



*(An Exploration Stage Company)*

## **CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**For the Three Months Ended March 31, 2016**

(Expressed in Canadian Dollars – Unaudited)

### **NOTICE OF NO AUDITOR REVIEW**

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

# Calibre Mining Corp.

(An Exploration Stage Company)

## Consolidated Balance Sheets

(Expressed in Canadian Dollars – Unaudited)

	March 31, 2016	December 31, 2015
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 475,231	\$ 863,279
Receivables	73,466	170,458
Marketable securities	9,050	2,715
Prepaid deposits and advances	72,299	94,820
	630,046	1,131,272
<b>Non-current</b>		
Property and equipment	307,984	338,324
Exploration and evaluation assets (Note 5)	19,448,509	20,592,925
	\$ 20,386,539	\$ 22,062,521
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Trade and other payables	\$ 247,459	\$ 348,267
<b>Shareholders' equity</b>		
Share capital	36,422,223	36,422,223
Contributed surplus	14,049,980	13,983,563
Foreign currency translation reserve	2,730,769	4,012,801
Accumulated other comprehensive loss	(2,036)	(8,371)
Accumulated deficit	(33,061,856)	(32,695,962)
	20,139,080	21,714,254
	\$ 20,386,539	\$ 22,062,521

**Subsequent Event** – Note 9

On behalf of the Audit Committee:

“Douglas B. Forster”

Director

“George Salamis”

Director

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

# Calibre Mining Corp.

(An Exploration Stage Company)

## Condensed Interim Consolidated Statements of Loss and Comprehensive Income (Loss)

For the Three Months Ended March 31

(Expressed in Canadian Dollars – Unaudited)

	2016	2015
<b>Expenses</b>		
Amortization	\$ 518	\$ 1,577
Audit and accounting fees	15,864	21,000
Bank charges and interest	346	617
Consulting fees	30,000	53,900
Foreign exchange loss (gain)	211,461	(4,963)
Insurance	8,868	9,156
Legal fees	2,358	954
Marketing	3,608	1,715
Office, postage and printing	9,430	22,218
Rent	11,822	51,253
Salaries and wages	60,726	56,895
Share based compensation	62,409	217,320
Shareholder relations	-	700
Telephone and utilities	636	306
Trade shows and conferences	6,406	9,277
Transfer agent and regulatory fees	8,316	8,990
Travel	19	27,878
	<u>(432,787)</u>	<u>(478,793)</u>
<b>Other Income (Loss)</b>		
Other income	61,814	44,205
Loss on disposal of property and equipment	-	(10,779)
Interest income	5,079	2,440
	<u>66,893</u>	<u>35,866</u>
<b>Net Loss for the Period</b>	<b>(365,894)</b>	<b>(442,927)</b>
<b>Other Comprehensive Income (Loss)</b>		
Items that will be reclassified subsequently to profit or loss:		
Foreign exchange translation	(1,282,033)	1,138,383
Unrealized gain (loss) on marketable securities	6,335	(4,000)
<b>Net Comprehensive Income (Loss) for the Period</b>	<b>\$ (1,641,592)</b>	<b>\$ 691,456</b>
<b>Net Loss per Share - Basic and Diluted</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<b>Weighted Average Shares Outstanding</b>	<b>222,910,918</b>	<b>222,910,918</b>

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

# Calibre Mining Corp.

(An Exploration Stage Company)

## Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the Three Months Ended March 31, 2016 and 2015

(Expressed in Canadian Dollars – Unaudited)

	Common Shares		Contributed Surplus	Foreign Currency Translation Reserve	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Number	Amount					
Balance – December 31, 2015	222,910,918	\$ 36,422,223	\$ 13,983,563	\$ 4,012,801	\$ (8,371)	\$ (32,695,962)	\$ 21,714,253
Stock based compensation	-	-	66,417	-	-	-	66,417
Other comprehensive income	-	-	-	-	6,335	-	6,335
Foreign exchange translation	-	-	-	(1,282,033)	-	-	(1,282,033)
Loss for the period	-	-	-	-	-	(365,894)	(365,894)
Balance – March 31, 2016	222,910,918	\$ 36,422,223	\$ 14,049,980	\$ 2,730,769	\$ (2,036)	\$ (33,061,856)	\$ 20,139,080
Balance – December 31, 2014	222,910,918	\$ 36,422,223	\$ 13,384,562	\$ 1,603,135	\$ 2,000	\$ (31,566,899)	\$ 19,845,021
Other comprehensive income	-	-	-	-	(4,000)	-	(4,000)
Stock based compensation	-	-	227,324	-	-	-	227,324
Foreign exchange translation	-	-	-	1,138,383	-	-	1,138,383
Loss for the period	-	-	-	-	-	(442,927)	(442,927)
Balance – March 31, 2015	222,910,918	\$ 36,422,223	\$ 13,611,886	\$ 2,741,518	\$ (2,000)	\$ (32,009,826)	\$ 20,763,801

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

# Calibre Mining Corp.

(An Exploration Stage Company)

## Condensed Interim Consolidated Statements of Cash Flows

For the Three Months Ended March 31

(Expressed in Canadian Dollars – Unaudited)

	2016	2015
<b>Operating Activities</b>		
Net loss for the period	\$ (365,894)	\$ (442,927)
Items not affecting cash:		
Amortization	518	1,577
Stock-based compensation	62,409	217,320
Loss on disposal of property and equipment	-	10,779
Cash items reclassified to investing activities	(5,079)	-
Net changes in non-cash working capital:		
Receivables	96,992	17,401
Accounts payable and accrued liabilities	(22,932)	22,031
Prepaid expenses	22,521	4,708
	<u>(211,465)</u>	<u>(169,111)</u>
<b>Investing Activities</b>		
Interest income	5,079	-
Purchases of equipment	-	(3,416)
Exploration and evaluation expenditures, net of recoveries	(181,662)	(786,816)
	<u>(176,583)</u>	<u>(790,232)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(388,048)</b>	<b>(959,343)</b>
<b>Cash and cash equivalents - Beginning of Period</b>	<b>863,279</b>	<b>2,751,579</b>
<b>Cash and cash equivalents - End of Period</b>	<b>\$ 475,231</b>	<b>\$ 1,792,236</b>
<b>Supplemental Disclosure of Non-Cash Investing Activities</b>		
Recoverable payment receivable included in mineral properties	\$ -	\$ 603,610
Amortization included in exploration and evaluation assets	\$ 5,572	\$ 5,746
Stock based compensation included in exploration and evaluation assets	\$ 4,008	\$ 10,004
Exploration and evaluation costs included in accounts payable	\$ 77,876	\$ 393,452

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

# Calibre Mining Corp.

(An Exploration Stage Company)

## Notes to the Condensed Interim Consolidated Financial Statements

For The Three Months Ended March 31, 2016

(Expressed in Canadian Dollars – Unaudited)

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### 1. Nature of Operations and Liquidity Risk

Calibre Mining Corp. (an Exploration Stage Company) is incorporated under the laws of British Columbia, Canada and maintains its corporate head office at Suite 1680, 200 Burrard St., Vancouver, British Columbia, Canada. The Company's common shares are listed on the TSX Venture Exchange (TSX.V: CXB) in Canada.

Calibre Mining Corp. and its subsidiaries (collectively referred to as the "Company") are principally engaged in the acquisition, exploration and development of mineral properties located in Nicaragua. Liquidity risk is the risk that the Company will be unable to meet its obligations as they become due. As the Company is in the exploration stage, no mineral producing revenue has been generated to date. The ability of the Company to meet its obligations and continue the exploration and development of its mineral properties is dependent upon its ability to continue to raise adequate financing. Historically, operating capital and exploration requirements have been funded primarily from equity financing, joint ventures disposition of mineral properties and investments. There can be no assurance that such financing will be available to the Company in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. Based on the amount of funding raised, the Company's exploration program may be tailored accordingly.

Subsequent to March 31, 2016, the Company completed a private placement for 30,000,000 units of the Company's common shares at a price of \$0.10 per unit for gross proceeds of \$3,000,000 (Note 9).

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### 2. Basis of Preparation and Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standards 34, *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board ("IASB").

The accounting policies applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2015, except as noted below. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB. These condensed interim consolidated financial statements were authorized for issue by the Audit Committee on May 30, 2016.

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### 3. Significant Judgments, Estimates and Assumptions

The preparation of these financial statements in accordance with IFRS requires the Company to make assumptions, estimates and judgments that affect the reported amounts of assets, liabilities, and expenses, and the related disclosure of contingent assets and liabilities. The Company evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of expenses that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

#### Impairment of exploration and evaluation assets

The Company is required to review the carrying value of its exploration and evaluation properties for potential impairment when impairment indicators exist. Impairment exists when the carrying value of the Company's exploration and evaluation assets is not recoverable. If impairment is indicated, the amount by which the carrying value of exploration and evaluation assets exceeds their estimated fair value is charged to the statement of loss and comprehensive loss.

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# Calibre Mining Corp.

(An Exploration Stage Company)

## Notes to the Condensed Interim Consolidated Financial Statements

For The Three Months Ended March 31, 2016

(Expressed in Canadian Dollars – Unaudited)

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Evaluating for recoverability during the exploration and evaluation phase requires judgment in determining whether future economic benefits from future exploitation, sale or otherwise are likely. Evaluations may be more complex where activities have not reached a stage which permits a reasonable assessment of the existence of reserves or resources. Management must make certain estimates and assumptions about future events or circumstances including, but not limited to, the interpretation of geological, geophysical and seismic data, the Company's financial ability to continue exploration and evaluation activities, contractual issues with joint venture partners, the impact of government legislation and political stability in the region, and the impact of current and expected future metal prices to potential reserves.

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#### 4. Changes in Accounting Policies

*Recently issued but not adopted accounting guidance are as follows:*

IFRS 9, Financial Instruments ("IFRS 9"), addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income ("OCI") and FVTPL. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designated at FVTPL. The standard is effective for accounting periods beginning on or after January 1, 2018. Early adoption is permitted. The Company is currently assessing the impact of IFRS 9.

In January 2016, the IASB issued a new standard and a number of amendments:

- New standard IFRS 16, *Leases* ("IFRS 16"). This standard is effective for annual periods beginning on or after January 1, 2019, and permits early adoption, provided IFRS 15, has been applied, or is applied at the same date as IFRS 16. IFRS 16 requires lessees to recognize assets and liabilities for most leases. The Company is in the process of determining the impact of IFRS 16 on its consolidated financial statements.
  - Amendments to IAS 7, *Statements of Cash Flows*. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. The amendments apply prospectively for annual periods beginning on or after January 1, 2017, with earlier application permitted. The Company intends to adopt the amendments in its financial statements for the annual period beginning on January 1, 2017. The extent of the impact of adoption of the amendments has not yet been determined.
  - Amendments to IAS 12, *Income Taxes* ("IAS 12"). The amendments apply for annual periods beginning on or after January 1, 2017 with retrospective application. Early application of the amendments is permitted. The amendments clarify that the existence of a deductible temporary difference is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset and also clarify the methodology to determine the future taxable profits used for assessing the utilization of deductible temporary differences. The Company intends to adopt the amendments to IAS 12 in its financial statements for the annual period beginning on January 1, 2017. The extent of the impact of adoption of the amendments has not yet been determined.
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# Calibre Mining Corp.

(An Exploration Stage Company)

## Notes to the Condensed Interim Consolidated Financial Statements

For The Three Months Ended March 31, 2016

(Expressed in Canadian Dollars – Unaudited)

### 5. Exploration and Evaluation Assets

The following table outlines the expenditures at the Borosi concessions during the period ended March 31, 2016 and year ended December 31, 2015:

	Option Property to B2Gold	Option Property to Rosita	Option Property to IAMGOLD	Option Property to Centerra	Calibre 100% Owned Property	Total
Cost, December 31, 2015	\$ 5,085,709	\$ 516,688	\$ 6,838,467	\$ 4,392	\$ 8,147,670	\$ 20,592,925
Administration and maintenance	-	-	29,470	29,470	14,735	73,674
Amortization	-	-	2,229	2,229	1,114	5,572
Assaying	-	-	7,966	21,454	-	29,420
Camp, supplies and logistics	-	-	28,007	29,025	1,991	59,024
Drilling and related	-	-	7,603	130,735	-	138,338
Foreign exchange	(355,424)	(36,110)	(477,918)	(307)	(569,414)	(1,439,172)
Geological consulting	-	-	28,167	74,688	339	103,193
Professional fees	-	-	960	1,263	-	2,223
Property maintenance	164,093	17,554	88,998	6,644	131,218	408,508
Salary and wages	-	-	84,911	131,397	24,142	240,449
Stock – based compensation	-	-	1,603	1,603	802	4,008
Travel	-	-	-	4,049	19,566	23,616
Recovery of costs	(164,093)	-	(357,487)	(271,689)	-	(793,269)
Total expenditures	(355,424)	(18,556)	(555,491)	160,561	(375,507)	(1,144,416)
Cost, March 31, 2016	\$ 4,730,285	\$ 498,132	\$ 6,282,976	\$ 164,953	\$ 7,772,163	\$ 19,448,509

	Option Property to B2Gold	Option Property to Rosita	Option Property to IAMGOLD	Option Property to Centerra	Calibre 100% Owned Property	Total
Cost, December 31, 2014	\$ 4,470,066	\$ 455,095	\$ 6,016,493	\$ -	\$ 6,066,215	\$ 17,007,868
Administration and maintenance	-	-	100,941	50,470	100,941	252,352
Amortization	-	-	9,337	4,668	9,337	23,342
Assaying	-	-	111,390	19,316	101,500	232,206
Camp and field supplies	-	-	57,337	1,607	2,345	61,288
Drilling and related	-	-	952,014	130,294	174,655	1,256,963
Foreign exchange	615,643	62,678	828,626	31,155	804,319	2,342,421
Geological consulting	-	-	-	45,881	60,825	106,706
Logistics and communications	-	-	115,418	35,305	31,227	181,950
Professional fees	-	-	-	8,352	810	9,163
Property maintenance	389,043	32,738	198,758	-	305,243	925,782
Salary and wages	-	-	345,470	122,295	392,477	860,243
Stock – based compensation	-	-	12,705	4,498	14,434	31,637
Travel	-	-	18,064	3,670	83,343	105,077
Recovery of costs	(389,043)	(33,824)	(1,928,087)	(453,119)	-	(2,804,073)
Total expenditures	615,643	61,592	821,974	4,392	2,081,455	3,585,056
Cost, December 31, 2015	\$ 5,085,709	\$ 516,688	\$ 6,838,467	\$ 4,392	\$ 8,147,670	\$ 20,592,925



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(An Exploration Stage Company)

## Notes to the Condensed Interim Consolidated Financial Statements

For The Three Months Ended March 31, 2016

(Expressed in Canadian Dollars – Unaudited)

### 6. Share Capital

#### a) Authorized

The Company is authorized to issue an unlimited number of common shares with no par value.

#### b) Stock options

There were no changes to the Company's stock options during the period ending March 31, 2016. A summary of the status of the Company's stock options as at March 31, 2016 is presented below:

Exercise price	January 1, 2016	March 31, 2016	Expiry date	Remaining contractual life in years	Number of options vested
\$0.15	1,000,000	1,000,000	June 30, 2016	0.25	1,000,000
\$0.15	500,000	500,000	July 1, 2016	0.25	500,000
\$0.15	250,000	250,000	September 14, 2016	0.46	250,000
\$0.15	4,150,000	4,150,000	January 25, 2017	0.82	4,150,000
\$0.19	500,000	500,000	June 15, 2017	1.21	500,000
\$0.10	1,900,000	1,900,000	July 15, 2019	3.29	1,850,000
\$0.12	500,000	500,000	September 23, 2019	3.48	500,000
\$0.16	6,750,000	6,750,000	October 9, 2019	3.53	6,500,000
\$0.14	500,000	500,000	December 1, 2019	3.67	375,000
\$0.10	2,525,000	2,525,000	August 27, 2020	4.41	1,262,500
	18,575,000	18,575,000			16,887,500
	\$0.14	\$0.14	Weighted average exercise price		

#### c) Stock-based compensation

There were no options granted during the three months ended March 31, 2016.

The Company amortizes the total fair value of options granted over a graded vesting schedule. Consequently, the total compensation expense recognized for options granted during the prior periods was \$66,417 (2015 - \$227,324). Of the total compensation recorded, \$62,409 (2015 - \$217,320) was charged to operations expense and \$4,008 (2015 - \$10,004) was capitalized to exploration and evaluation assets.

#### d) Warrants

During the period ended March 31, 2016, the Company repriced the exercise price of 12,500,000 share purchase warrants from \$0.15 to \$0.10. The warrants were originally issued pursuant to a non-brokered private placement, which closed on September 22, 2014. The warrants expiry date remains at September 22, 2016.

During the three months ended March 31, 2016, there were no changes to the number of warrants issued and outstanding. As at March 31, 2016 the following warrants were outstanding and exercisable:

Exercise Price	Number	Weighted Average Remaining Contractual Life (yrs.)
\$0.10	12,500,000	0.48

# Calibre Mining Corp.

(An Exploration Stage Company)

## Notes to the Condensed Interim Consolidated Financial Statements

For The Three Months Ended March 31, 2016

(Expressed in Canadian Dollars – Unaudited)

### 7. Related Party Transactions

#### Key management personnel

Key management personnel of the Company are members of the Board of Directors, as well as the President and CEO, and the CFO and Corporate Secretary. Key management compensation includes salaries and benefits and various consulting fees as follows:

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
Short-term benefits <sup>(i)</sup>	\$ 54,000	\$ 45,000
Share-based payments <sup>(ii)</sup>	\$ 60,504	\$ 191,243
Consulting and advisory fees to key persons	\$ 30,000	\$ 46,500

<sup>(i)</sup> Short-term benefits include salaries and benefits paid to the Company's CEO and President.

<sup>(ii)</sup> Share-based payments are the fair value of options granted to key management personnel and consultants as at the grant date.

During the period ended March 31, 2016, the Company paid or accrued \$11,569 (2015 - \$nil) in office rent expense to companies with directors and officers in common. The sharing arrangement with Edgewater Exploration Ltd. and Newmarket Gold Inc., which is on a month-to-month basis, was made in order to reduce its administration costs.

All of the above transactions were incurred in the normal course of operations and are recorded at the exchange amount, being the amount agreed upon by the related parties. All of the above transactions were incurred in the normal course of operations and are recorded at the amount agreed upon by the related parties.

### 8. Segmented Information

The Company currently operates in one reportable operating segment, being the acquisition, exploration, and development of natural resource properties, which is conducted principally in Nicaragua. The Company is in the exploration stage and, accordingly, has no reportable segment revenues for any of the periods presented in these financial statements. The following geographic data includes assets based on location:

	As at March 31, 2016		
	Canada	Nicaragua	Total
Cash and cash equivalents	\$ 410,883	\$ 64,348	\$ 475,231
Other current assets	76,881	77,934	154,815
Property and equipment	6,625	301,358	307,984
Exploration and evaluation assets	-	19,448,509	19,448,509
<b>Total assets</b>	<b>\$ 494,390</b>	<b>\$ 19,892,149</b>	<b>\$ 20,386,539</b>
<b>Total liabilities</b>	<b>\$ 108,827</b>	<b>\$ 138,632</b>	<b>\$ 247,459</b>

# Calibre Mining Corp.

(An Exploration Stage Company)

## Notes to the Condensed Interim Consolidated Financial Statements

For The Three Months Ended March 31, 2016

(Expressed in Canadian Dollars – Unaudited)

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As at December 31, 2015

	Canada	Nicaragua	Total
Cash and cash equivalents	\$ 834,909	\$ 28,370	\$ 863,279
Other current assets	185,930	82,062	267,993
Property and equipment	7,143	331,181	338,324
Exploration and evaluation assets	-	20,592,925	20,592,925
<b>Total assets</b>	<b>\$ 1,027,983</b>	<b>\$ 21,034,538</b>	<b>\$ 22,062,521</b>
<b>Total liabilities</b>	<b>\$ 179,994</b>	<b>\$ 168,272</b>	<b>\$ 348,267</b>

The following geographic data denotes net losses based on their country of origin for the three months ended March 31:

	2016	2015
Canada	\$ 365,894	\$ 442,047
Nicaragua	-	880
<b>Loss for the year</b>	<b>\$ 365,894</b>	<b>\$ 442,927</b>

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### 9. Subsequent Event

Subsequent to March 31, 2016, the Company completed a private placement for 30,000,000 units ("Units") at a price of \$0.10 per Unit for gross proceeds of \$3,000,000. Each Unit consists of one common share and one common share purchase warrant with each warrant entitling the holder to acquire an additional common share for \$0.16 until April 21, 2018. Calibre paid finder's fees totalling \$119,400 in cash and issued 1,194,000 finder's warrants ("Finder's Warrants") in connection with the private placement. Each Finder's Warrant entitles the holder to acquire a common share of the Company for \$0.16 until April 21, 2018. All securities issued under the private placement are subject to a hold period expiring August 21, 2016.