



(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2010 and 2009

(Expressed in Canadian Dollars)



December 31, 2010 and 2009

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Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles.

The Company's management is responsible for the integrity of the financial information and for the implementation and maintenance of an appropriate system of internal control. A system of internal controls is designed to provide reasonable assurance that transactions are authorized, assets are safeguarded from loss or unauthorized use, to produce reliable accounting records for financial reporting purposes, and to ensure these accounting records are properly maintained.

The Company's independent auditors, PricewaterhouseCoopers LLP, are appointed by the shareholders to conduct an audit in accordance with Canadian generally accepted auditing standards. The audit includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements as well as assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and implementation and maintenance of a system of internal controls. The Board exercises this responsibility through the Audit Committee. The Audit Committee meets with management and the independent auditors to ensure that management's responsibilities are properly discharged, to review the consolidated financial statements and recommend that the consolidated financial statements be presented to the Board of Directors for approval.

In addition, the Audit Committee also considers the independence of the external auditors and reviews their fees. The external auditors have access to the Audit Committee without the presence of management.

"Robert Brown"

President and Chief Executive Officer

"Paulo Santos"

Chief Financial Officer

Vancouver, British Columbia
April 18, 2011



April 18, 2011

**To the Shareholders
of Calibre Mining Corp.**

We have audited the accompanying consolidated financial statements of Calibre Mining Corp. (the “Company”) and its subsidiaries which comprise the consolidated balance sheets as at December 31, 2010 and 2009 and the consolidated statements of changes in shareholders’ equity, loss and comprehensive loss and cash flows for each of the years then ended, and the related notes including a summary of significant accounting policies.

Management’s responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of Calibre Mining Corp. and its subsidiaries as at December 31, 2010 and 2009 and the results of their operations and their cash flows for each of the years then ended in accordance with Canadian generally accepted accounting principles.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which discloses conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants

Calibre Mining Corp.

(An Exploration Stage Company)

Consolidated Balance Sheets

As at December 31

(Expressed in Canadian Dollars)

ASSETS	2010	2009
Current		
Cash and cash equivalents	\$ 661,698	\$ 1,737,271
Receivables (note 6a)	123,928	360,423
Marketable securities (Note 6c)	-	246,015
Prepaid deposits and advances	67,437	105,959
	<u>853,063</u>	<u>2,449,668</u>
Property and Equipment (Note 5)	294,737	305,794
Mineral Property Costs (Note 6 and schedule)	10,472,972	9,823,584
	<u>\$ 11,620,772</u>	<u>\$ 12,579,046</u>

LIABILITIES

Current		
Accounts payable and accrued liabilities	\$ 211,936	\$ 306,712
	<u>211,936</u>	<u>306,712</u>
Future Income Tax (Note 9)	1,770,639	1,602,614
	<u>1,982,575</u>	<u>1,909,326</u>

SHAREHOLDERS' EQUITY

Share Capital (Note 8)		
<i>Authorized:</i>		
Unlimited number of common shares without par value		
<i>Issued and outstanding:</i>		
122,515,918 (2009 – 122,005,082) common shares	24,716,220	24,644,537
Contributed Surplus	8,499,153	7,886,906
Accumulated Other Comprehensive Income	-	38,740
Accumulated Deficit	(23,577,176)	(21,900,463)
	<u>9,638,197</u>	<u>10,669,720</u>
	<u>\$ 11,620,772</u>	<u>\$ 12,579,046</u>

Going Concern (Note 1)

Commitments (Notes 6 and 10)

Subsequent Events (Note 12)

Approved on behalf of the Board of Directors:

“Robert Brown”

Director

“Edward Farrauto”

Director

The accompanying notes form an integral part of these consolidated financial statements

Calibre Mining Corp.

(An Exploration Stage Company)

Consolidated Statements of Changes in Shareholders' Equity

Years Ended December 31

(Expressed in Canadian Dollars)

	Common Shares		Contributed Surplus	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
	Number	Amount				
Balance – December 31, 2008	50,654,916	\$ 18,592,649	\$ 4,151,778	\$ -	\$ (19,204,672)	\$ 3,539,755
Issuance of common shares:						
- for private placements (Note 8a)	59,100,166	3,865,088	3,382,691	-	-	7,247,779
- for property (Note 8a)	12,000,000	2,160,000	-	-	-	2,160,000
- on exercise of warrants (Note 8d)	250,000	26,800	(1,800)	-	-	25,000
Stock-based compensation (Note 8c)	-	-	354,237	-	-	354,237
Net loss for the year	-	-	-	-	(2,695,791)	(2,695,791)
Other comprehensive income	-	-	-	38,740	-	38,740
Balance – December 31, 2009	122,005,082	24,644,537	7,886,906	38,740	(21,900,463)	10,669,720
Issuance of common shares:						
- on exercise of options (Note 8b)	62,500	18,715	(9,340)	-	-	9,375
- on exercise of warrants (Note 8d)	448,336	52,968	(5,801)	-	-	47,167
Stock-based compensation (Note 8c)	-	-	627,388	-	-	627,388
Net loss for the year	-	-	-	-	(1,676,713)	(1,676,713)
Other comprehensive loss	-	-	-	(38,740)	-	(38,740)
Balance – December 31, 2010	122,515,918	\$ 24,716,220	\$ 8,499,153	\$ -	\$ (23,577,176)	\$ 9,638,197

The accompanying notes form an integral part of these consolidated financial statements

Calibre Mining Corp.

(An Exploration Stage Company)

Consolidated Statements of Loss and Comprehensive Loss

Years Ended December 31

(Expressed in Canadian Dollars)

	2010	2009
Expenses		
Amortization	\$ 40,563	\$ 51,581
Audit and accounting fees	86,667	186,190
Bank charges and interest	3,002	1,355
Consulting fees	263,972	54,024
Foreign exchange gain	(173,747)	(149,097)
Insurance	38,765	44,258
Legal fees	34,638	43,496
Marketing	6,853	6,011
Office, postage and printing	56,315	70,775
Rent	119,199	121,591
Salaries and wages	447,613	383,712
Salaries and wages - stock-based compensation	546,964	327,735
Shareholder relations	8,485	17,829
Telephone and utilities	3,837	4,067
Trade shows and conferences	70,516	73,557
Transfer agent and regulatory fees	25,068	15,242
Travel	31,014	90,911
	<u>(1,609,724)</u>	<u>(1,343,237)</u>
Other Income (Loss)		
Loss on disposal of marketable securities	(67,309)	-
Property investigations	-	(68,596)
Write down of mineral properties (note 6b)	-	(364,296)
Loss on disposal of mineral property (note 6c)	-	(920,601)
Loss on disposal of property and equipment	(5,193)	-
Interest and other income	5,513	939
	<u>(66,989)</u>	<u>(1,352,554)</u>
Net Loss for the Year	\$ (1,676,713)	\$ (2,695,791)
Unrealized gain on marketable securities designated as AFS	-	38,740
Net Comprehensive Loss for the Year	\$ (1,676,713)	\$ (2,657,051)
Net Loss per Share - Basic and Diluted	\$ (0.01)	\$ (0.03)
Weighted Average Shares Outstanding	122,443,960	83,702,618

The accompanying notes form an integral part of these consolidated financial statements

Calibre Mining Corp.

(An Exploration Stage Company)

Consolidated Statements of Cash Flows

Years Ended December 31

(Expressed in Canadian Dollars)

Cash Resources Provided By (Used in)	2010	2009
Operating Activities		
Net loss for the year	\$ (1,676,713)	\$ (2,695,791)
Items not affecting cash:		
Amortization	40,563	51,581
Unrealized foreign exchange gain	(154,783)	(116,241)
Write-off of mineral properties	-	364,296
Loss on disposal of mineral property	-	920,601
Stock-based compensation	546,964	327,735
Loss on disposal of marketable securities	67,309	-
Loss on disposal of property and equipment	5,193	-
Net changes in non-cash working capital:		
Receivables	(5,269)	19,287
Accounts payable and accrued liabilities	(128,177)	(142,090)
Prepaid and advances deposits	38,522	(26,987)
	(1,266,391)	(1,297,609)
Investing Activities		
Cash acquired on subsidiary acquisition (Note 6a)	-	43,891
Cash paid on acquisition of Borosi Project (Note 6a)	-	(4,537,769)
Proceeds on disposal of marketable securities	139,966	-
Purchases of equipment	(61,359)	(47,466)
Proceeds on sale of property and equipment	12,491	-
Mineral property costs	43,178	(524,011)
	134,276	(5,065,355)
Financing Activities		
Proceeds from share issuances	56,542	7,272,779
Net (Decrease) Increase in Cash and cash equivalents	(1,075,573)	909,815
Cash and cash equivalents- Beginning of Year	1,737,271	827,456
Cash and cash equivalents- End of Year	\$ 661,698	\$ 1,737,271
Supplemental Cash Flow Disclosure		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -
Supplemental Disclosure of Non-Cash Financing and Investing Activities		
Fair value of shares issued for mineral properties	\$ -	\$ 2,160,000
Fair value of shares received on sale of Trundle	\$ -	\$ 207,275
Recoverable payment receivable included in mineral properties	\$ 105,236	\$ 347,000
Amortization included in mineral property costs	\$ 14,169	\$ 5,571
Stock-based compensation included in mineral properties	\$ 80,424	\$ 26,502
Mineral property costs included in accounts payable	\$ 133,363	\$ 99,962

The accompanying notes form an integral part of these consolidated financial statements

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

Years Ended December 31, 2010 and 2009

(Expressed in Canadian Dollars)

1. Nature of Operations, Basis of Presentation, and Going Concern

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

The Company engages principally in the acquisition, advancement and development of global precious and base metals assets and mineral properties. As discussed in the notes to the financial statements, the recovery of the Company's investment in resource properties and the attainment of profitable operations are dependent upon the discovery and development of economic precious and base metal reserves and the ability to arrange sufficient financing to bring these reserves into production. The ultimate outcome of these matters cannot presently be determined.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Several adverse conditions cast significant doubt upon the validity of this assumption.

The Company has a history of losses and no operating revenue, other than interest income and had an accumulated deficit of \$23.6 million as at December 31, 2010. The ability of the Company to continue as a going concern and to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders, and other investors (Notes 8 and 12), by generating operating profitability and positive cash flows, and/or by optioning its mineral properties for cash and/or expenditure commitments (Note 6). There can be no assurances that the Company will be successful in the initiatives. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations, exploration and development activities.

If the going concern assumption were not appropriate for these financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the balance sheet classification used. Such adjustments may be material.

2. Significant Accounting Policies

These consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles ("GAAP"). The significant accounting policies followed in the preparation of these financial statements are as follows:

a) Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its whollyowned subsidiaries, Cybele Resources Inc. ("Cybele") and Calibre Mining Ltd. (incorporated in the United States of America in 2008 until wind up in 2010). Cybele was incorporated under the laws of British Columbia in 2005 and owns 100% of Calibre Mining (Australia) Pty. Ltd. (an inactive Australian company incorporated in 2005 with no significant assets or liabilities).

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

Years Ended December 31, 2010 and 2009

(Expressed in Canadian Dollars)

2. Significant Accounting Policies - *continued*

a) *Principles of Consolidation - continued*

During the year ended December 31, 2009, the Company purchased a 100% interest in Yamana (Nicaragua) Ltd (Note 6a). Yamana (Nicaragua) Ltd. is a holding company incorporated in 2006, in Belize, which owns 100% of Yamana Nicaragua, S.A. (a Nicaraguan company incorporated in 2006), which has been subsequently renamed to CXB Nicaragua, S.A.

All intercompany balances and transactions have been eliminated upon consolidation.

b) *Property and Equipment*

Property and equipment are carried at cost less accumulated amortization. The Company provides for amortization on the following basis (with one-half of the rates below taken in the year of acquisition):

- Buildings and structures	5% declining balance basis
- Furniture and office equipment	20% declining balance basis
- Computer equipment and software	30% - 45% declining balance basis
- Leasehold improvements	straight-line basis over the term of the lease
- Vehicles	20% declining balance basis

c) *Mineral Property costs*

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable.

Mineral acquisition, and exploration and development costs are capitalized on an individual prospect basis until such time as an economic mineral reserve is defined or the prospect is determined by management to be impaired or abandoned. Amounts received for option payments and for exploration advances are treated as reductions of the cost of the property and payments in excess of capitalized costs are recognized in income. Costs for a producing property are amortized using a unit-of-production method based on the estimated life of the mineral reserves, while costs for the properties sold, abandoned or determined to be impaired, are written off.

The recoverability of the amounts capitalized for the undeveloped mineral properties is dependent upon the determination of economically recoverable mineral reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development, and future profitable production or proceeds from the disposition thereof.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, titles to all of its properties are in good standing.

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

Years Ended December 31, 2010 and 2009

(Expressed in Canadian Dollars)

2. Significant Accounting Policies – *continued*

d) *Asset Retirement Obligations*

The Company recognizes the fair value of liabilities for asset retirement obligations in the period in which a reasonable estimate of such costs can be made. The asset retirement obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is allocated to expenses using a systematic and rational method and is also adjusted to reflect period-to-period changes in the liability resulting from passage of time and revisions to either timing or the amount of the original estimate of the undiscounted cash flow. As at December 31, 2010 and 2009, management has determined that the Company does not have any asset retirement obligations.

e) *Impairment of Long-Lived Assets*

Long-lived assets are reviewed for impairment when events or circumstances suggest their carrying value has become impaired. Management considers assets to be impaired if the carrying value exceeds the estimated undiscounted future projected cash flows to result from the use of the asset and its eventual disposition. If impairment is deemed to exist, the assets will be written down to fair value. Fair value is generally determined using a discounted cash flow analysis.

Where estimates of future net cash flows are not available and where other conditions suggest impairment, management assesses whether the carrying value can be recovered. If impairment is identified, the carrying value of the property interest is written down to its estimated fair value.

f) *Share Capital*

The Company records proceeds from the exercise of stock options and warrants as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company.

Share capital issued for non-monetary consideration is recorded at an amount based on fair market value.

The proceeds from the issue of units are allocated between common shares and common share purchase warrants on a pro-rata basis on a relative fair value basis, wherein the fair value of the common shares is based on the market close on the date the units are issued, and the fair value of the common share purchase warrants is determined using the Black-Scholes pricing model.

g) *Stock-Based Compensation*

All stock option based awards made to directors, employees and consultants are recognized in these consolidated financial statements and measured using a fair value based method. Consideration received on the exercise of stock options is recorded as share capital. The related contributed surplus originally recognized when the options were earned is transferred to share capital.

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

Years Ended December 31, 2010 and 2009

(Expressed in Canadian Dollars)

2. Significant Accounting Policies - *continued*

h) Income Taxes

Income taxes are accounted for using the asset and liability method. Future taxes are recognized for the tax consequences of “temporary differences” by applying enacted or substantively enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and tax basis of existing assets and liabilities. The effect on future taxes of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. In addition, the method requires the recognition of future tax benefits to the extent that realization of such benefits is more likely than not. A valuation allowance is provided to the extent that it is more likely than not that future income tax assets will not be realized.

i) Loss per Share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated in accordance with the treasury stock method, which assumes that proceeds received from the exercise of stock options and warrants would be used to repurchase common shares at the prevailing market rate. Stock options and warrants are dilutive when the Company has income from continuing operations and when the average market price of the common shares during the period exceeds the exercise price of the options and warrants. For the year ended December 31, 2010, potentially dilutive common shares (relating to options and warrants outstanding) totalling 81,974,843 (2009 – 77,793,179) were not included in the computation of diluted loss per share because their effect was anti-dilutive.

j) Foreign Currency Translation

For the purposes of consolidation, the Company’s foreign subsidiaries are considered integrated operations and are translated using the temporal method. Under this method, the Company translates monetary assets and liabilities denominated in foreign currencies at period-end rates. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average rates in effect during the period except for depreciation and amortization which are translated at historical rates. The resulting gains or losses are reflected in operating results in the period of translation.

At the entity level, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate in effect at the balance sheet date and non-monetary assets and liabilities are translated at the exchange rates in effect at the time of acquisition or issue. Revenues and expenses are translated at rates approximating the exchange rates in effect at the time of the transactions. All exchange gains and losses are included in operations.

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

Years Ended December 31, 2010 and 2009

(Expressed in Canadian Dollars)

2. Significant Accounting Policies – *continued*

k) *Estimates and Measurement Uncertainty*

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Significant areas where management judgment is applied in these financial statements include: stock-based compensation, determination of impairment of long-lived assets, the valuation of consideration on the acquisition of Yamana Nicaragua, S.A. (including valuation of the contingent Bonus Payment and Bonus Warrants), and current and future income tax provisions.

l) *Financial Instruments – Recognition and Measurement*

Financial assets and liabilities, including derivative instruments, are initially recognized at fair value and subsequently measured based on their classification as follows:

- Held-for-trading financial instruments are measured at their fair value with changes in fair value recognized in net income for the period.
- Available-for-sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive income until the asset is removed from the balance sheet.
- Held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method.
- Derivative instruments, including embedded derivatives, are measured at their fair value with changes in fair value recognized in net income for the period unless the instrument is a cash flow hedge and hedge accounting applies, in which case changes in fair value are recognized in other comprehensive income.

The Company has designated its financial instruments as follows:

- Cash and cash equivalents is classified as held-for-trading;
- Receivables are classified as loans and receivables;
- Marketable securities are classified as available-for-sale; and
- Accounts payable and accrued liabilities are classified as other financial liabilities.

The Company does not have any derivatives or embedded derivatives or use any hedges to manage various risks.

m) *Comprehensive Income*

Comprehensive income includes net earnings and other comprehensive income (“OCI”). OCI refers to changes in net assets from certain transactions and other events and circumstances, other than transactions with shareholders. These changes are recorded directly as a separate component of shareholders’ equity and excluded from net loss. The Company’s OCI consists entirely of holding gains and losses from financial instruments classified as available-for-sale.

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

Years Ended December 31, 2010 and 2009

(Expressed in Canadian Dollars)

3. Financial Instruments – Presentation and Disclosure

Fair Value and Hierarchy

The fair value hierarchy established by amended CICA Handbook Section 3862, “Financial Instruments – Disclosures”, establishes three levels to classify the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described below:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Fair values of assets and liabilities approximate amounts at which these items could be exchanged in transactions between knowledgeable parties. Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk. The calculation of estimated fair value is based on market conditions at the specific point in time and in the respective geographic locations and may not be reflective of future fair values.

Cash and marketable securities are recorded at fair value and are measured using Level 1. Receivables, deposits ad advances and accounts payable and accrued liabilities approximate their fair values due to their short term to maturity.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full (Note 1). The Company manages liquidity risk through the management of its capital structure, as outlined in Note 4 of these consolidated financial statements. Accounts payable and accrued liabilities are due within the current operating period.

Credit risk

Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfill their commitments to the Company. The Company’s credit risk is primarily attributable to its cash and receivables. The carrying value of these instruments represents the Company’s maximum exposure to credit risk. The Company limits exposure to credit risk by maintaining the significant majority of its cash with a large chartered Canadian banking institution. The significant majority of receivables are from B2Gold Corp. and relate to project expenditures in Nicaragua incurred during 2010 and 2009 (described in Note 6a). The remaining credit risk in receivables is considered low by management as they consist primarily of amounts owing from government authorities in relation to the refund of goods and services taxes in Canada applying to inputs for qualified expenditures.

The Company does not have financial assets that are invested in asset backed commercial paper.

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Notes to Consolidated Financial Statements

Years Ended December 31, 2010 and 2009

(Expressed in Canadian Dollars)

3. Financial Instruments – Presentation and Disclosure – *continued*

Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian dollar and other foreign currencies, especially the United States dollar. The Company monitors commodity prices to determine the appropriate course of action to be taken. However, as the Company has not developed commercial mineral interests, it is not exposed to significant commodity price risk at this time.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's interest rate risk arises primarily from the interest received on its cash balances. The Company manages its interest rate risk by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Based on cash balances held at December 31, 2010, the effect of a one basis point increase or decrease in interest rates on net loss is not considered significant. The Company's other financial assets and liabilities are not subject to interest rate risk, as they do not bear interest.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. The Company's functional and reporting currency is the Canadian dollar. The Company incurs foreign currency risk on purchases that are denominated in a currency other than the functional currency of the Company, which will have an impact on the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company's main risks are associated with fluctuations in the Nicaraguan Cordoba ("COR") and the US dollar ("USD"). The Company does not enter into any foreign exchange contracts to mitigate these risks. Based on management's analysis, the effect on these instruments held at December 31, 2010 of a five percent increase or decrease in foreign exchange rates on net loss is not considered significant.

4. Capital Disclosures

The Company's objectives when managing capital are:

- To maintain and safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds, to support continued evaluation and maintenance at the Company's existing properties, and to acquire, explore, and develop other precious and base metal deposits in North and Central America.
- To invest cash on hand in highly liquid and highly rated financial instruments with high credit quality issuers, thereby minimizing the risk of loss of principal.
- To obtain the necessary financing to complete exploration and development of its properties, if and when it is required.

Calibre Mining Corp.

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Notes to Consolidated Financial Statements

Years Ended December 31, 2010 and 2009

(Expressed in Canadian Dollars)

4. Capital Disclosures – continued

In the management of capital, the Company includes shareholders' equity and cash in the definition of capital. The Company is not exposed to any externally imposed capital requirements.

The Company manages the capital structure and makes adjustments to it, based on the level of funds required to manage its operations in light of changes in economic conditions and the risk characteristics of its underlying assets, especially with respect to exploration results on properties in which the Company has an interest.

In order to facilitate the management of capital and development of its mineral properties, the Company prepares annual expenditure budgets, which are updated as necessary and are reviewed and approved by the Company's Board of Directors. In addition, the Company may issue new equity, incur additional debt, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of certain assets. The Company's investment policy is to hold cash in interest bearing accounts at a major Canadian banking institution to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends. Notwithstanding the risks described in Note 1, the Company seeks to continue to raise funds, from time to time, to continue meeting its capital management objectives (Notes 8 and 12).

5. Property and Equipment

	2010			2009		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer equipment and software	\$ 145,148	\$ (99,023)	\$ 46,125	\$ 150,052	\$ (83,475)	\$ 66,577
Furniture and office equipment	151,782	(79,313)	72,469	141,955	(62,201)	79,754
Vehicles	88,676	(29,202)	59,474	87,406	(22,356)	65,050
Buildings and structures	130,418	(15,346)	115,072	99,717	(10,098)	89,619
Leasehold improvements	14,385	(12,788)	1,597	14,385	(9,591)	4,794
	\$ 530,409	\$ (235,672)	\$ 294,737	\$ 493,515	\$ (187,721)	\$ 305,794

6. Mineral Property Costs

a) Borosi, Nicaragua, Central America

On July 21, 2009, the Company completed the acquisition of a 100% equity interest in Yamana (Nicaragua) Ltd. ("Yamana Nicaragua") from Yamana Gold Inc. (TSX: YRI). Yamana Nicaragua's wholly owned subsidiary owns an undivided 100% interest in the Borosi Gold – Copper Project (the "Borosi Project"), consisting of a number of contiguous mining and exploration concessions located in the North Atlantic Autonomous Region of Nicaragua, Central America.

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6. Mineral Property Costs – continued

a) Borosi, Nicaragua, Central America – continued

In consideration, the Company issued 12 million common shares and paid \$4.42 million in cash. In addition, if within five years from closing, and upon the Company incurring cumulative exploration expenditures aggregating at least \$5 million, and upon completion and acceptance of a National Instrument (“NI”) 43-101 Measured and Indicated resource within the existing Borosi Project boundary, the Company will pay a bonus of \$5.00 per gold equivalent ounce, to a maximum total payment of \$3.5 million (700,000 gold equivalent ounces) (“Bonus Payment”). This Bonus Payment will be payable in cash or common shares, at the sole option of the Company. The Company also issued 5 million warrants exercisable at \$0.50 per share, and 5 million warrants exercisable at \$1.00 per share (collectively the “Bonus Warrants”). The Bonus Warrants expire on July 21, 2014 and are only exercisable if the Company delineates at least 2.5 million NI 43-101 compliant ounces of gold equivalent in Measured and Indicated resource categories.

The existence of an NI 43-101 compliant Measured and Indicated resource is not determinable at this time, and management is not able to determine with any accuracy if such a resource will be identified in the exploration of the project; as a result, no liability was initially accrued for the Bonus Payment and no value has been assigned to the Bonus Warrants at the purchase date or at December 31, 2010.

The acquisition was accounted for as an asset acquisition, and the allocation of the purchase price is summarized in the table below:

Purchase Price:

Cash paid by the Company	\$ 4,420,000
Issuance of 12 million common shares	2,160,000
Transaction costs	117,769
	<u>\$ 6,697,769</u>

Purchase Price Allocation:

Cash acquired on acquisition	\$ 43,891
Property and equipment	112,939
Mineral property	8,270,559
Net current liabilities assumed	(58,660)
Future income tax on acquisition	<u>(1,670,960)</u>
	<u>\$ 6,697,769</u>

On July 21, 2009, the Company and B2Gold Corp. (“B2Gold”) (TSX:BTO) executed an option agreement whereby B2Gold is entitled to acquire a 51% interest in the Borosi Project by expending \$8 million on exploration and other work by July 1, 2012, of which \$2.5 million must be expended by July 1, 2010. B2Gold has the option to acquire an additional 14% interest in a Designated Project Area (“Project Area”) as defined and agreed upon by both parties, within the Borosi Project Boundary, for a total 65% Project Area interest by completing a preliminary feasibility study on that Designated Project. The Company will be the operator of the work program in the first year of the agreement, with B2Gold having an option to assume operatorship afterwards. Upon B2Gold earning an interest in the project, the Company and B2Gold will be responsible for the pro rata share of expenditures and the Bonus Payment, if any, going forward.

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6. Mineral Property Costs – *continued*

a) *Borosi, Nicaragua, Central America – continued*

As at December 31, 2010, the Company had an outstanding receivable totalling \$105,236 (2009 – \$347,000) from B2Gold for the reimbursement of eligible expenditures based on the project option agreement described above. The amount was received subsequent the year-end. As at December 31, 2010, B2Gold had fulfilled its minimum year one commitment obligation.

In October 2010, the Company entered into an amendment to the above agreement with B2Gold, whereby the area of interest covering the Borosi option agreement will be reduced. As a result, the Company retained a 100% interest in the past producing La Luz Gold Mine and Rosita Copper-Gold Mine, the high grade gold and silver Riscos de Oro project, the newly discovered extension of the La Luna gold vein system, and the on-strike extensions of the Bonanza Group of Gold Mines. Concession areas that will remain under the option agreement will be subject to B2Gold earning a 51% interest by completing \$8 million in expenditures over an amended five year term. B2Gold may elect to carry an individual prospect within the amended concession area through to a Preliminary Economic Assessment for an additional 14% interest in the prospect.

b) *Point Leamington, Newfoundland, Canada*

The Company continues to maintain a 100% interest in the Point Leamington mining lease in Newfoundland, Canada, originally acquired in 2004. The mining lease is subject to a 2% net smelter return royalty (“NSR”), which is held by a third party.

During the years ended December 31, 2009 and 2008, the Company dropped all the claims surrounding the mining lease. As a result, during the year ended December 31, 2009, the Company wrote off acquisition and exploration expenditures totalling \$364,296 associated with costs incurred in evaluating the dropped claims.

c) *Trundle, New South Wales, Australia*

On August 27, 2009, the Company completed the sale of its interest in the Trundle Property to Clancy Exploration Limited (“Clancy”), a publicly traded company in Australia (ASX: CLY). As consideration, the Company received 1,750,000 common shares of Clancy. The shares were in escrow for 12 months from the date of settlement during which period they could not be sold. The fair value of the shares received was \$207,275. As a result, the Company recorded a loss on disposal of the Trundle mineral property of \$920,601 during the year ended December 31, 2009 (net of proceeds received).

During the year ended December 31, 2010, the Company sold all 1,750,000 common shares of Clancy for total proceeds of \$139,966, and recorded a loss on sale of investment of \$67,309 in 2010.

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7. Related Party Transactions

The following is a summary of the related party transactions that occurred throughout the years ended December 31:

		2010		2009
Accounting fees paid to a director and former officer	\$	60,000	\$	60,000
Legal fees paid to a law firm associated with a former officer	\$	2,325	\$	177,640

During the year ended December 31, 2009, the legal fees paid to a law firm associated with an former officer of the Company were paid as a result of the Company's acquisition of Yamana Nicaragua Ltd. (Note 6a), and in connection with various private placements organized by the Company in 2009.

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.

8. Share Capital

a) Share Issuances

On February 26, 2009, the Company completed a non-brokered private placement of 10,000,000 units for gross proceeds of \$500,000. The price was \$0.05 for each unit. Each unit consists of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one common share of the Company for a period of two years from closing at a price of \$0.10 per share in the first year and \$0.15 per share in the second year. In connection with this financing, the Company incurred transaction fees of \$7,956. The fair value of the warrants issued in connection with this private placement was \$146,338, which was allocated to contributed surplus. The fair value of the warrants was determined using the Black-Scholes pricing model with a risk-free rate of 1.21%, volatility factor ranging from 122% to 133% and an expected life of the warrants of one to two years.

On July 21, 2009, the Company closed a brokered private placement by issuing a total of 41,433,500 units for gross proceeds of \$6,215,025. The units were issued at \$0.15 per unit, and each unit consisted of one common share of the Company and one purchase warrant. Each warrant is exercisable into one common share of the Company at a price of \$0.20 over a 24 month exercise period. In connection with this financing, the Company paid cash agent fees totalling \$435,052 and incurred transaction fees of \$80,054. In addition, the Company issued 2,900,346 agent warrants which are exercisable for one common share for a period of 24 months from closing at a price of \$0.20. The fair value of the agent warrants was \$340,673. The Company allocated \$2,843,892 of the net proceeds to the fair value of the warrants and agent's warrants issued in connection with this financing, with the remaining \$2,856,027 allocated to share capital. The fair value of the warrants and agent warrants was determined using the Black-Scholes pricing model with a risk free rate of 1.26%, a volatility factor of 185% and an expected life of the warrants of two years.

In connection with the acquisition described in note 6a, on July 21, 2009, the Company issued 12 million common shares with a total fair value of \$2,160,000.

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8. Share Capital - continued

a) Share Issuances - continued

On December 23, 2009, the Company completed a non-brokered private placement of 7,666,666 units for gross proceeds of \$1,150,000. Each unit consists of one common share and one-half share purchase warrant. Each full warrant entitles the holder to purchase one common share of the Company for a period of two years from closing at a price of \$0.20 per share over a 24 month period. In connection with this financing, the Company paid cash finder's fees totalling \$68,400 and incurred transaction fees of \$25,784. In addition, the Company issued 456,000 finder's warrants which are exercisable for one common share for a period of 24 months from closing at a price of \$0.15. The fair value of the agent warrants was \$84,951. The Company allocated \$392,461 of the net proceeds to the fair value of the warrants and finder's warrants issued in connection with this financing, with the remaining \$663,355 allocated to share capital. The fair value of the warrants and agent warrants was determined using the Black-Scholes pricing model with a risk free rate of 1.37%, a volatility factor of 185% and an expected life of the warrants of two years.

b) Stock Options

The Company has a stock option plan (the "Plan"), whereby the Company has reserved a number of common shares for issuance pursuant to the exercise of stock options. On May 26, 2010, the shareholders of the Company approved an amendment to the Plan that increased the number of common shares reserved for issuance under the Plan from 9,620,000 to 18,000,000. The Plan is administered by the Compensation Committee of the Company's Board. Options granted under the Plan will be exercisable at a price not less than the market value of the Company's common shares on the date of grant and granted for a term not to exceed five years from the date of grant. Any options granted under the Plan shall vest based on a periodic vesting schedule as determined by the Compensation Committee. In general, options have been granted to vest 25% immediately and 25% at each six month interval after the date of grant until fully vested.

A summary of the status of the Company's stock options as at December 31, 2010 and 2009 and changes during those years is presented below:

	2010		2009	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding, beginning of year	9,420,000	\$ 0.28	6,105,000	\$ 0.50
Granted	7,300,000	0.15	5,750,000	0.15
Exercised	(62,500)	0.15	-	-
Expired/Cancelled	(2,607,500)	0.37	(2,435,000)	0.52
Outstanding, end of year	14,050,000	\$ 0.20	9,420,000	\$ 0.28
Exercisable, end of year	7,512,500	\$ 0.24	5,107,500	\$ 0.38

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(Expressed in Canadian Dollars)

8. Share Capital - continued

b) Stock Options - continued

During the year ended December 31, 2010, the Company granted a total of 7,300,000 (2009 – 5,750,000) stock options to employees, directors, and consultants. Of the options granted in 2010, 100,000 options have an exercise price of \$0.20 and expire on February 1, 2015; 200,000 options have an exercise price of \$0.20 and expire on March 31, 2012; 6,750,000 options have an exercise price of \$0.15 and expire on September 15, 2015; and 250,000 options have an exercise price of \$0.15 and expire on October 21, 2015. During 2009, the 5,750,000 options granted are exercisable at \$0.15 per share and expire between August 7, 2014 and November 3, 2014.

During the year ended December 31, 2010, holders exercised 62,500 (2009 – Nil) options for gross proceeds of \$9,375. In connection with these exercises, the Company reclassified the fair value of these options previously recorded in the amount of \$9,340 from contributed surplus to share capital.

During the year ended December 31, 2010, 2,607,500 (2009 – 2,435,000) options were forfeited or expired, and cancelled.

The weighted-average fair value of options granted during the year ended December 31, 2010 was \$0.10 (2009 - \$0.13).

As at December 31, 2010, stock options exercisable and outstanding are as follows:

Exercise Price	Options Outstanding		Options Exercisable	
	Number	Weighted Average Remaining Contractual Life (yrs.)	Number	Weighted Average Remaining Contractual Life (yrs.)
\$0.15	11,950,000	4.25	5,462,500	3.96
\$0.20	100,000	4.09	50,000	4.09
\$0.44	1,500,000	1.18	1,500,000	1.18
\$0.60	500,000	1.45	500,000	1.45
	14,050,000	3.82	7,512,500	3.24

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8. Share Capital - continued

c) Stock-Based Compensation

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 2010 or prior periods was \$627,388 (2009 - \$354,237). Of the total compensation recorded during the year, \$546,964 (2009 - \$327,735) was charged to operations expense and \$80,424 (2009 - \$26,502) was capitalized to mineral property costs.

The fair value of the options used in the information above has been estimated at the date of grant using the Black-Scholes option pricing model with the following assumptions:

	2010	2009
Weighted average risk-free interest rate	1.95%	3.25%
Weighted average expected option life	5 years	5 years
Weighted average expected stock volatility	133%	132%
Weighted average expected dividend yield	Nil	Nil

Option pricing models require the input of highly subjective assumptions including the expected stock price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options.

d) Warrants

A summary of the status of the Company's outstanding and exercisable warrants as at December 31, 2010 and 2009 and changes during those years is presented below:

	2010		2009	
	Warrants	Weighted Average Exercise Price	Warrants	Weighted Average Exercise Price
Outstanding, beginning of year	68,373,179	\$ 0.27	-	\$ -
Issued	-	-	68,623,179	0.27
Exercised	(448,336)	0.11	(250,000)	0.10
Outstanding, ending of year	67,924,843	\$ 0.27	68,373,179	\$ 0.27

During the year ended December 31, 2010, holders exercised 448,336 (2009 - 250,000) warrants for gross proceeds of \$47,167 (2009 - \$25,000). In connection with these exercises, the Company reclassified the fair value of these warrants previously recorded in the amount of \$5,801 (2009 - \$1,800) from contributed surplus to share capital.

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8. Share Capital - continued

d) Warrants - continued

As at December 31, 2010, warrants exercisable and outstanding are as follows:

Exercise Price	Warrants Outstanding		Warrants Exercisable	
	Number	Weighted Average Remaining Contractual Life (yrs.)	Number	Weighted Average Remaining Contractual Life (yrs.)
\$0.150	9,781,000	0.19	9,781,000	0.19
\$0.200	48,143,843	0.57	48,143,843	0.57
\$0.500	5,000,000	3.56	-	-
\$1.000	5,000,000	3.56	-	-
	67,924,843	0.96	57,924,843	0.51

9. Income Taxes

The reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

	2010	2009
Loss before income taxes	\$ (1,676,713)	\$ (2,695,791)
Effective statutory rate	28.5%	30%
Expected income tax recovery	\$ (477,863)	\$ (808,737)
Effect of differences in foreign and future tax rates	154,564	96,074
Items (not taxable) not deductible	(244,339)	286,065
Effect of financing costs	-	(154,312)
Effect of statutory rate change	-	111,292
Effect of foreign exchange	73,257	(48,654)
Effect of loss carry-forward elimination	(43,229)	964,360
Tax losses obtained on acquisition	-	(810,208)
Other	(4,577)	(11,746)
Change in valuation allowance	542,187	375,866
	\$ -	\$ -

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Notes to Consolidated Financial Statements

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9. Income Taxes - continued

Future income tax assets reflect the net effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The significant components of the Company's future income tax assets at December 31, 2010 and 2009 are as follows:

	2010	2009
Future income tax assets		
Non-capital loss carry-forwards	\$ 2,464,818	\$ 1,923,440
Unamortized financing costs	92,587	124,603
Mineral Properties	(794,843)	(649,225)
Property and equipment	66,967	56,549
	1,829,529	1,455,367
Less: Valuation allowance	(3,600,168)	(3,057,981)
Future income tax liability	\$ (1,770,639)	\$ (1,602,614)

As at December 31, 2009, the Company has non-capital losses for Canadian tax purposes of approximately \$5,757,000 available to offset against taxable income in future years, which if unutilized, will begin to expire in 2014. The Company also has resource exploration expenditures of approximately \$3,900,000 available to reduce taxable income of future years in Canada, subject to certain restrictions. In addition, the Company has tax losses for Nicaraguan purposes of approximately \$4,102,000 available to offset against taxable income in future years in Nicaragua, which begin to expire in 2011. Future tax benefits which may arise as a result of these losses, resource deductions and other tax assets have not been recognized in these financial statements, and have been offset by a valuation allowance.

As the Company no longer has active operations in the U.S.A. or Australia, the Company has eliminated any future income tax assets associated with operations in either of these countries from the above analysis.

10. Commitments

The Company has minimum annual lease commitments for its office premise expiring July 2011. The following schedule details the Company's minimum commitments not discussed elsewhere in these consolidated financial statements:

2011	\$ 65,000
Thereafter	-
	\$ 65,000

11. 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 North and Central America (Nicaragua) and Australia. The Company is in the exploration stage and, accordingly, has no reportable segment revenues for any of the years presented in these consolidated financial statements. The following geographic data includes assets based on location:

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11. Segmented information - continued

	December 31, 2010				
	Canada	Nicaragua	Australia	United States	Total
Cash	\$ 653,589	\$ 8,109	\$ -	\$ -	\$ 661,698
Other current assets	185,201	6,164	-	-	191,365
Property and Equipment	116,706	178,031	-	-	294,737
Mineral Property costs	1,250,901	9,222,071	-	-	10,472,972
Total assets	\$ 2,206,397	\$ 9,414,375	\$ -	\$ -	\$ 11,620,772

	December 31, 2009				
	Canada	Nicaragua	Australia	United States	Total
Cash	\$ 1,646,881	\$ 54,564	\$ 35,826	\$ -	\$ 1,737,271
Other current assets	691,671	2,447	-	18,279	712,397
Property and Equipment	155,116	150,678	-	-	305,794
Mineral Property costs	1,229,868	8,593,716	-	-	9,823,584
Total assets	\$ 3,723,536	\$ 8,801,405	\$ 35,826	\$ 18,279	\$ 12,579,046

The following geographic data denotes net losses based on their country of origin for the year ended December 31:

	2010	2009
Canada	\$ 1,839,168	\$ 1,921,445
Australia	2,215	904,814
United States of America	887	2,988
Nicaragua	(165,557)	(133,456)
Net Loss for the Year	\$ 1,676,713	\$ 2,695,791

12. Subsequent events

- Subsequent to December 31, 2010, the Company issued a total of 9,325,000 common shares on exercise of warrants for gross proceeds of \$1,398,750.
- Subsequent to year end, the Company engaged Endeavour Financial International Corporation ("Endeavour") to provide advisory and consulting services with respect to its strategic direction and corporate development. The Company agreed to pay Endeavour a retainer plus expenses for the consulting services for a minimum of three months, following which the contract will extend on a month-to-month basis. In addition, the Company has granted to Endeavour 500,000 stock options exercisable at a price of \$0.20 for a period of five years from the date of grant. The contract also agrees to certain milestone payments.

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Consolidated Schedules of Mineral Property Costs

Years Ended December 31, 2010 and 2009

(Expressed in Canadian Dollars)

	2010			2009		
	Acquisition Costs	Exploration Costs	Total	Acquisition Costs	Exploration Costs	Total
Borosi, Nicaragua (Note 6a)						
Balance - Beginning of Year	\$ 8,270,559	\$ 323,157	\$ 8,593,716	\$ -	\$ -	\$ -
Acquisition of property	-	-	-	6,599,599	-	6,599,599
Administration and maintenance	-	95,869	95,869	-	24,325	24,325
Amortization	-	14,169	14,169	-	5,571	5,571
Assaying	-	286,590	286,590	-	27,585	27,585
Camp and field supplies	-	69,380	69,380	-	55,708	55,708
Drilling and related	-	710,002	710,002	-	-	-
Future income tax	-	322,808	322,808	1,670,960	47,895	1,718,855
Geological consulting	-	301,214	301,214	-	28,736	28,736
Logistics and communications	-	175,484	175,484	-	9,906	9,906
Professional fees	-	18,328	18,328	-	36,290	36,290
Property maintenance	-	471,448	471,448	-	203,854	203,854
Salary and wages	-	780,734	780,734	-	156,691	156,691
Stock-based compensation	-	80,424	80,424	-	26,502	26,502
Travel	-	84,655	84,655	-	47,094	47,094
Recovery of costs	-	(2,782,750)	(2,782,750)	-	(347,000)	(347,000)
Total expenses during the year	-	628,355	628,355	8,270,559	323,157	8,593,716
Balance - End of Year	\$ 8,270,559	\$ 951,512	\$ 9,222,071	\$ 8,270,559	\$ 323,157	\$ 8,593,716
Point Leamington, Canada. (Note 6b)						
Balance - Beginning of Year	\$ 655,000	\$ 574,868	\$ 1,229,868	\$ 705,000	\$ 716,032	\$ 1,421,032
Administration and maintenance	-	21,033	21,033	-	173,132	173,132
Total expenses during the year	-	21,033	21,033	-	173,132	173,132
Write-off of mineral property costs	-	-	-	(50,000)	(314,296)	(364,296)
Balance - End of Year	\$ 655,000	\$ 595,901	\$ 1,250,901	\$ 655,000	\$ 574,868	\$ 1,229,868
Trundle, Australia (Note 6c)						
Balance - Beginning of Year	\$ -	\$ -	\$ -	\$ -	\$ 1,127,876	\$ 1,127,876
Total expenses during the year	-	-	-	-	-	-
Disposal of mineral property	-	-	-	-	(1,127,876)	(1,127,876)
Balance - End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Mineral Property Costs						
- End of Year	\$ 8,925,559	\$ 1,547,413	\$ 10,472,972	\$ 8,925,559	\$ 898,025	\$ 9,823,584