteristic stands out for this zone of more ultramafic to mafic composition; it is the average low TiO<sub>2</sub> content (about 1.00% TiO<sub>2</sub>). Certain studies mentioned the presence of Vanadium but the average grade is not known. The NW zone (NW Flank) is characterized by ferro-pyroxenite and ferro-gabbro. Magnetite grains are disseminated throughout the pyroxenite and the gabbro and locally form magnetite rich “beds” up to 30 cm thick. The content of V<sub>2</sub>O<sub>5</sub> is elevated and the TiO<sub>2</sub> is also significantly more elevated than the ferro-dunite & ferro-peridotite. Stratigraphically below this zone a narrow magnetite rich horizon referred to as the “inferior zone” has been identified (low TiO<sub>2</sub> & V<sub>2</sub>O<sub>5</sub> values unknown). The “SE Flank” layered zone of the Lac Doré Complex is fairly well documented for its deposits of Ferro-vanadium being developed by Black Rock Metals. This section of the layered series is characterized by ferro-pyroxenite, ferro-gabbro and magnetite horizons. These magnetite rich horizons are possibly the results of the “Grenville Front” effect (higher grade metamorphism).

This information may suggest that all of the different segments of the “layered zones” were once one continuous and complete series that started with ferro-dunite and terminated with ferro-gabbro. Certain layers of anorthositic gabbro are contemporaneous to the crystallization of the series. This series while still “plastic” was re-injected and “splitted” by new injection(s) of gabbroic anorthosite to anorthosite material. Cross cutting texture and plastic deformation are also evident.

#### The “Cummings Complex”

A series of mafic to ultramafic differentiated sills (Cummings Complex as defined by Duquette 1972; Allard et al, 1979) have been introduced at the contact between the Gilman Formation and the Blondeau Formation of the ROY GROUP. It comprises three (3) distinct sills genetically related, the Roberge Sill at the base and the Bourbeau Sill at the top.

<b>Roberge Sill</b> - Dunite - Peridotite - Pyroxenite	The <i>ROBERGE</i> sill is located along the contact between the Gilman and Blondeau Formations, and is composed of dunite, peridotite and pyroxenite. The thickness is about 600 m. McAdam Mining Corporation has blocked out several asbestos zones in this sill in Roy and McCorkill townships, north northeast of the city of Chibougamau. It is also said that olivine crystals have been transformed into serpentine and magnetite and pyroxenes were also altered (green chlorite).
<b>Ventures Sill</b> - Pyroxenite (green) - Pyroxenite (black) - Pyroxenite (green)	The <i>VENTURES</i> sill is located above the Roberge sill and is separated from it by a relatively thin interval of Blondeau formation. It includes a pyroxenitic member at its base and a gabbroic member at its top. The latter hosts the copper-gold-silver deposits mined at Chapais. This sill attains a thickness of 1,100 m and has been folded and strongly fractured in Chapais.

- Gabbro (foliated)	
- Gabbro	
<b>Bourbeau Sill</b>	The <i>BOURBEAU</i> sill is present on top of the Ventures Sill and is separated from it by a thin veneer of felsic volcanics of the Blondeau formation. The Bourbeau sill is comprised of a pyroxenite at the base followed by leuco-gabbro and quartz rich ferro-gabbro at the top.
- Pyroxenite	
- Leucogabbro	
- Quartz Diorite	

In Chapais, a more recent mafic dyke (Lac Springer) having a similar composition as the mafic volcanics present within the Opemisca Group has been mapped. This dyke cuts across and displaces folded Cummings Sills (Bourbeau Sill). It is characterized by large “phenos” of pyroxenes within a leuco gabbro with minor pyroxenite. Some of the mafic dykes cutting through the Chibougamau pluton could be associated to the Lac Springer dyke.

#### The “Chibougamau Pluton”

Many granitic masses outcrop in the region. The most important suite of sodic rock is the *CHIBOUGAMAU BATHOLITH*. Based essentially on petrology, different “phases” have been described by Racicot et al. (1984). The Chibougamau pluton is an elongated mass essentially concordant with the regional structure (folds). This mass is comprised of magmatic phases which were differentiated at depth and injected successively into one another. Their composition ranges from mela-diorite to trondhjemite. The pluton is also difficult to map, the differentiation between all the various phases being difficult to establish.

Most of the Chibougamau Pluton is Pre-tectonic, rare phases in the core and to the southwest are syn- to late-tectonic showing only minimal deuteric alteration and no metamorphic or tectonic foliation.

In general, the pluton is zoned, highly sodic and very low in K<sub>2</sub>O content.

The northern flank of the Chibougamau pluton is intrusive in the Anorthositic zone of the Lac Doré Complex. In most places, the rock is a dark green fine to medium grained melano-diorite, diorite, hornblende diorite, gradually becoming richer in quartz and biotite, going south, away from contacts.

The border is marked by an abundance of xenoliths of anorthosite – gabbroic anorthosite – anorthositic gabbro and by a network of veinlets of pale grey tonalitic rocks linked with the more felsic phases of the pluton.

The Chibougamau pluton shows a long list of terms applied to different phases of the pluton: granodiorite, quartz syenite, hornblende tonalite, hornblende mela-tonalite, etc.

A gradual coarsening of the grain size, decrease in quantity of hornblende and increase in quartz content marks the transition from the melano-diorite previously described.

In most localities, especially in the eastern part of the pluton, a pronounced foliation is readily visible at contacts.

One satellite intrusion of mela-tonalite, the “Grandroy pluton” is present at the NW corner of the Chibougamau pluton. A porphyry-type copper-gold deposit was discovered on mainland within the Grandroy pluton.

Finally within the Chibougamau mining camp the economic importance of multiple generations of dykes has been recognized by all workers in the district. The range in composition extends from the most mafic (Henderson 1 pyroxenite) to the quartz porphyry common throughout the area.

Unfortunately, their small size and the scale of mapping allow very few dykes to appear on published maps. No systematic evaluation has been completed on the dykes referred to as the “Mine Dykes”.

## The “Mine Dykes”

The “anorthosite zone” of the Lac Doré Complex is in contact with the Chibougamau pluton and is intruded by a large number of dykes varying in composition from granitic to gabbroic. Dykes vary from a few centimeters up to 30 m in width. They commonly show chilled margins against the host rocks. Some dykes show sharp contact with enclosing rocks, others show internal foliation parallel to the contact and others show sheared contact zones accompanied of stringers of quartz, carbonate, and / or sulfide. Dykes commonly contain xenoliths of the wall-rocks but very rarely show amygdules. Sub-parallel offshoots from the dyke have been noted in many mines. Dykes can be multiple and / or composite. Some of the dykes are completely sheared and very heavily altered.

Some of the major dykes:

- Line Island diabase dyke;
- Meta-diabase dyke;
- Lamprophyre dyke;
- Gabbro Island dyke;
- Henderson 1 meta-pyroxenite; and
- Volcanic dykes:
  - Quartz-feldspar porphyry;
  - Quartz porphyry;
  - Feldspar porphyry;
  - “Greenstone” (meta-diabase) dykes;
  - Older diorite dyke;
  - Grey dyke; and
  - Feldspar porphyry dykes.

## **7.2 LOCAL GEOLOGY**

The Lac Chibougamau Properties controlled by Globex through its subsidiary, CIM, in the Chibougamau Mining District, cover three distinct geological environments. The larger group of claims surrounds the former Cu-Au producers forming the heart of the copper-gold production in Chibougamau and also includes numerous smaller former producers (Figure 14).

### GROUP 1:

These mining properties are located within the layered phase of the Lac Doré Complex between the mafic volcanic rocks of the David Group to the NW and the tonalite – trondhjemite of the Chibougamau pluton to the SE. Most of the Cu-Au mining within the Chibougamau district is derived from this layered phase of the Lac Doré Complex.

This claim group includes the following deposits and mineralized occurrences:

- **Bateman Bay Mine** (Au, Cu) & Jaculet Extension;
- **Copper Cliff Extension** claims (Au-Cu);
- **“K” Zones** (Au, Cu);
- **Kokko Creek Mine** (Au-Cu);
- **Québec Chibougamau Goldfields Mine** (Au, Ag, Zn);
- **“S” Zones** (Au, Cu); and
- **“T” (Tommy/Yorcan) Zones** (Au-Cu).

### GROUP 2:

This second group of claims adjacent to the north of Group 1, straddles the contact between the layered zone of the Lac Doré Complex to the south in contact with mafic + felsic volcanic rocks to the north. The Grandroy intrusive plug, a satellite intrusion of the Chibougamau pluton, also straddles this contact.



This claim group includes the following deposits and mineralized occurrences:

- **Grandroy Copper & Gold Mine** (Cu, Au, Ag, Mo);
- **Ile Marguerite** (Au);
- **Mont Sorcier** (Fe-Ti-V & Au); and
- **Sulphur Converting** (Cu-Zn).

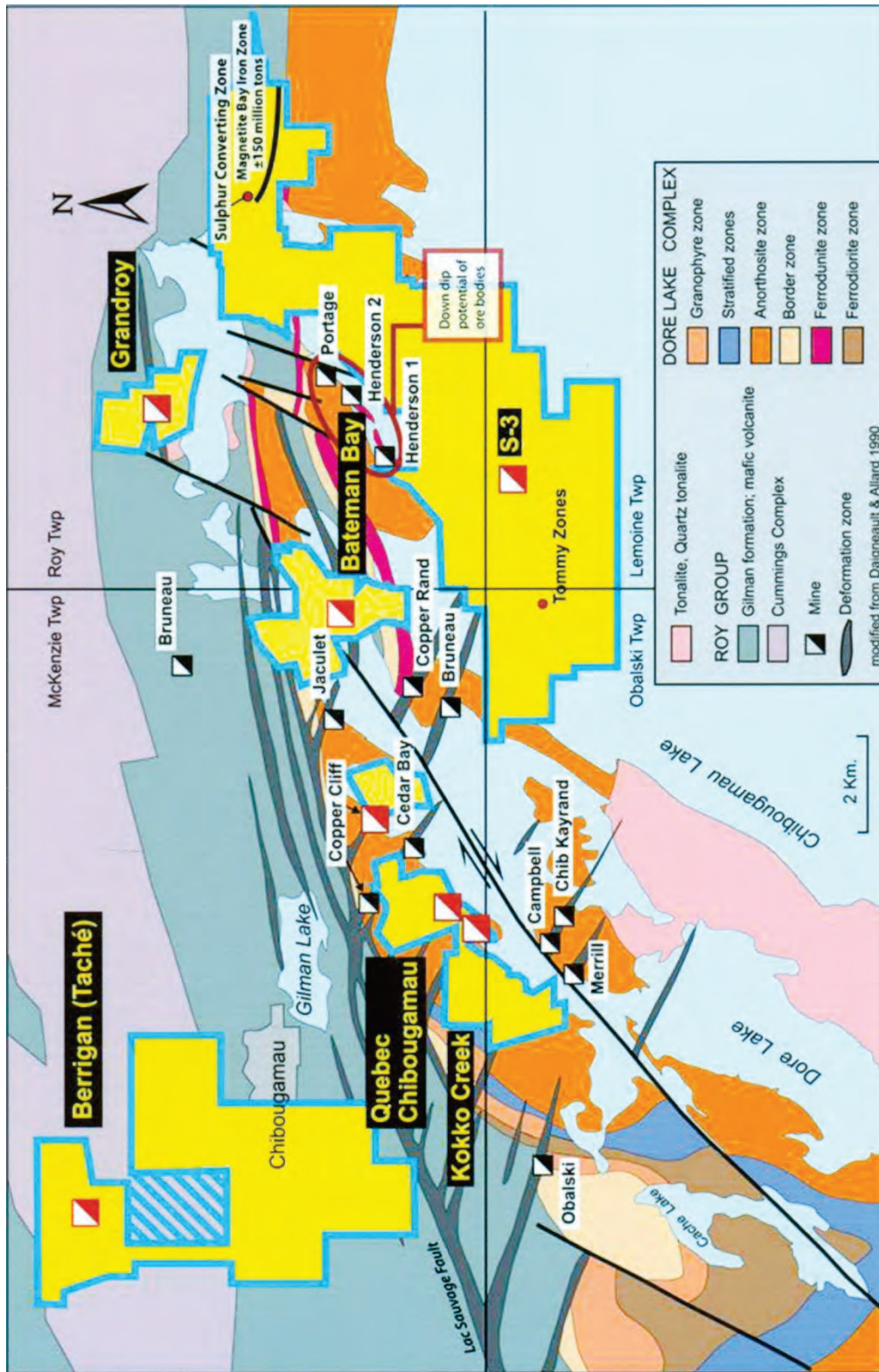
GROUP 3:

This third group of mining claims is located further to the northwest within slightly younger stratigraphy than Group 2 and away from the Lac Doré Complex. Furthermore this mafic to felsic volcanic contact between the Bruneau Formation and the Blondeau formation is intruded by the “Cummings” mafic to ultramafic differentiated sills.

This group includes the following blocks of claims

- **Berrigan Lake Mine** (Taché) (Au, Ag, Zn); and
- **Berrigan South.**

Figure 14: Geology of the Lac Chibougamau Properties



### 7.3 STRUCTURES

Within the Chapais-Chibougamau Mining District, regional deformation (N-S compression) created large isoclinal folds commonly oriented E-W. A dominant regional E-W foliation is associated with these folds. An earlier deformation episode (E-W compression) created a series of north-south trending folds. The combination of these two deformation systems created structural interference patterns referred to as “domes and basins” in certain parts of the region.

The major regional structures in the area are (North to South):

- The Waconichi anticline;
- The Chibougamau syncline;
- The Chibougamau anticline;
- The Chapais syncline;
- The La Dauversiere anticline; and
- And the Druillettes syncline.

On the regional scale the Lac Doré Complex appears to be plunging to the north and the Chibougamau Pluton appears to be plunging south.

The structural history of the Chibougamau area is complex. The anorthosite is affected by numerous “tectonic corridors” through which hydrothermal solutions traveled and created conspicuous wallrock (sericite, chlorite, carbonate, and quartz). When present, mineralization of notable grade is hosted within these tectonic corridors and forms lenses of variable dimensions.

Five major fracture or shear systems are recognized in the region.

#### Post-Mineralization

The first and probably most recent set of fault/shear system is associated with the Grenville Front and is represented by a series of north-northeast breaks with sinistral displacement. These NE-trending Grenvillian aged faults are dominant throughout the region. The Mistassini fault is one member of this structural set.

The second set of structures/faults shows significant apparent displacement and is represented by NE trending major regional faults such as the Gwillim, Lac Doré, McKenzie Narrows, Lac Taché and others). The Lac Doré Fault (“LDF”) is the most important structure in the immediate area. It is NE-trending and dips 50° to 70° to the NW with an apparent horizontal strike-slip “dextral” displacement of approximately 1600 m. These NE structures truncate the SE trending mineralized “Mine Shears”. The presence of large siderite rich bodies is reported along the LDF at the intersection of some of the NW-SE shears.

#### Pre Mineralization

The third set of structures/faults is oriented N-S and is particularly well developed in the volcanic rocks and the Cummings Complex, north of Chibougamau. Several deposits, such as Norbeau and Bruneau are associated with these faults.

The fourth set of structures includes a series of SE trending intense shear zones located close to the second set of faults underneath Lac Chibougamau and Lac Doré. These mineralized structures oriented at 110°- 120° on both sides of the LDF, have been referred to as “Mine Shears”. They control a large portion of the area’s deposits as typified by the Copper Rand, Copper Cliff, Jaculet, Bateman Bay, Kokko Creek, Québec Chibougamau and Merrill Island deposits. These metallotecs are usually injected by syn- to post- mineralization mafic dykes. Some of the mineralized structures are oriented at N-030° such as the Henderson – Portage structure which appears cut by these 110° “Mine Shears”.

Based on geophysical interpretation the Grandroy “intrusive plug” appears to be cutting and displacing the Lac Doré Fault into the McKenzie Narrows Fault which also shows a 1.6 km apparent dextral horizontal displacement. Slightly older NE-trending faults observed at Henderson-Portage, are present in the area. This NE-trending system hosts some of the highest grade Cu/Au mineralization in the Chibougamau Camp. A third set of mineralized shear structures is present in the NE sector of the CIM land holdings. In Neptune Bay Cu-Au mineralization is present along a zone of shearing oriented at N-

060°. The zone of shearing is also clearly cut and displaced (senestral apparent displacement of about 200 m) by later shears oriented at 110° (mine shears).

Finally the fifth set of major structures consists of a series of strike-slip faults mapped in the Chibougamau syncline, particularly along the contacts of the Roberge sill. In Levy, Scott and Hauy Townships, this system truncates the south limb of the Chapais syncline, putting south facing Opemisca Group rocks in contact with north-facing Roy Group units. The Kapu fault is a good example of this roughly East-West trending “trust” fault (?). This Kapu Fault trends SE and is displaced by both the Gwillim Fault and Lac Doré Fault. The Kapu Fault cuts the Lac Doré Complex to the south. Another similar older fault (the Lac Sauvage Fault) is present along the north contact of the Lac Doré Complex.

It is noted that the Ile Gabbro Dyke cuts the mineralization at the Corner Bay deposit with no significant vertical and/or horizontal displacement. North of Lac Chibougamau, this gabbro dyke is cut and dextrally displaced by the 110° shear. In conclusion, if all 110° “mine” shears are of the same “age” this would suggest the Corner Bay and the Henderson – Portage deposits are older than the mineralization present along the 110° mineralized shears.

Spatial relationships and observations would indicate that the N-030° mineralized structures in the Chibougamau Mining Camp are best and most frequently developed in the gabbroic anorthosite while the N-060° & N-110° mineralized trends extend into the surrounding volcanics.

## **7.4 ALTERATION**

The majority of the area’s deposits are hosted within NW-SE or NE-SW trending structural corridors. Rock formations adjacent to mineralization have been subjected to metasomatism. These shear zones are accompanied by carbonization, silicification and sulfides. Syn- to post-mineralization mafic dykes are also locally abundant.

A halo of intense hydrothermal alteration around some porphyritic intrusive phases has been located in Queylus Township. Cimon (1973) discovered evidence of porphyry copper style mineralization at the aforementioned location and subsequent work has shown that this type of mineralization is more widespread in Queylus and Obalski Townships than formerly recognized. The copper mineralization is associated with many phases of porphyritic intrusions (dykes and stocks) and is usually accompanied by tourmaline breccia pipes and very intense red potassic alteration.

## **7.5 Mineralization**

The majority of the deposits in the mining district are located on the “north flank” of the Chibougamau anticline with the Cu-Au mineralization being largely hosted within various magmatic facies of the Lac Doré Complex. Mineralizations exploited in the Chibougamau Mining Camp can be classified into five principal types of deposits:

- Hydrothermal Cu-Au sulphide veins & Lode-Gold veins of mesothermal to epithermal character;
- Porphyry Cu-Au deposits;
- Volcanogenic massive sulphide (VHMS);
- Magmatic Fe-V-Ti within the layered zone of the Lac Doré Complex; and
- Magmatic Ni-Cr-Co (PGE) associated with mafic-ultramafic intrusions.

Sulphide veins and porphyry-style occurrences are the most common types of mineralization within the Chibougamau Mining Camp. The “sulphide veins” occur most commonly within the border phase of the Lac Doré Complex. These “sulphide veins” also appear to become more quartz rich in proximity to the contact with the Chibougamau Pluton. We observe that the amount of copper mineralization decreases and the gold content increases approaching the Chibougamau Pluton contact. The mineralization and deposits appear to grade progressively into more dominantly “lode-gold” vein type deposits. Some of the quartz veins are found to host gold-only mineralization, no copper being present.

The “porphyry-gold” style mineralization appears associated to late phase of the Chibougamau pluton and this type of mineralization is usually found within the Lac Doré Complex at the contact with the Chibougamau pluton.

Former producers adjacent to the Globex / CIM holdings are without exception, found within the more layered section of the Lac Doré complex. It also appears that the “anorthositic” phase of the complex could be intrusive into its earlier “layered” sequence, thus creating large “rafts” of layered peridotite to anorthositic gabbro within a sea of anorthosite.

The better grade Cu-Au mineralization within the “tectonic corridors” generally occurs as lenses of sulfides (10% to 30%) comprised largely of pyrite, chalcopyrite with some pyrrhotite (1% to 5%) along with traces of sphalerite and galena. The matrix of the ore is composed of chlorite (70% to 90%) with minor quartz and carbonate which could amount to 15% - 20% of the matrix. Significant gold mineralization has also been identified within mafic volcanics north of the main camp closely associated with quartz- and feldspar-phyric felsic intrusions and regional shears.

In regards to volcanogenic massive sulphide mineralization, the only producer within the Chibougamau mining camp is the former Lemoine mine, a small but exceptionally high grade base and precious metal VMS deposit.

Recently, with the higher price of iron, magnetite-rich deposits have become increasingly attractive as a potential source of iron. For this reason, the magnetite-rich layers within the Lac Doré Complex have been the source of increasing exploration in the Chibougamau Camp. Local concentrations of vanadium and titanium within certain magnetite-rich horizons of the Lac Doré Complex enhance the potential economic attractiveness of this type of mineralization.

### 7.5.1 Fe-V-Ti potential within the layered zone of the Lac Doré Complex

The Lac Doré Complex (“LDC”) is a stratiform intrusive complex composed principally of meta-anorthosite with lesser amount of meta-gabbro to anorthositic gabbro. The anorthosite represents 70% to 90% by volume of the lithologies present within the LDC. The anorthosites are comprised largely of plagioclase phenocrysts, commonly altered. These feldspath phenocrysts surround a matrix of quartz, carbonate, sericite and chlorite. Recent field observations by the author suggest the presence of a primitive layered and differentiated sequence comprising the following magmatic facies (from stratigraphic base to top): ferro-dunite, ferro-peridotite, ferro pyroxenite, and ferro-gabbro with numerous inter-layers composed of gabbroic anorthosite still carrying minor magnetite. The large amount of anorthositic material appears to be intrusive into the original layered sequence. There may be some amount of iron enrichment within the layered zone as a function of proximity to the Grenville Front due to increased metamorphism and re-crystallization.

In the early 1970’s Campbell Chibougamau Mine Ltd evaluated the potential for Fe – Ti mineralization in the Mont Sorcier area where the lower part (Ferro-Dunite, Ferro-Peridotite and Ferro-Pyroxenite) of the layered zone of the Lac Doré Complex is better exposed.

Campbell reports a non NI 43-101 compliant resource estimate of 270,000,000 tonnes grading 27.6% Fe and 1.1% TiO<sub>2</sub> from this ferrodunite – ferro pyroxenite of the Lac Doré Complex. A large part of this zone is present on the Lac Chibougamau Properties, the eastern extension being held by PacificOre Mining Corporation (formerly Apella Resources).

Table 4: Characteristics of Fe-V-Ti deposits in Chibougamau

Type of Deposit	Occurrence	Minerals	Metals	Alteration	Units	Structure
<b>Mont Sorcier / Globex</b>						
Magmatic	Layered + disseminated magnetite	Magnetite Ilmenite rutile	Fe, V, Ti	Talc Serpentine chlorite	Ferro -Dunite Ferro- Pyroxenite Ferro-Gabbro	Layering

### 7.5.2 Magmatic Cu-Ni mineralization

Early investigation (1958) and appraisal for the potential of magmatic Cu-Ni mineralization in a section of the layered zone of the LDC hosting 5% to 10% magnetite, on the south part of Ile Marguerite, was initiated following the recognition of nickeliferous pyrrhotite in a surface exploration drill hole (DDH M-09; GM-05206). Only geochemically anomalous concentrations of nickel were reported. No assaying was completed for PGE’s. The potential for concentrating “talc” was also investigated.

Table 5: Characteristics of magmatic Cu-Ni mineralization

Type of Deposit	Occurrence	Minerals	Metals	Alteration	Units	Structure
<b>Ile Marguerite-Sud/ Globex</b>						
Magmatic	Layering Mafic Zones	Magnetite Ilmenite Pyrrhotite (Ni) Chalcopyrite Gold	Cu Au Ni Ti	Chlorite Serpentine	Ferro-Gabbro Anorthosite	Cu associated to shearing

### 7.5.3 Volcanogenic (exhalite-related) massive sulphide

The potential for volcanogenic massive sulphide (“VMS”) in the Chibougamau area should not be overlooked. Favorable horizons for volcanogenic massive sulphide deposition (exhalite-related) are identified on certain portions of the Lac Chibougamau Properties where mafic-felsic volcanic assemblages are found.

In Chibougamau – Chapais, sedimentary horizons commonly occur as intercalations within the volcanic succession. These sedimentary layers are usually dominated by graphitic argillaceous material. These horizons represent quiescent periods in the volcanic sequence and thus may preserve geochemical records of contemporaneous hydrothermal activity, either by direct incorporation of sulphide phases or by incorporation of other hydrothermal plume material by chemical and detrital sedimentary processes. These argillaceous sediments are commonly highly sulphidic, some even containing narrow massive sulphide lenses which constitute intermittently conductive horizons that are frequently identified using geophysical methods during the course of base metal exploration. Sulphides are dominated by pyrite +/- pyrrhotite, with minor amounts of sphalerite, galena and chalcopyrite.

The Waconichi Formation hosts the former Lemoine Mine (720,000 tons mined from 1975 to 1983, averaging 4.5% Cu, 10.8% Zn, 4.73 g/t Au and 92.58 g/t Ag) located on the south limb of the Chibougamau Anticline as well as the Scott Lake VMS deposit (NI 43-101 compliant inferred Mineral Resource of 5.4 Mt @ 4.6% Zn, 1.2% Zn, 0.2 g/t Au and 43.0 gpt Ag (rpan.com)) presently being drilled by Cogitore Resources Inc. (Cogitore.com) and which lies on the north limb of the Chibougamau Anticline, approximately 42 km WNW of the Lemoine deposit within a different member of the same stratigraphic formation.

The Lac Sauvage Iron Formation (Henry and Allard 1979) is a volcanogenic stratiform exhalite horizon which terminates the first volcanic cycle in the Waconichi Formation. It consists of a thin unit of felsic pyroclastics associated with sodic rhyolite lenses, some basalt flows and several gabbro sills. A description by Allard (1984) of the geology in an old trench in the Iron Formation makes reference (from the base to the top of the horizon) of: massive pyrite, pyrite with fragments of felsic pyroclastics, silica-rich layers, siderite-rich layers, basalt, basaltic tuffs, fragmental horizons and chert fragments, some with bedding features. A stratigraphic cross section of the Lac Sauvage Iron Formation shows an upper oxide facies, a carbonate facies and a lower sulphide facies. A few centimeters of bedded chert at the top are overlain by a basaltic flow. Bedded cherts are locally interlayered with chlorite-rich magnetite-bearing layers showing evidence of folding and development of two cleavages.

At Sulphur Converting, ferrodunite of the Lac Doré Complex is in contact with felsic volcanics of the Waconichi formation. At the main occurrence, a 60.0 m section of the Waconichi formation has been detailed and includes basalts, pyroclastics of intermediate to felsic composition, exhalite and also more locally rhyolite flows. Sulphide mineralization is concentrated along two parallel strongly chloritized pyroclastic horizons containing layers of semi-massive to massive sulphides. Basaltic flow material separates the mineralized horizons. The pyroclastics are overlain by a sequence of at least 400 m of mafic volcanics.

Recent work by SOQUEM (1995) along the “Sulphur Converting” horizon confirmed two separate exhalite horizons (chert + massive sulphide) within the stratigraphy of the “Waconichi” Formation. These two horizons of fragmentals have been referred to as the “lower” and the “upper” horizons and have been followed along strike for more than 1.0 km. The lower horizon varies from 7 to 18 m in thickness and is comprised of laminated felsic tuffs interbedded with semi-massive to massive sulphide. The mineralization consists predominantly of pyrrhotite and pyrite with minor sphalerite along with discordant fractures and veinlets carrying chalcopyrite. The upper horizon is 9.0 to 25 m in thickness and shows the same characteristics as the lower horizon but contains less sulphide. Mafic volcanics flows are present between the two horizons

which are about 25 m apart. At the east end of the zone, one outcropping of rhyolite is reported to have a geochemical signature similar to the Lemoine rhyolite. The rhyolites intersected by drilling at Sulphur Converting also display a similar geochemical signature as to the Lemoine rhyolite. These two VMS horizons are capped by a sequence of basaltic flows which SOQUEM divided into 4 different facies: 1) massif medium grained basalt with a pseudo diabasic texture; 2) a sequence of flow breccia, hyaloclastite and locally spherulites are present; 3) north facing pillowed basalt; 4) basalt with locally abundant amygdules filled with quartz and minor pyrite-pyrrhotite.

Table 6: Characteristics of VMS deposits in Chibougamau

Type of Deposit	Occurrence	Minerals	Metals	Alteration	Units	Structure
<b>Lemoine Mine / Cogitore</b>						
Synvolcanic “Waconichi Fm”	Sulphides lenses	Chalcopyrite Sphalerite Pyrite Pyrrhotite Gold Silver	<b>Cu</b> <b>Zn</b> <b>Au</b> <b>Ag</b>	Silicification Chloritization Sericitization Carbonated	Graphitic Shale Rhyolite Felsic Tuffs Sericite Schists Basalt	Layering Synvolcanic Faults Rhyolite Dome
<b>Lac Scott / Cogitore</b>						
Synvolcanic “Waconichi Fm” Scott Member	Sulphides lenses Stringers Zones Remobilization	Chalcopyrite Sphalerite Pyrrhotite Pyrite	<b>Cu</b> <b>Zn</b> <b>Au</b> <b>Ag</b>	Chlorite Silica Sericite	Rhyolite Felsic Tuffs	
<b>Sulphur Converting / Globex</b>						
Synvolcanic “Waconichi Fm”	Sulphide lenses	Pyrite Chalcopyrite Pyrrhotite Sphalerite Molybdenite	Zn Cu Au Ag	Chlorite Silica Epidote	Fragmentals Waconichi	E-W

#### 7.5.4 Porphyry-type deposits

The Grandroy copper deposit was discovered on the mainland within the Grandroy intrusion, about 30 m north of Portage Bay. Formerly known as the “Grandines” sulfide zone, it contained historical resources of 500,000 tons averaging 2.0% – 2.5% Cu and 1.00 g/t Au. The deposit occurs in a network of fractures within the meta-tonalite. Pink potassic alteration is common along mineralized veinlets.

In 1949 (GM 35085) Ingham described the mineralization as:

*“The main zone is lenticular and has been trenched over a length of 100 m and an average width of 12 m. The mineralization consists of pyrite, chalcopyrite with minor molybdenite. The zone is cut by quartz veinlets and specularite veinlets. Mineralized lenses are present within NW striking corridor, nevertheless the mineralized veinlets are hosted by fractures oriented more E-W. Quartz veinlets, calcite veinlets and quartz-calcite veinlets carry “blebs” of chalcopyrite. The veinlets are usually 1 to 2 cm wide and separated by 4cm to 6 cm of slightly mineralized tonalite. Horizontal fractures are also mineralized when intersected by the EW fracture. Molybdenite is present on fractures usually perpendicular to the copper-rich fractures. The alteration is mainly potassic and chloritic. Magnetite and hematite are also present along fractures. The dominant orientation of the mineralized fractures is 020° and 135°.”*

The mineralization present on this property appears to be more of the “stockwork” type. The surrounding alteration is mainly carbonate. The host rock is sodic granite from the Chibougamau pluton. Typical mineralization is either massive stringers + veinlets along with disseminations of chalcopyrite, gold, molybdenite, pyrite, magnetite and hematite. After consolidation of the sodic granite, a “breccia zone” was developed in a north-south direction, close to the north contact of the intrusion with the mafic volcanic rocks to the north. This contact is faulted.

The original zone defined in 1967 was limited to a corridor about 400 feet long, 20 feet to 60 feet wide oriented N-S and dipping approximately 65° to the East.

Campbell Chibougamau mined a portion of the deposit by open pit and has gone underground with a spiraling ramp. The stock work of mineralized fractures resembles many porphyry copper deposits but the tonnage is small and the grade higher than the average porphyry deposits.

Beside the dominant copper mineralization large sections of low gold values were also intersected in drilling along with minor molybdenite. Certain corridors within the volcanic rocks and also within the Grandroy intrusive plug, host gold mineralization along N-S fractures.

During the 1990's Pilote et al. completed a detailed re-evaluation of the geology, mineralization and alteration around the Ile Merrill deposits and also immediately north of the Lac Doré Fault around Lac Clark. Based on the work of Kirkham (1972) later confirmed by the work of Ford (1974 (GM 30763)), Pilote (1996) characterized the type of mineralization in the area as "porphyry-type". Principally around Lac Clark where outcrops are more plentiful, a good zonation has been established within a section of the Lac Doré Complex.

### **Kokko Creek & Lac Clark**

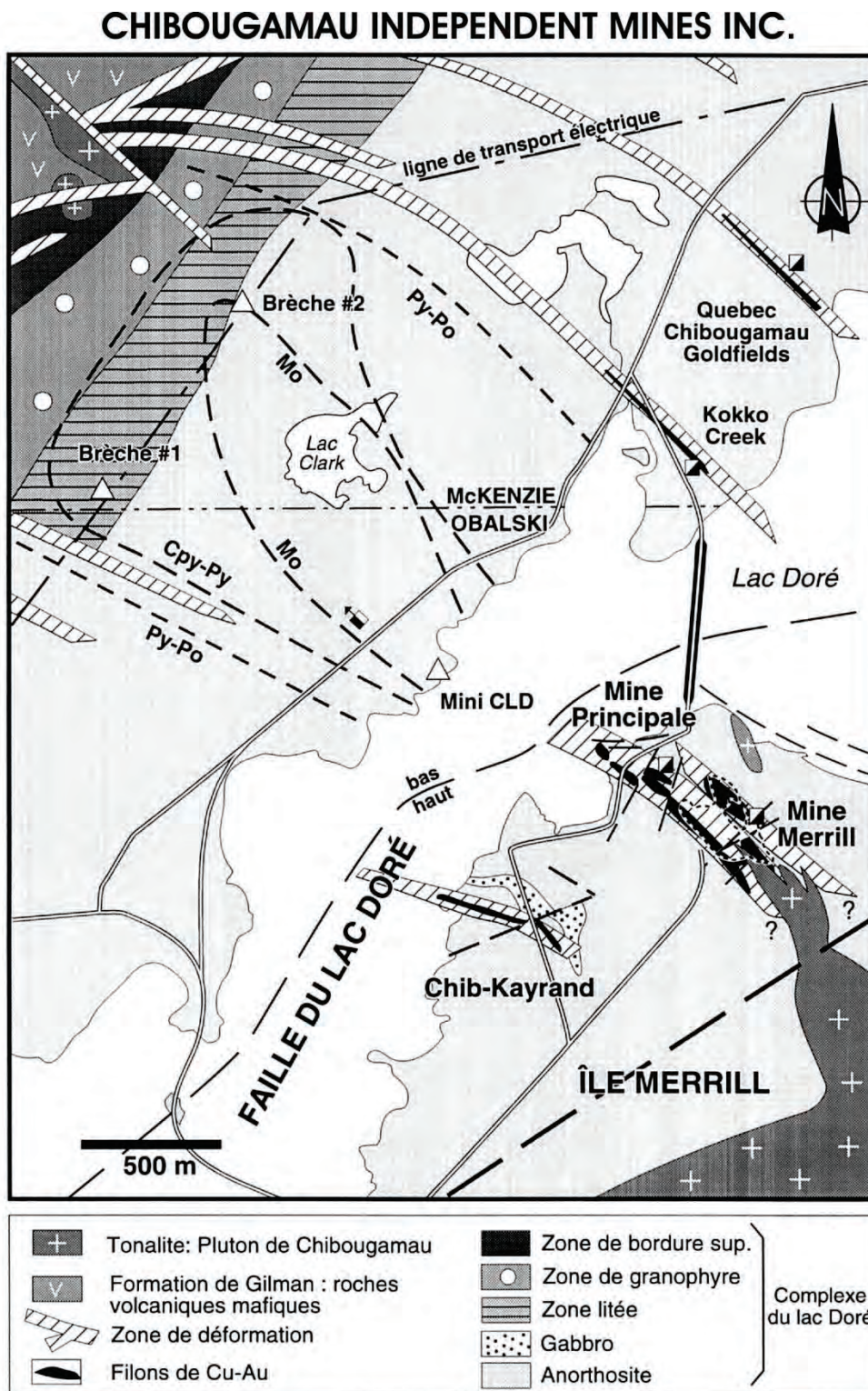
At Kokko Creek, the mineralized zone occurs along a northwest trending, steeply dipping shear zone (110°) injected by a quartz- feldspar porphyry dyke. The mineralized zone has been traced over more than 600 m and locally reaches widths of 12.0 m. The sulphide minerals are chalcopyrite, pyrrhotite, pyrite and very minor sphalerite. Chloritization, silicification and carbonatization are the most common types of alteration.

The Lac Clark area is situated close to the former Kokko Creek and Québec Chibougamau mines, both properties now controlled by Globex/CIM. Pilote et al. (1996) mention that a short ramp called "project Mainland" has been completed in the early 1970 by Campbell Resources Ltd. just south of Clark Lake.

This old north trending exploration ramp, was recently identified along with numerous old trenches close to the southern boundaries of the claims. No Ministry assessment file information is available regarding this exploration ramp. This ramp would be located within the core of the better porphyry- style Cu-Ag-Mo mineralized system described by Pilote et al., in 1994 and centered over Lac Clark (Figure 15).



Figure 15: Simplified geology Lac Clark area and location of mainland “decline” into porphyry style mineralization



Original surface trenches with better grade Zn-Cu-Ag-Au-Mo values over widths of 5.0 to 6.0 m were confirmed by subsequent drilling which intersected wide zones of disseminated copper and molybdenite mineralization referred to at the time, as “similar to porphyry copper deposits”. This porphyry-style mineralization is hosted within the upper part of the Lac Doré Complex in the gabbroic anorthosite and granophyre. Abundant dyke of various compositions (mafic to felsic) and textures (aphyric to porphyritic) with variable amount of quartz are associated with this mineralization. The porphyritic dykes usually cut the aphyric dykes.

The mineralization is identified over a surface area of 1.5 square kilometers (Ford 1974) and consists of tension fractures with veinlets of quartz-pyrite, quartz-pyrite-chalcopyrite and quartz molybdenite. These veinlets are distributed around Lake Clark, the quartz-molybdenite veinlets occupying the center of the mineralized zone; the veinlets with quartz-pyrite +/- chalcopyrite are present within the intermediate zones with quartz-pyrite veinlets in the peripheral zones.

Table 7: Porphyry-type systems in Chibougamau

Type of Deposit	Occurrence	Minerals	Metals	Alteration	Units	Structure
<b>Grandroy / Globex</b>						
Porphyry	Stockwerk	Chalcopyrite Gold Molybdenite Pyrite Magnetite Hematite	Cu Au Mo	Carbonate	Granodiorite	North-South Dipping east
<b>Kokko Creek / Globex</b>						
Porphyry	Cu-Au Veins	Chalcopyrite Gold Silver Pyrite Pyrrhotite Sphalerite	<b>Cu</b> <b>Au</b>	Chlorite Carbonate Sericite Silica	Anorthosite Dykes	W-NW fractures Rare NE fractures
<b>Merrill Mine</b>						
	Copper Vein	Chlorite Sericite Quartz Chalcopyrite Pyrrhotite Pyrite	<b>Cu</b> <b>Au</b> Ag	Sericite Chlorite Carbonate	Anorthosite Gabbro Dykes	WNW
<b>Chib-Kayrand</b>						
	Copper Veins	Quartz Chalcopyrite Pyrite Sphalerite Galena Pyrrhotite	<b>Cu</b> Ag Pb Zn Mo Au	Chlorite Sericite Carbonate	Anorthosite	WNW
<b>Corner Bay / C-Bay Resources</b>						
Porphyry	Cu - Veins Breccia	Magnetite Chalcopyrite Pyrite Malachite Bornite Molybdenite	Cu, < Au – Ag +/- Mo, W, Zn, Ni, Co	Chloritization Silicification Carbonatization Sericitization	Anorthosite Anorthositic- Gabbro Diorite Dykes Dyke Ile Gabbro	Irregular Fractures Geological Contact One main vein
<b>Devlin Deposit / Lakeshore Gold</b>						
Porphyry	Cu - Veins Breccia	Magnetite Chalcopyrite Pyrite Malachite Gold	Cu, < Au – Ag +/- Mo, W, Bi, As, Co, Sb	Chloritization Sericitization Hematization Silicification Carbonatization (Tourmaline)	Tonalite Breccia Dykes QP / QFP	Irregular Fractures
<b>R2 / Western Troy Capitals</b>						
Porphyry	Cu – Veins Breccia	Chalcopyrite Pyrite				

Significant potassic alteration with an abundance of disseminated chalcopyrite with lesser pyrite, molybdenite, tourmaline and magnetite are described in the publication by Cimon (1974) entitled: “Archean porphyry-type intrusion” in Queylus and Obalski Townships. Cimon (1974) describes the presence of late satellitic diapiric and dyke like intrusive bodies of very felsic composition into porphyritic tonalite and diorite of the Chibougamau pluton.

Hydrothermal alteration, explosive brecciation and copper-molybdenum mineralization are closely related to the porphyritic intrusive. Two types of breccia can be observed, one is made up of sub-angular to sub-rounded fragments of pebble – cobble size in a matrix of finely crushed rocks. Most fragments are tonalitic in composition and a few have a felsic porphyry composition. Some fragments of magnetite and magnetite bearing meta-pyroxenite were reported by Cimon. They would be brought in from the Lac Doré Complex. Another type of breccia is a fragmented rock where the fragments are all of the same type and cemented by a fine mixture of black tourmaline, quartz, and rock particles.

### **7.5.5 Epigenetic Cu-Au sulphide veins**

Most of the mined mineralized veins in the Chibougamau Mining Camp have been described as “mesothermal” vein type deposits (Pilote et al, 1996) except for the “Ile Merrill area” (including the Lac Clark area north of the Lac Doré Fault) which are classified as “Porphyry-type” (Cu-Au-Mo) deposits. Other deposits such as the Berrigan/Taché Mine are classified as “epithermal” in nature based on an inferred lower temperature of formation and greater distance from the heat in the case of epithermal deposits.

At Henderson – Portage, one of the major producers in Chibougamau, the mined ore zones are found to consist of a series of sulphide mineralized lenses developed along a main shear. Mineralization is characterized by disseminated chalcopyrite, also present as patches and stringers usually accompanied by bands of semi-massive to massive pyrite /pyrrhotite. The gangue minerals to the sulphide are most commonly sericite, quartz, ankerite and chlorite.

In a general sense, one can state that most of the Cu-Au mines are commonly directly associated to zones of semi-massive to massive sulphides (pyrite, pyrrhotite, and chalcopyrite) often developed at the contacts of felsic to intermediate dykes found within broader deformation zones characterized by chlorite-sericite quartz-carbonate schists, affecting the anorthosite of the Lac Doré Complex. These vertically very extensive shear zones, often referred to as the “mine shears”, are usually oriented at 110° and have been cut and displaced by the Lac Doré Fault, showing an apparent horizontal dextral displacement of approximately 1.6 km. This regional structure (Lac Doré Fault) trends northeast and dips 50° to 70° to the north-west. Mineralization has been affected by later sinistral faults with limited horizontal displacement.

The deposits identified thus far over Lac Doré and Lac Chibougamau show some of the following characteristics:

#### **Bateman Bay**

The Bateman Bay property is located within the Archean differentiated ultramafic to mafic anorthositic complex of “Lac Doré”. This anorthositic phase of the Lac Doré Complex hosts most of the Cu-Au mines within the Chibougamau mining district, mainly on the north flank of the Chibougamau anticline intruded by felsic intrusive of the Chibougamau batholith.

Numerous mineralized zones were intersected by drilling and underground working on the Bateman Bay property. Seven lenses are presently known including the, A1, A-2, main A-3, A-4, A-5, C-north Zone & C-south Zone. These steeply dipping zones display a common 110° strike direction and are characterized by intense sericite and chlorite alteration. The mineralization is concentrated in lenses locally narrow but with a good lateral and vertical continuity. At Bateman Bay, the gold mineralization is found associated to pyrite and minor chalcopyrite. Pyrite is disseminated and also occurs as stringers and concentrations ranging from 1.0% to 50% of the rock. Gold grades do not appear to correlate directly to the amount of pyrite. The copper (chalcopyrite) mineralization is relatively uniform while the gold values are more erratic.

Zone A-3 is currently the main mineralized lens at Bateman Bay. It is identified over a lateral distance of more than 600 m and to a depth of 300 m. This structure has been opened on four levels and some 25,000 tons of ore were mined from the structure (1.81% Cu, 1.71 g/t Au & 15.75 g/t Ag MRNF).

Zone C is located about 1.0 km NE of the “Zone A”. It strikes 138° and dips 55° to 65° SW. It has been drill tested to a depth of 200 m and for a strike length of more than 1.0 km. The Zone “C” has two parallel branches which have been traced underground over hundreds of meters on different levels. The mineralization is represented by pyrite + chalcopyrite with some sections reporting grades of 1.66% Cu, 1.70 g/t Au over an average width of 3.5 m for a continuous length of 180 m have been reported. Historically the “Zone C” has been interpreted as the extension of “Zone 3” at Jaculet Mine. “Zone C” appears to improve in grade at depth relative to that of “Zone A”.

## Jaculet

At Jaculet, chalcopyrite and pyrite mineralization occurs within siderite-rich zones of the altered anorthosite. Mineralization is patchy and usually associated to sericite, chlorite and siderite. It is found as bands of disseminated chalcopyrite up to 15 cm in width striking E – W. Lenses are 25 to 35 m long and 6 to 14 m wide. Vertically, these sulphide bands extend for over 215 m. Lenses are generally surrounded by an aureole of magnetite bearing gabbro.

## Québec Chibougamau

The Québec Chibougamau property lies on the north shore of Lac Doré between Kokko Creek and Cedar Bay Mine. Mineralization is characterized by the presence of numerous Cu-Au rich, commonly NW trending shear zones.

Sulphides consist of gold and silver bearing lenses with variable concentrations of chalcopyrite, sphalerite, pyrite and pyrrhotite. These lenses are developed within hydrothermally altered fractures containing chlorite, sericite and carbonate which cross-cut the anorthosite of the Lac Doré Complex.

These mineralized structures extend to the east where a limited amount of exploration has been completed. Some of the Induced Polarization (IP) anomalies tested by surface drilling returned siderite veins with low base and precious metal values. Other geophysical anomalies remain untested by drilling.

Duquette and Mathieu (1964) first described the property in the following terms:

“Three mineralized zones are known: the main or A zone, the B, and the H zones. All three are zones of schistose and silicified anorthosite within the main anorthosite mass. “A” zone is a shear zone of schistose anorthosite measuring up to 30 m in width, striking N-285° to N-290° and dipping 60° SW. The anorthosite in the shear zone is silicified and chloritized and intruded by fine-to-medium-grained grey dykes measuring up to 3 m in width. Diamond drilling of this zone has outlined a mineralized shoot 107 m long and up to 15 m in width. The mineralization is associated especially with dike sections within the schistose anorthosite. It consists of pyrite, chalcopyrite, and a little pyrrhotite and sphalerite in a quartz chlorite gangue. This mineralized shoot in the A zone is estimated to contain, between surface and the 230 m level, 811,000 tons of mineral having an average tenor of 0.107 opt (3.67 gpt) gold, 0.85 opt (29.1 gpt) silver and 1.17% Cu. Mining started in early 1963 using a three (3) compartment shaft to a depth of 258 m with levels established at 60, 100, 200, and 245 m. In 1963, 51,243 tons of ore were extracted, grading 2.01% Cu and 0.083 opt (2.85 gpt) gold.”

The Québec Chibougamau property also extends between the former producer Cedar Bay Mine and the Copper Cliff (Siderite Hill) deposit. The Cedar Bay Mine produced from 1958 to 1990, 3,782,850 tons grading 1.57% Cu and 3.12 g/t Au.

## Zones “T”, “S” and “K”

Three structural corridors referred to as the T, S and K Zones contain gold mineralization hosted in individual zones of shearing ranging in thickness from 1.0 to 30.0 m. These zones of shearing are usually parallel, closely spaced and showing good lateral and vertical continuity. These structures strike at N-135° and dip 75° to 80° SW. Some of the anorthosite hosted mafic dykes can also locally be found within the shear zones. These dykes are commonly thought to be syn to post mineral.

Mineralization at the T, S and K zones occurs as sulphide stringers and/or sulphides in veins of quartz/carbonate filled fractures and/or in zones of shearing within the anorthositic gabbro of the Lac Doré Complex. Mineralization is comprised largely of pyrrhotite, chalcopyrite, pyrite with lesser amount of sphalerite and rarely galena. Locally, gold is found associated with the sulphides.

Zone T-4 This mineralized zone is located under Lac Chibougamau and was outlined by early diamond drill holes T-160, T-161 (1957) and T-312 (1965). No assays were reported. In 1982, the drift which accesses the S-3 Mine intersected this structure but no details are available within the assessment work files. At surface the T-4 structure corresponds to geophysical anomalies (MaxMin and I.P.) trending 100° to 130°.

Zone T-6 This structure is defined by ddh T-317 and T-320 along with geophysical (I.P.) anomalies. Other drill holes tested the structure with no significant assays (T-3, T-4, T-6, T-7, T-8, T-84-4 & 1119-94-10).

Zone T-8 Zone T-8 is comprised of a series of shear zones corresponding to the “Foot Wall Shear”. In 1982 a MaxMin survey permitted to localize this anomaly. A total of 12 ddh totaling 12,483 linear feet tested this

anomaly from 1956 to 1984. The anomaly has been tested laterally for 1,200 feet and to a vertical depth of 860 feet. Resources were estimated by Campbell Chibougamau in the mid 1980's. Mineralization is present as veins and/or stringers of semi-massive to massive sulphide. Sulphides are represented by pyrrhotite, chalcopyrite and locally sphalerite. Gold has been observed in drilling. Shears thicknesses vary from 30 cm to 25 m; they trend at 120° to 130° and dip at 75° to 80° SW. A series of dykes (feldspar porphyry, quartz feldspar porphyry and some minor grey dyke are present parallel to shearing.

Zone T-9 This anomaly is located on the extension of the "Kerr Addison Shear" and has first been located in 1966 by a geophysical survey (I.P.). Zone T-9 is defined by ddh T-318 which intersected a core length of 12.7' grading 2.31% Cu and 0.005 opt. Au. DDH T-319 intersected a core length (parallel to zone?) of 144.0' grading 2.74% Cu and 0.025 opt. Au. Limited tonnage of copper ore was estimated by Metallgesellschaft in 1970. The mineralization is characterized by injections of sub-vertical quartz veins and veinlets within "Quartz – Feldspar Porphyry". The quartz-carbonate veins are mineralized principally by chalcopyrite with lesser amounts of sphalerite and pyrrhotite.

Zone T-10 This zone extends into the Chibougamau Pluton and corresponds to the "Yorcan Shear". About 5% to 20% dykes are present. Dykes range from: feldspar porphyries, grey dykes, and quartz-feldspar porphyry dykes. Dykes are usually massive, fine grained but locally slightly sheared. The zone has been tested by drilling (33,473 linear feet in 40 ddh) over a distance of about 1,800 feet and to a vertical depth of 2,040 feet. SOQUEM completed an additional 5 holes during the winter of 1994 on the SE extension of this anomaly. A resource estimate has been completed by Campbell Chibougamau in the mid 1980's on this zone. The mineralization consists of stringers and/or veins of sulphide – quartz – carbonate present within fractured and sheared zones. Sulphides are pyrrhotite, chalcopyrite, pyrite and traces of sphalerite – galena. Gold is usually found associated to chalcopyrite.

Zone T-11 is also located on the extension of the "Kerr Addison Shear" and has been located by geophysical surveys. Surface diamond drill hole T-356 probing this anomaly intersected a mineralized zone rich in pyrrhotite grading 0.250 opt Au and 0.21% Cu over 9.0'. The mineralization is present within highly altered anorthosite (chlorite – sericite). Dykes are abundant principally within the altered sections of the anorthosite. Mineralized zones are injected by quartz – carbonate veins and veinlets with traces of chalcopyrite.

The partly mined S-3 Zone and undeveloped Tommy Zones are covered by a large claim group forming a continuous prospective exploration package 10.8 km long by 3.6 km wide over Lac Chibougamau. The entire land package is geologically located within the Lac Doré Complex.

Numerous sub-parallel NW trending, steeply SW dipping corridors of deformation are defined within the LDC as identified by surface drilling and geophysical surveys. These shear zones vary in width from a few meters to more than 35 m. Felsic and mafic dykes are also present within the shears and show close spatial association to the mineralization: a feature common to all of the mines in the Lac Doré sector.

The mineralization is represented by fractures and shears injected by quartz-carbonate veins and stringers mineralized with chalcopyrite, minor sphalerite and anomalous amounts of gold, cobalt, nickel, and silver.

The S-3 deposit was partly mined from the Henderson # 1 shaft (through a 2.5 km drift) producing 420,943 tonnes grading 3.91 g/t Au and 0.4% Cu during the period of 1985 to 1989. After the closure of the mine, numerous surface drill holes in the area surrounding the S-3 deposit intersected gold mineralization, such as hole 1119-95-01 which returned 28.0 g/t Au over 0.5 m and 86.7 g/t Au over 1.1 m., confirming the potential of finding additional high grade gold mineralization in this setting.

As for the K-Zones, the Cu-Au mineralization is located within intensely sheared and altered anorthosites. The alteration is typified by chlorite, sericite and silicification. The mineralization occurs as sulfide rich quartz stringers within the shear zones. Sulfides are predominately pyrite, pyrrhotite and chalcopyrite and make up to 50% of the veins. Mineralization is generally gold rich. This style of mineralization contrasts with the mineralization at the Henderson Mine which is chalcopyrite rich and generally more gold poor.

A number of historic geophysical anomalies in this area have been designated; K1, K1 south, K2, K3, K4 and K5. The zones respond to well defined coincident electromagnetic conductors and induced polarization (I.P.) anomalies.

Zones K-1, K-1 south and K5 parallel the main structures at the Henderson-Portage Island Mine trending N-045°. Zones K-2, K-3 and K-4 trend at N-110° a similar orientation as most of the T Zones.

K-1 The K1 anomalies are parallel to the Henderson structure (trending at N-045°) and are defined by 2 VLF conductors about 1,500 m long. SOQUEM's I.P. survey (1996) has extended the anomalies an additional 500m. The best drill intersection was derived from drill hole T-227 which returned 10.9% copper over 0.3 m. SOQUEM's drilling identified an additional new structure designated as K-1 South. Drilling revealed it to be a deformation zone containing narrow auriferous quartz-carbonate veins with best assays returning:

Drill hole 1119-96-06	4.6 g/t gold/0.85 m
Drill hole 1119-96-08	9.27 g/t gold/0.55m

K-2 Drilling on K2 suggests it is a continuation of a pyrite mineralization occurring near the contact of the Chibougamau pluton and the Lac Doré Complex. The geophysical expression is outlined by a VLF conductor about 250 m in length not associated to any IP anomaly. SOQUEM (1996) drilled hole 1119-96-07 to follow up on Camchib's hole K-84-8 and intersected 1.67 g/t gold and 0.05% Cu/0.6 m.

K-3 This structure coincides with an IP anomaly at the NW corner of Ile Marguerite. The structure occurs at the contact between the Chibougamau Pluton and an altered anorthosite of the LDC in which drill hole 1119-96-05 intersected quartz-carbonate stringers grading 0.03 g/t Au and 0.57% Cu/0.4 m.

### **Ile Marguerite**

A gold mineralized zone oriented subparallel to the Henderson-Portage main structure (N-030°) was intersected by SOQUEM with a single drill hole (ddh # 1119-94-13; GM-53360), located on the eastern part of Marguerite island. A shear zone injected by 70% quartz veining, trace chalcopyrite, 1 – 5% pyrite and some tourmaline, is present within an altered tonalite of the Chibougamau batholith. Pyrite is also found disseminated within the tonalite outside the shear zone and is more concentrated (up to 20%) within black chlorite filaments within quartz-calcite veins. Narrow gold intercepts of 3.88 g/t Au over 0.7 m & 1.59 g/t Au over 3.2 m are reported.

Underlying the southern part of Ile Marguerite is a portion of a "layered magnetite zone" of the Lac Doré Complex. The east trending mineralization is reported to consist of magnetite (5%), ilmenite (titanium), pyrrhotite (pentlandite), chalcopyrite and anomalous gold. It is postulated that where the previously mentioned Ile Marguerite NE trending auriferous shear structure on the east side of the island would intersect the projected extension of the East trending magnetite rich structure, a favorable situation might be created for the development of important gold mineralization analogous to the epigenetic gold mineralization associated with strongly tectonized Archean iron formation.

An exploration shaft, located at 560572 E – 5527121 N in the central part of the island was originally constructed in the late 1990's with a projected planned depth of 460 m to explore the vertical depth extension of the Henderson-Portage mineralization. However the shaft was never commissioned.

### **Copper Cliff extension**

The claim block recently acquired by Globex lies immediately adjacent to the east of the Copper Cliff shaft and covers part of the underground workings over the eastern portion of the mined zone.

The mineralized corridor strikes N-110° with a steep dip (80°) to the south. Two distinct shear zones have been identified:

- Zone 1 (North) up to 130 m wide
- Zone 2 (South) up to 100 m wide

Other parallel zones have also been identified:

Siderite North Zone is located 400 m north of the shaft. This zone has been mined between levels -122 m and level -205 m, where it is closely associated to Zone 1. At this location, anorthositic gabbro of the Lac Doré Complex is in contact with the Lac Sauvage iron formation.

Zone “Siderite South” or 6-16-10, is located 275 m to the south of the main shaft and was identified on level -205 m. It is associated to Zone 2.

Zone 12-21-36 is located at level -388 m, some 600 m to the south of the main shaft. This zone is also related to Zone 2. The mineralization encountered at Copper Cliff is represented by Au-Ag-Cu-Zn-Fe. Two (2) different styles of mineralization have been identified at Copper Cliff:

Type 1: sulphide rich veins highly foliated, carrying the bulk of the mineralization (chalcopyrite, pyrite, magnetite, pyrrhotite, sphalerite and arsenopyrite). These veins form lenses up to 100 m long and up to 5.0 m thick. Chalcopyrite systematically cements fractures within pyrite.

Type 2: horizontal extension fractures cross-cutting main foliation. These lenses are quite limited in length (20 m) and in thickness (1 cm to 50 cm).

At Copper Cliff, as with most of the other Cu-Au mines in the Lac Doré Complex, the higher grade mineralization is spatially associated with mafic dykes referred to as “Mines Dykes”. These dykes are localized within the deformation corridors and are interpreted as contemporary to mineralization.

- Grey Dyke: grey color and fine grained
- Mafic Dyke: dark green color, usually rich in chlorite.

Mineralization has also been affected by later senestral faults with limited horizontal displacement.

Table 8: Characteristics of “mesothermal”-type deposits in Chibougamau

Name of Deposit	Occurrence	Minerals	Metals	Alteration	Units	Structure
<b>Copper Veins , fractures N-030°</b>						
<b>Portage</b>						
	Copper Porphyry	Chalcopyrite Pyrite Chlorite Arsenopyrite Quartz Sphalerite	<b>Au</b> <b>Cu</b> Ag	Carbonate Sericite Chlorite	Anorthosite Dyke NW fractures	NE NW
	Auriferous Veins	Chlorite Chalcopyrite Carbonate Pyrite Quartz	<b>Au</b> <b>Cu</b> Ag	Chlorite Carbonate	Gabbro Roy Group	E-W
<b>Henderson 1</b>						
	Copper Veins	Pyrite Pyrrhotite Quartz Chalcopyrite Carbonate	<b>Cu</b> <b>Au</b>	Sericite	Anorthosite	NE
<b>Henderson 2</b>						
	Copper Veins	Sphalerite Arsenopyrite Pyrite Pentlandite Chalcopyrite Pyrrhotite	<b>Cu</b> <b>Au</b> Ag As Ni	Carbonate Chlorite Sericite	Anorthosite	NE NW
<b>Copper – Gold Veins, Fractures NW-SE (SE of Lac Doré Fault)</b>						
<b>Copper Rand / C-Bay Resources</b>						
	Copper Porphyry	Magnetite Chalcosite Malachite Chalcopyrite Pyrite Pyrrhotite	<b>Cu</b> <b>Au</b> <b>Ag</b>	Chlorite Carbonate Silica	Anorthosite	WNW

<b>Lac Doré</b>						
	Copper Veins	Feldspar Sphalerite Pyrite Chalcopyrite Quartz Chlorite	<b>Au</b> <b>Cu</b> Ag	Chlorite Sericite	Anorthosite	NW
<b>Copper – Gold Veins, Fractures NW-SE (NW of Lac Doré Fault)</b>						
<b>Bateman Bay / Globex</b>						
	Au-Cu Veins	Chalcopyrite Gold Silver Pyrrhotite Pyrite	<b>Au</b> <b>Cu</b> Ag	Chlorite Sericite Carbonate	Anorthosite (dykes)	W-NW fractures
<b>Jaculet</b>						
	Copper veins	Chlorite Pyrite Sericite Chloritoid Quartz Chalcopyrite	<b>Cu</b> <b>Au</b> Ag	Chlorite Sericite Carbonate	Gabbro Anorthosite	WNW
<b>Cedar Bay</b>						
	Copper Veins	Arsenopyrite Chalcopyrite Pyrite Sphalerite Pyrite Pyrrhotite	<b>Cu</b> <b>Au</b> Ag Zn Co As	Chlorite Sericite Carbonate	Anorthosite	WNW NE
<b>Copper Cliff Siderose</b>						
	Copper Veins	Chalcopyrite Sericite Quartz Chlorite Chloritoid Siderite	<b>Cu</b> Zn Ag Au	Sericite Chlorite	Gabbro	WNW
<b>Copper Cliff</b>						
	Copper Veins	Siderite Chalcopyrite Quartz Chlorite Sericite Chloritoid	<b>Cu</b> <b>Au</b> Ag	Chlorite sericite	Gabbro	WNW
<b>Québec Chibougamau Goldfields</b>						
	Copper Veins	Chlorite Sericite Chalcopyrite Pyrite Pyrrhotite Carbonate	<b>Au</b> Ag <b>Cu</b>	Chlorite Sericite Carbonate Silica	Anorthosite	WNW
<b>Gold-Copper Veins, Fractures NW-SE (Contact with Chibougamau Pluton)</b>						
<b>Zones T (Tommy / Yorcan) / Globex</b>						
T-4	Cu-Au Veins	Chalcopyrite Quartz Carbonate Pyrite	<b>Cu</b> <b>Au</b>	Sericite Carbonate	Anorthosite	100°-130° fractures and shears
T-6	Cu-Veins	Chalcopyrite	<b>Cu</b>		Anorthosite	100°-130° fractures and shears
T-8	Au-Veins	Pyrrhotite Chalcopyrite Sphalerite Gold	<b>Au</b>		QFP dykes FP dykes Grey dykes Anorthosite	120°-130° shears
T-9	Cu-Veins	Chalcopyrite Quartz Carbonate Sphalerite pyrrhotite	<b>Cu</b>		Quartz veins Within QFP	120°-130° shears



T-10	Cu-Au Veins	Carbonate Pyrite Chalcopyrite Quartz Pyrrhotite Sphalerite	<b>Cu</b> <b>Au</b> <b>Ag</b>	Chlorite Sericite	Anorthosite Porphyry Dykes	100°-130° fractures and shears
T-11	Au-Cu Veins	Pyrrhotite		Chlorite Sericite	Anorthosite Dykes	
<b>Zones S / Globex</b>						
S-3	Cu-Au Veins	Chalcopyrite Sphalerite Quartz Chlorite	<b>Cu</b> <b>Au</b> <b>Ag</b>	Carbonate Chlorite Sericite	Anorthosite	W-NW fractures and shears
<b>Zones K / Globex</b>						
K-3	Au Veins	Quartz Carbonate Pyrite Chalcopyrite Pyrrhotite	<b>Cu</b> <b>Au</b>	Chlorite	Anorthosite	
K-1	Cu Veins	Quartz Calcite Pyrite Chalcopyrite Tourmaline Sphalerite	<b>Cu</b> <b>Ag</b> <b>Au</b> <b>Zn</b>	Chlorite	Anorthosite	

The importance of dykes as “ore control” in the Lac Doré area has been recognized by most mine geologists. With few exceptions ore deposits in the Lac Doré area are characterized by the presence of a shear zone alongside a swarm of dykes (Allard). The Henderson-Portage deposits seems to be an exception to this rule, since no definitive dyke system was identified parallel to either the “A” or “C” zones at Henderson.

## 9 EXPLORATION

Initially, limited surface exploration has been conducted by Globex or CIM on the Lac Chibougamau Properties since their acquisition.

Selective geophysical surveys including an airborne magnetic/electromagnetic survey over the Bateman Bay and Grandroy Properties and in early 2012 specifically targeted sectors in the vicinity of known Cu-Au mineralized zones including the Bateman, S2/S3, Tommy and K Zones were tested with a new system of “deep penetrating” Induced Polarization (IP) in conjunction with conventional IP, ground electromagnetic Max-Min and complimentary ground magnetics, to provide comparative data in assessing the value and effectiveness of this new exploration tool in the Chibougamau Camp as Globex/CIM initiate their systematic evaluation of the large land holding.

## 10 DRILLING

No drilling has yet been completed by Globex or CIM on the Lac Chibougamau Properties. The most recent but limited historic drilling was completed during the period of 1992 to 2000 by SOQUEM on the S-, T-, K-Zones, Grandroy Mine and the “Sulphur Converting” occurrences. Another limited surface drilling program has been conducted on the Bateman Bay property in 1992 by Robex Resources.

## Bateman Bay

A summary survey of the drill logs from drilling completed during the winter of 1992 indicates that some gold values have been intersected outside the copper zones with no systematic sampling.

Hole #	From (feet)	to (feet)	core length (feet)	Au ppb	Ag ppm	Cu%
92-200	152.0	154.0	2.0	1798	2.0	0.065
	284.0	286.5	2.5	3620	2.0	0.036
main zone	772.0	775.0	3.0	4899	53.1	3.057
92-201	286.5	291.5	5.0	1143	0.7	0.09
	422.0	424.0	2.0	1017	3.9	0.52
	619.0	622.0	3.0	1790	3.1	0.26
92-202	53.5	55.0	1.5	1172	1.2	0.06
	55.0	56.5	1.5	3511	2.8	0.29
main zone	579.0	581.5	2.5	2883	58.2	5.11
	723.0	726.0	3.0	1486	1.8	0.18
92-203	811.0	815.0	4.0	1137	6.9	1.03
	815.0	817.0	2.0	2961	16.9	3.84
main zone	817.0	819.5	2.5	2044	5.8	1.09
	819.5	822.0	2.5	435	6.6	1.83
	822.0	824.5	2.5	2089	15.4	3.96
92-204	677.0	679.5	2.5	563	2.4	0.54
	679.5	682.0	2.5	4878	12.1	1.46
main zone	682.0	684.5	2.5	2301	2.7	0.40
	684.5	687.0	2.5	7016	27	0.28
92-205	717.0	719.5	2.5	203	3.7	0.67
	719.5	722.0	2.5	656	5.3	0.92
92-206	1054.0	1056.0	2.0	22630	27.6	5.77
92-207						
92-208						

*Note: The true thickness of the mineralized zone is not known.*

This property and adjacent claims to the west (Jaculet Mine) represent a significant target for gold exploration. The grade estimated within the previous historical resources is 4.4 g/t Au (0.13 opt Au) and silver values are present.

## The Tommy or T Zones

Some of the drill holes on the T-Zones returned the following intersections:

DDH #	Cu%	Au g/t	Ag g/t	Core length
T-319	4.89	1.71		20.0 m
T-912	2.74	0.86		43.9 m
T-29	1.22	0.78	8.50	20.0 m
94-09		12.44		3.7 m

*Note: The true thickness of the mineralized zone is not known.*

The more significant results of drilling in 1984 follow:

Hole No	Length (feet)	Gold oz/ton	Copper (%)	Target
K-84-1	3.3	0.05	0.17	K-4
K-84-2	2.6	0.13	0.034	K-1
K-84-3	----	-----	----	K-3
K-84-4	3.5	0.022	1.55	K-8
K-84-5	-----	-----	-----	K-3
K-84-6	1.5	0.55	-----	K-2
K-84-7	1.5	0.65	0.33	Max-min (new)
K-84-8	3.4	0.56	1.45	K-2

*Note: The true thickness of the mineralized zone is not known.*

1992-1996: La Société Québécoise d'Exploration Minière ("SOQUEM") optioned the property from Ressource Meton Inc., in June 1992. SOQUEM did a regional compilation of all existing data and produced a series of compilation maps of the regional geology and ground geophysics. SOQUEM conducted additional geophysics and drilling in 1996. The best gold intercepts included:

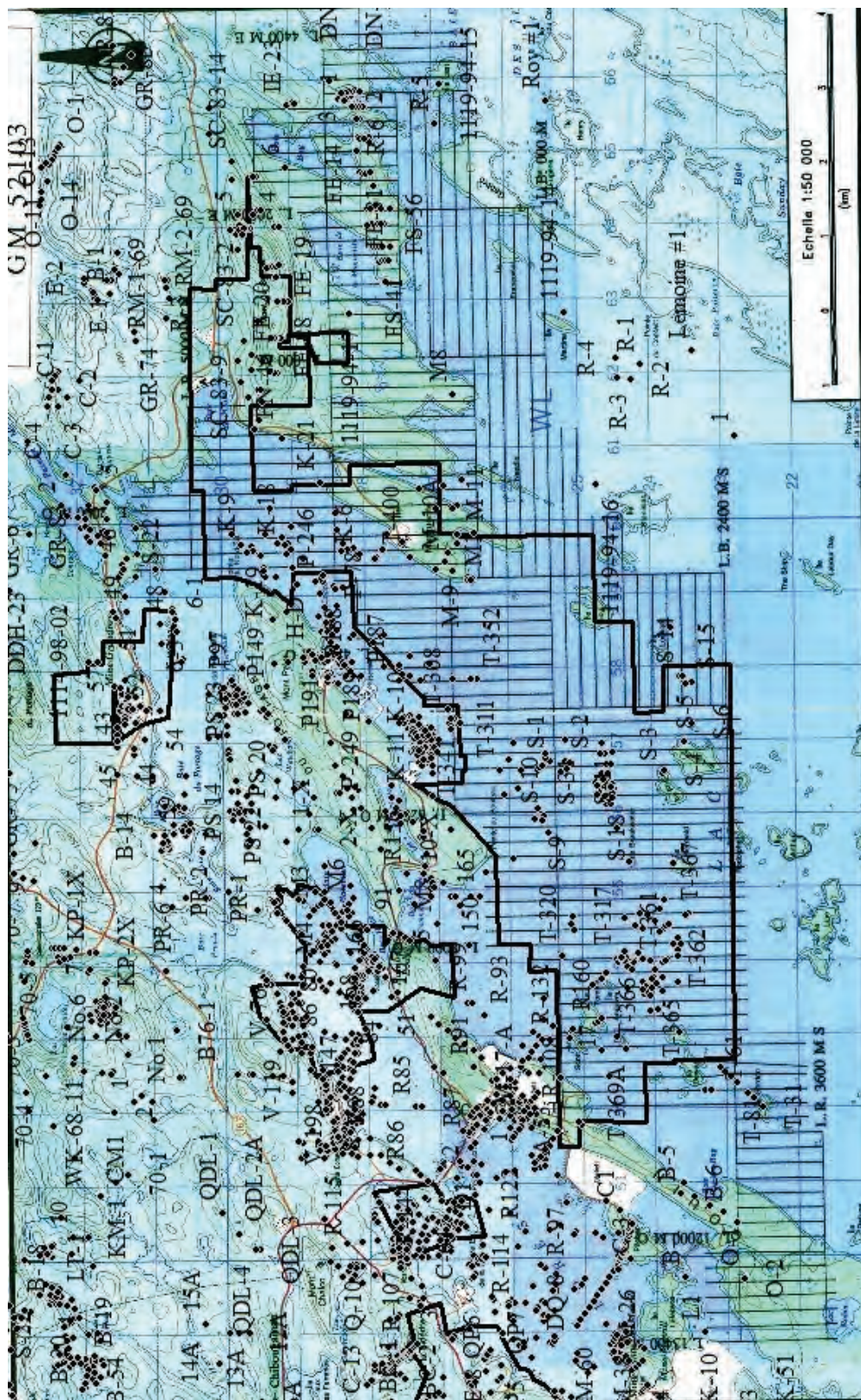
- Hole 1119-96-06      0.85 m of 4.6 g/t gold; and
- Hole 1119-96-08      0.55 m of 9.27 g/t gold.

Figure 17 shows the location of most of previous surface diamond drill holes completed on the Lac Chibougamau Properties and surrounding areas (Sigeom à la Carte, MNR).

## 11 SAMPLE PREPARATION, ANALYSES AND SECURITY

Previous logging and sampling was done at different facilities outside the properties. Sampling methods and procedures were consistent with industry standards at the time. Sampling of the mineralized material from the Lac Chibougamau Properties has essentially been limited to samples collected from diamond drill core and several "mini bulk samples" collected underground for preliminary metallurgical testing.

Figure 17: Location of most of previous surface diamond drill holes completed on the Lac Chibougamau Properties and surrounding areas (Sigeom à la Carte, MNRF).



During the previous drill programs, the drill core was partially cut with a splitter along its longitudinal axis and sampled every 0.3 m, 0.5 m and up to 1.5 m, following the typology of the mineralization. Generally the shorter intervals represent isolated veins or well mineralized sections; usually such sections carry higher grade precious and/or base metal mineralization.

The sampling steps used at the time were as follows:

- The core is drilled and put in boxes that are closed and tied solidly for transportation; the boxes are transported to a secure location by pick-up truck; the core boxes are then unloaded, washed if necessary and tagged with aluminum tags embossed with the hole number, box number and interval from- to- stapled onto the end of each core box.
- The core is measured and described by the geologist (or consultant), noting different geological units, alteration, structure, and mineralization (sulphides). Sections with alteration and mineralization are usually marked for sampling.
- One-half of the core is sampled and placed in a tagged bag for assay. The other half is replaced in the box with corresponding tags placed at the beginning or the end of the sampled interval, depending on the geologist.
- The metallic pans and the splitter are cleaned after each sample is taken.
- Each sample bag is then sealed and placed in larger shipping bags which are delivered directly by the company personnel to the commercial laboratory for assay.
- The other half of the core, retained in the core boxes for reference and further detailed sampling, are moved to a permanent storage in steel core racks within fenced yards.
- At all times the location is kept locked and only personnel authorized by Globex and CIM have access.

The sampling approach taken by the previous companies appears conformed to industry standards. Assaying procedures used by different commercial laboratories (Fire Assay and Atomic Absorption Finish) were also in conformity with the exploration and mining standards at the time.

For the next exploration program, sampling will be performed by experienced technicians hired by the exploration company for the project. As the sampling progresses, the samples are immediately packed into sample bags along with a tag; sample bags are sealed and placed into larger bags; these shipping bags are then secured by a plastic strip for transportation to commercial laboratories. The exploration geological staff, as well as employees, directors, officers and associates of Globex and CIM are not involved in any aspect of the sample preparation.

Accuracy and potential contaminations of analytical procedure at the laboratory are monitored by the introduction of blanks and blind certified reference standards into the sample stream. For the previous sampling completed so far, no other blanks or certified standards were included with the assays. Usually a limited number of higher grade mineralized intersections are checked by re-assaying the reject and further testing will include a quarter-sawn portion of the remaining witness sample.

Rejects and pulps resulting from assaying by commercial laboratories are returned to the exploration companies for safe keeping.

No drilling has yet been completed by either Globex or CIM on the Lac Chibougamau Properties. Even if the Author believes that the quality assurance (“QA”) and quality control (“QC”) procedures for ensuring the security of core samples, the integrity of chain-of-custody for samples and the accuracy of laboratory analyses used at the time by previous owner of the property were in line with industry practice, the Author is not in a position to opine on the measures taken to ensure the validity and integrity of samples taken by previous owners of the Lac Chibougamau Properties.

## 14 MINERAL RESOURCE ESTIMATES

The following “historical” non NI 43-101 compliant resources have been published BY PREVIOUS OWNERS of mining claims comprising the Lac Chibougamau Properties.

Name of project	Historical Resources	Cu %	Au g/t	Ag g/t	Zn %
Bateman Bay	<b>396,665 tons</b>	2.64 %	<b>4.35 g/t</b>		
Berrigan Mine (North Zone)	<b>1,388,915 tons</b>		<b>1.77 g/t</b>		<b>3.17 %</b>
Berrigan Mine (South Zone)	259,637 tons		0.58 g/t		3.05 %
Berrigan South					
Buckell Lake					

Name of project	Historical Resources	Cu %	Au g/t	Ag g/t	Zn %
Copper Cliff Ext					
Dollier Project					
Grandroy Mine	181,000 tons	1.50 %			
Ile Marguerite					
Kokko Creek	115,000 tons	1.50 %	0.21 g/t		
K-Zones					
Québec Chibougamau	19,191 tons	1.93 %	2.64 g/t		
S-Zones					
Mont Sorcier					
Sulphur Converting					
T-Zones (T-10) S-3	<b>449,095 tons</b>	<b>0.91 %</b>	<b>2.38 g/t</b>		
T-Zones (T-9)	50,000 tons	2.21 %			
T-Zones (T-8)	<b>440,000 tons</b>		<b>8.48 g/t</b>		

*The above resources are all historical in nature having been estimated prior to May 30, 2003 (the Council of the Canadian Institute of Mining Metallurgy and Petroleum (“CIMM”) current and adopted guidelines). Globex and CIM are not treating these historical estimates as current mineral resources as defined under NI 43-101*

### Bateman Bay

A relatively comprehensive resource estimate has been completed by SIDAM Inc. on May 26, 1992. The resource estimate is historical in nature having been completed prior to enactment of NI 43-101 standards. Globex or CIM have not done sufficient work to re-classify these resources following the new CIMM standards (NI 43-101 compliant).

Zone	Tons	Average width	Cu%	Au g/t
A-1				
A-2	94,714	1.4 m	2.04%	4.52 g/t
A-3 west	159,394	2.1 m	3.01%	4.69 g/t
A-3 east	142,557	2.7 m	2.62%	3.84 g/t
A-4				
A-5				
Zone C north				
Zone C south				
<b>Total</b>	<b>396,665</b>	<b>2.1 m</b>	<b>2.64%</b>	<b>4.35 g/t</b>

*The above resources are all historical in nature having been estimated prior to May 30, 2003 (CIMM current and adopted guidelines). Globex and CIM are not treating these historical estimates as current mineral resources as defined under NI 43-101.*

### Lac Chibougamau Property

SOQUEM is the last company who carried out detailed compilation on the “Lac Chibougamau” property. It also had access to all original data and diamond drill core for re-logging and re-sampling.

On the Québec Chibougamau Goldfields property, SOQUEM mentioned an historical resources of **335,000 tonnes grading 1.60 g/t Au and 1.68 % Cu** within its evaluation completed in 2000 (GM-58101).

On the Grandroy Mine property, SOQUEM mentioned in GM-56521 that an historical resource of **349,238 tonnes grading 1.18% Cu and 0.67 g/t Au** remains in place.

The Tommy or T Zones represent a series of partially defined gold-copper zones. The T-10 Zone consists of 4 sub-zones (A, B, C, and N) and is reported to contain **449,095 tonnes grading 2.38 g/t Au and 0.91% Cu**. The T-9 Zone has a reported potential of 50,000 tonnes grading 2.1% Cu. This resource estimate has been completed by Metallgesellschaft in 1970. The T-8 Zone is said to contain a resource of **440,000 tonnes grading 8.45 g/t Au**. (In 1985 on the T-8 Zone Campbell Chibougamau estimated “probable” resources of 140,000 t. at 8.45 g/t Au (0.25 opt Au) over an average width of 1.68 m along with an inferred resources of 300,000 t. grading 8.45 g/t still over an average width 1.68 m).



*All of the above resource estimates were calculated prior to the application of NI 43-101 regulations; they are historical in nature and should not be relied upon. They are presented for information only in order to establish the exploration potential in the area. At this time Globex or CIM have not carried out any exploration work to re-classify these resources into current resource estimates as per new CIMM standards.*

## **Mont Sorcier**

On Mont du Sorcier Campbell Chibougamau Mines Ltd carried out in 1974 a systematic evaluation of the iron potential within a magmatic magnetite-rich layer of the Lac Doré Complex. Systematic surface diamond drilling was completed, metallurgical (concentration) testing was completed and an historical resource of 270,000,000 tons was estimated at an average grade of 27.7% Fe and 1.1% TiO<sub>2</sub>. A large section of this structure is present on the Lac Chibougamau Properties (150,000,000 tons GM-31867).

The above resources are historical in nature; Globex and CIM are not treating this historical estimate as current mineral resources as defined under NI 43-101.

## **26 RECOMMENDATIONS**

The present assets of Globex and CIM provide an excellent opportunity for exploration within the heart of the Chibougamau Mining District. During the period of 2006 to 2011, Globex acquired by ground staking and/or map designated cells, a significant land package in the Chibougamau area, totalling approximately 6,554 hectares. The Lac Chibougamau Properties are considered to be at an “advanced stage” of exploration.

With the recent surge in gold, silver and base metal prices, a re-evaluation of CIM’s large claim holdings, covering past Cu-Au producers with compelling evidence for inferred lateral and vertical extensions of the previously mined ore bodies, was deemed to be clearly warranted. It is believed that the copper-gold mineralization which was mined at shallower depths extends to depth well below the sections tested by previous surface and underground drilling. Parallel zones have also been identified by some of the earlier exploration work. Numerous relatively recent drill holes (late 1990’s) intersected gold values of economic interest which were never followed up after their initial discovery. Recent advances in technology in the light of relatively strong metal prices have also made it possible to consider the use of new underground mining techniques including bulk mining of lower-grade mineralization material as exemplified by Agnico Eagle’s low grade gold mine located on the outskirts of Val d’Or.

Systematic exploration to fully assess the precious and base metal potential of the prospective Lac Chibougamau Properties is strongly recommended. The majority of the claims now controlled by Globex / CIM underwent only intermittent exploration over the years since the 1950’s. The present Lac Chibougamau Properties have not been subjected to modern systematic exploration since the early 1980’s. The earlier drilling generated sufficiently attractive Cu/Au intersections to justify resources estimates at a number of localities now controlled by Globex/CIM. Only very limited mineral production has been seen on the Lac Chibougamau Properties which are known to host a number of insufficiently drill tested in-situ historical Cu/Au resources.

A multi-phased exploration program is recommended based on the project compiled technical data. This program is judged to be fully warranted in order to adequately appraise and evaluate in a reasonable and progressive manner, the remaining mineral and discovery potential of a large portion of the Chibougamau Mining Camp.

An improved understanding of the geologic, structural and alteration features of these deposits will serve to enable Globex/CIM to better define the metallogenic priorities to help determine the areas with the highest potential of discovery in its search for large base and precious metal deposits in the Chibougamau Mining District.

It is recommended that a detailed compilation of all geological, geochemical and geophysical work both historic and internally generated, be completed over the entire claim holdings to adequately test for the presence of large yet undetected Cu/Au deposits within the designated Globex/CIM claim blocks.

A digital data bank summarizing all exploration information particularly that of diamond drilling data, is currently being compiled and analyzed with the objective of outlining quality exploration targets. The geological units along with diagnostic alteration features associated with the base and precious metal mineralization are being gathered and interpreted from the original drill logs and assays records.

Prior to the planning of specific geophysical surveys and diamond drilling, it is the Author's intent to complete the aforementioned detailed compilation of surface and near surface geophysical and drilling exploration data on internally generated maps which will serve to define the highest priority target areas for follow up work. Historic drill intercepts of potential economic interest will be highlighted. When possible, level plans and longitudinal sections showing historic productions (stopes) will be compiled from all of the partial maps available within the public domain in order to properly investigate and assess the projected lateral and depth extension of the previously mined sectors extending onto the Lac Chibougamau Properties.

Surface diamond drilling is recommended in staged phases. An initial drilling program will look at testing the inferred extensions of the known structures as well as exploring a few specific targets identified during the present study.

Proposed exploration drill holes (location finalized upon completion of detailed compilation). These do not include the testing of inferred extensions of known structures.

Hole #	UTM co-ordinates		Azimuth	Dip	Length	Target
	Easting	Northing				
CMI-12-01					150 m	East shoreline Ile Marguerite (Au)
CGR-12-02					100 m	Grandroy, Porphyry (Cu-Au-Mo)
CGR-12-03					200 m	Grandroy, Porphyry (Cu-Au-Mo)
CKK-12-04					100 m	Kokko Creek extension (Cu)
CKK-12-05					100 m	Kokko Creek extension (Cu)
CDA-12-06					100 m	Decline area, Kokko Creek (Cu-Ag-Mo-Au)
CDA-12-07					100 m	Decline area, Kokko Creek (Cu-Ag-Mo-Au)
CBS-12-08					120 m	Berrigan Sud (Au-Cu occurrence)
CBS-12-09					125 m	Berrigan Sud (Au-Cu occurrence)
CBT-12-10					150 m	Berrigan/Tache (Au-Zn-Ag)
CBT-12-11					250 m	Berrigan/Tache (Au-Zn-Ag)

A second more important phase 2 drilling will be required to expand known mineralized zones of economic interest and also "convert" historical resources into NI 43-101 compliant resources and possibly reserves in certain places.

Systematic surface drilling on certain higher priority targeted Cu-Au mineral occurrences will bring them closer to development stage. A copper-gold mill in the area is available for custom milling.

### **Proposed Budget**

The Author recommends a multi-phase work program that includes studies and exploration drilling (phase 1) followed by systematic surface drilling (phase 2) in order to confirm and upgrade historical copper and gold resources into a NI 43-101 compliant format.

This initial exploration phase includes four activities, namely: a) geophysical grid construction and specific geophysical surveys, b) the compilation and transformation of available technical information into digital format, c) surface stripping & sampling and d) preliminary surface exploration drilling.

Thus, in early 2012, new "Deep Penetrating Induced Polarization" survey was tested over selected zones of known Cu-Au mineralization over Lac Doré and Lac Chibougamau. This "new" geophysical method responded to the known zones while outlining, in certain instances, what maybe deeper lateral extensions of the mineralized structures.

In terms of the compilation work, as part of the initial exploration phase, all historic data will be integrated, audited, standardized and digitized including the "Gemcom" data bank with cross referenced published drill logs. The data bank will be converted entirely into metric format and drill cross-sections at the scale of 1 = 500 will be generated for all areas where detailed drilling is warranted based on the interpretation of the geology, structures and mineralized trends. This presentation will also incorporate historic "resource estimates" as background information. Furthermore, within the assessment work files enough data are available to re-create preliminary level plans and longitudinal sections (with stopes) in order to better orientate the exploration focused on the depth and lateral extensions of known deposits.



The available geological, geophysical and geochemical data has been gathered from historical works and is being drafted on maps at the following scales:

- ) Regional compilation at the scale of 1 = 20,000
- ) Property compilation at the scale of 1 = 5,000
- ) Detailed compilation on the “occurrences” at the scale of 1 = 1,000

The second phase of exploration will be based on results of systematic compilation and preliminary drilling recommended in phase 1. Surface diamond drilling proposed in Phase 2 will be aimed at probing and confirming areas of historical resources in order to convert some of these resources into current resources (or reserves) as per CIMM standards. A preliminary minimum meterage of 27,000 m of NQ-size drilling is recommended.

Following the results of phase 2, additional systematic drilling will be required to systematically define resources and take some of the resources closer to preliminary evaluation of their economic potential for future development.

	Estimated costs	CDN \$
<b>Phase 1</b>	Studies and exploration drilling	
	Data compilation (geological, geochemical and geophysical historical work and internally generated documents)	\$150,000
	Grid lines and geophysical test surveys	\$175,000
	Stripping, trenching and sampling	\$100,000
	Preliminary surface exploration drilling (all inclusive) 6,250 linear metres @ \$100./m	\$625,000
	Contingencies	\$105,000
	<b>Total Phase 1</b>	<b>\$1,155,000</b>
<b>Phase 2</b>		
	Surface diamond drilling (all inclusive) 27,000 linear metres @ \$100./m	\$2,700,000
	Contingencies	\$270,000
	<b>Total Phase 2</b>	<b>\$2,970,000</b>

**SCHEDULE I**  
**CHAPTER XIV – BUSINESS CORPORATIONS ACT (QUÉBEC)**

**RIGHT TO DEMAND REPURCHASE OF SHARES**

**DIVISION I**  
**GENERAL PROVISIONS**

§ 1. — *Conditions giving rise to right*

**372.** The adoption of any of the resolutions listed below confers on a shareholder the right to demand that the corporation repurchase all of the person's shares if the person exercised all the voting rights carried by those shares against the resolution:

- (1) an ordinary resolution authorizing the corporation to carry out a squeeze-out transaction;
- (2) a special resolution authorizing an amendment to the articles to add, change or remove a restriction on the corporation's business activity or on the transfer of the corporation's shares;
- (3) a special resolution authorizing an alienation of corporation property if, as a result of the alienation, the corporation is unable to retain a significant part of its business activity;
- (4) a special resolution authorizing the corporation to permit the alienation of property of its subsidiary;
- (5) a special resolution approving an amalgamation agreement;
- (6) a special resolution authorizing the continuance of the corporation under the laws of a jurisdiction other than Québec; or
- (7) a resolution by which consent to the dissolution of the corporation is withdrawn if, as a result of the alienation of property begun during the liquidation of the corporation, the corporation is unable to retain a significant part of its business activity.

The adoption of a resolution referred to in any of subparagraphs 3 to 7 of the first paragraph confers on a shareholder whose shares do not carry voting rights the right to demand that the corporation repurchase all of the person's shares.

**373.** The adoption of a special resolution described in section 191 confers on a shareholder holding shares of the class or series specified in that section the right to demand that the corporation repurchase all of the person's shares of that class or series. That right is subject to the shareholder having exercised all the person's available voting rights against the adoption and approval of the special resolution.

That right also exists if all the shares held by the shareholders are of the same class; in that case, the right is subject to the shareholder having exercised all of the person's available voting rights against the adoption of the special resolution.

**373.1.** Despite section 93, non-fully paid shares also confer the right to demand a repurchase.

**374.** The right to demand a repurchase conferred by the adoption of a resolution is subject to the corporation carrying out the action approved by the resolution.

**375.** A notice of a shareholders meeting at which a special resolution that could confer the right to demand a repurchase may be adopted must mention that fact.

The action approved by the resolution is not invalidated solely because of the absence of such a mention in the notice of meeting.

Moreover, if the meeting is called to adopt a resolution described in section 191 or in any of subparagraphs 3 to 7 of the first paragraph of section 372, the corporation notifies the shareholders whose shares do not carry voting rights of the possible adoption of a resolution that could give rise to the right to demand a repurchase of shares.

§ 2. — *Conditions for exercise of right and terms of repurchase*

I. — *Prior notices*

**376.** Shareholders intending to exercise the right to demand the repurchase of their shares must so inform the corporation; otherwise, they are deemed to renounce their right, subject to Division II.

To inform the corporation of the intention to exercise the right to demand the repurchase of shares, a shareholder must send a notice to the corporation before the shareholders meeting or advise the chair of the meeting during the meeting. In the case of a shareholder described in the second paragraph of section 372 none of whose shares carry voting rights, the notice must be sent to the corporation not later than 48 hours before the shareholders meeting.

**377.** As soon as a corporation takes the action approved by a resolution giving rise to the right to demand a repurchase of shares, it must give notice to all shareholders who informed the corporation of their intention to exercise that right.

The repurchase notice must mention the repurchase price offered by the corporation for the shares held by each shareholder and explain how the price was determined.

If the corporation is unable to pay the full redemption price offered because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due, the repurchase notice must mention that fact and indicate the maximum amount of the price offered the corporation will legally be able to pay.

**378.** The repurchase price is the fair value of the shares as of the close of the offices of the corporation on the day before the resolution conferring the right to demand a repurchase is adopted.

When the action approved by the resolution is taken following a take-over bid with respect to all the shares of a class of shares issued by a corporation that is a reporting issuer and the bid is closed within 120 days before the resolution is adopted, the repurchase price may be determined to be the fair value of the shares on the day before the take-over bid closed if the offeror informed the shareholders, on making the take-over bid, that the action would be submitted to shareholder authorization or approval.

**379.** The repurchase price of all shares of the same class or series must be the same, regardless of the shareholder holding them.

However, in the case of a shareholder holding non-fully paid shares, the corporation must subtract the unpaid portion of the shares from the repurchase price offered or, if it cannot pay the full repurchase price offered, the maximum amount that it can legally pay for those shares.

The repurchase notice must mention the subtraction and show the amount that can be paid to the shareholder.

**380.** Within 30 days after receiving a repurchase notice, shareholders must confirm to the corporation that they wish to exercise their right to demand a repurchase. Otherwise, they are deemed to have renounced their right.

The confirmation may not be limited to only part of the repurchasable shares. It does not affect a shareholder's right to demand an increase in the repurchase price offered.

II. — *Payment of repurchase price*

**381.** A corporation must pay the offered repurchase price to all shareholders who confirmed their decision to exercise their right to demand the repurchase of their shares within 10 days after such confirmation.

However, a corporation that is unable to pay the full repurchase price offered because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due is only required to pay the maximum amount it may legally pay the shareholders. In that case, the shareholders remain creditors of the corporation for the unpaid balance of the repurchase price and are entitled to be paid as soon as the corporation is legally able to do so or, in the event of the liquidation of the corporation, are entitled to be collocated after the other creditors but by preference over the other shareholders.

### III. — *Increase in repurchase price*

**382.** To contest a corporation's appraisal of the fair value of their shares, shareholders must notify the corporation within the time given to confirm their decision to exercise their right to demand a repurchase.

Such contestation is a confirmation of a shareholder's decision to exercise the right to demand a repurchase.

**383.** A corporation may increase the repurchase price offered within 30 days after receiving a notice of contestation.

The increase in the repurchase price of the shares of the same class or series must be the same, regardless the shareholder holding them.

**384.** If a corporation does not follow up on a shareholder's contestation within 30 days after receiving a notice of contestation, the shareholder may ask the court to determine the increase in the repurchase price. The same applies when a shareholder contests the increase in the repurchase price offered by the corporation.

The shareholder must, however, make the application within 90 days after receiving the repurchase notice.

**385.** As soon as an application is filed under section 384, it must be notified by the corporation to all the other shareholders who are still contesting the appraisal of the fair value of their shares or the increase in the repurchase price offered by the corporation.

**386.** All shareholders to whom the corporation notified the application are bound by the court judgment.

**387.** The court may entrust the appraisal of the fair value of the shares to an expert.

**388.** The corporation must, without delay, pay the increase in the repurchase price to all shareholders who did not contest the increase offered. It must pay the increase determined by the court to all shareholders who, under section 386, are bound by the court judgment, within 10 days after the judgment.

However, a corporation that is unable to pay the full increase in the repurchase price because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due is only required to pay the maximum amount it may legally pay the shareholders. In such a case, the shareholders remain creditors of the corporation for the unpaid balance of the repurchase price and are entitled to be paid as soon as the corporation is legally able to do so or, in the event of the liquidation of the corporation, are entitled to be collocated after the other creditors but by preference over the other shareholders.

## **DIVISION II**

### **SPECIAL PROVISIONS FOLLOWING FAILURE TO NOTIFY SHAREHOLDERS**

**389.** If shareholders were unable to inform the corporation of their intention to exercise the right to demand the repurchase of their shares within the period prescribed by section 376 because the corporation failed to notify them of the possible adoption of a resolution giving rise to that demand, they may demand the repurchase of their shares as though they had informed the corporation and had voted against the resolution.

Shareholders entitled to vote may not exercise the right to demand the repurchase of their shares if they voted in favour of the resolution or were present at the meeting but abstained from voting on the resolution.

A shareholder is presumed to have been notified of the proposed adoption of the resolution if notice of the shareholders meeting was sent to the address entered in the security register for that shareholder.

**390.** A shareholder must demand the repurchase of shares within 30 days after becoming aware that the action approved by the resolution conferring the right to demand a repurchase has been taken.

However, the repurchase demand may not be made later than 90 days after that action is taken.

**391.** As soon as the corporation receives a repurchase demand, it must notify the shareholder of the repurchase price it is offering for the shareholder's shares.

The repurchase price offered for the shares of a class or series must be the same as that offered to shareholders, if any, who exercised their right to demand a repurchase after informing the corporation of their intention to do so in accordance with Division I.

**392.** The corporation may not pay the repurchase price offered to the shareholder if such payment would make it unable to pay the maximum amount mentioned in the repurchase notice sent to the shareholders who informed the corporation, in accordance with section 376, of their intention to exercise their right to demand the repurchase of their shares.

If the corporation cannot pay to the shareholder the full amount offered to the shareholder, the directors are solidarily liable for payment to the shareholder of the sums needed to complete the payment of that amount. The directors are subrogated to the shareholder's rights against the corporation, up to the sums they have paid.

### **DIVISION III**

#### **SPECIAL PROVISIONS WITH RESPECT TO BENEFICIARY**

**393.** A beneficiary who may give instructions to a shareholder as to the exercise of rights attaching to a share has the right to demand the repurchase of that share as though the beneficiary were a shareholder; however, the beneficiary may only exercise that right by giving instructions for that purpose to the shareholder.

The beneficiary's instructions must allow the shareholder to exercise the right in accordance with this chapter.

**394.** A shareholder is required to notify the beneficiary of the calling of any shareholders meeting at which a resolution that could give rise to the right to demand a repurchase may be adopted, specifying that the beneficiary may exercise that right as though the beneficiary were a shareholder.

The shareholder is presumed to have fulfilled that obligation if the beneficiary is notified in accordance with any applicable regulations under the *Securities Act* (chapter V-1.1).

**395.** A shareholder must inform the corporation of the identity of a beneficiary who intends to demand the repurchase of shares, and of the number of shares to be repurchased, within the period prescribed by section 376.

**396.** A shareholder who demands the repurchase of shares in accordance with the instructions of a beneficiary may demand the repurchase of part of the shares to which that right is attached.

**397.** The beneficiary's claim with respect to shares for which the full repurchase price could not be paid, as well as the other rights granted to a beneficiary under this chapter, may be exercised directly against the corporation.

Likewise, after the repurchase price has been fully paid, the rights granted to a beneficiary under this chapter regarding an increase in the repurchase price may be exercised directly against the corporation.