



(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2017

(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)

	June 30, 2017	December 31, 2016
ASSETS		
Current		
Cash and cash equivalents	\$ 4,775,212	\$ 3,579,759
Receivables	45,324	13,627
Marketable securities	5,430	8,145
Prepaid deposits and advances	148,822	79,963
	4,974,788	3,681,494
Non-current		
Property and equipment	315,622	333,084
Exploration and evaluation assets (Note 5)	24,500,124	24,003,509
	\$ 29,790,534	\$ 28,018,087
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade and other payables	\$ 756,262	\$ 553,352
Shareholders' equity		
Share capital	45,253,716	43,011,620
Contributed surplus	15,640,079	14,465,391
Foreign currency translation reserve	2,671,513	3,462,162
Accumulated other comprehensive loss	(5,656)	(2,941)
Accumulated deficit	(34,525,380)	(33,471,499)
	29,034,272	27,464,734
	\$ 29,790,534	\$ 28,018,087

On behalf of the Audit Committee:

"Douglas 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 Loss

(Expressed in Canadian Dollars – Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Expenses				
Amortization	\$ 885	\$ 518	\$ 1,586	\$ 1,036
Audit and accounting fees	44,436	17,350	58,186	33,214
Bank charges and interest	386	462	740	808
Consulting fees	52,021	48,000	98,521	78,000
Insurance	8,710	8,868	17,420	17,736
Legal fees	13,561	3,635	16,698	5,993
Marketing	600	611	1,203	4,220
Office, postage and printing	12,005	3,431	17,731	12,861
Rent	16,641	47,246	23,987	59,068
Salaries and wages	62,969	56,717	125,798	117,443
Share based compensation	280,014	60,545	711,797	122,954
Shareholder relations	6,719	5,539	7,454	5,539
Telephone and utilities	796	793	2,944	1,429
Trade shows and conferences	14,460	6,404	72,048	12,809
Transfer agent and regulatory fees	14,550	4,124	26,504	12,439
Travel	-	985	2,421	1,004
	<u>(528,753)</u>	<u>(265,227)</u>	<u>(1,185,038)</u>	<u>(486,552)</u>
Other Income (Expenses)				
Other income	82,891	57,005	140,615	118,819
Foreign exchange gain (loss)	(48,785)	6,232	(21,797)	(205,229)
Interest income	12,339	142	12,339	5,222
	<u>46,445</u>	<u>63,379</u>	<u>131,157</u>	<u>(81,188)</u>
Net Loss for the Period	<u>(482,308)</u>	<u>(201,847)</u>	<u>(1,053,881)</u>	<u>(567,741)</u>
Foreign exchange translation effect	(605,145)	37,065	(790,649)	(1,244,968)
Unrealized gain (loss) on marketable securities	(1,810)	3,620	(2,715)	9,955
Net Comprehensive Loss for the Period	<u>\$ (1,089,263)</u>	<u>\$ (161,162)</u>	<u>\$ (1,847,244)</u>	<u>\$ (1,802,753)</u>
Net Loss per Share - Basic and Diluted	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>	<u>\$ (0.00)</u>
Weighted Average Shares Outstanding	<u>312,671,418</u>	<u>245,987,841</u>	<u>310,400,700</u>	<u>234,513,128</u>

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 Six Months Ended June 30, 2017 and 2016

(Expressed in Canadian Dollars – Unaudited)

	Common Shares		Contributed Surplus	Foreign Currency Translation Reserve	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
	Number	Amount					
Balance – December 31, 2016	288,860,918	\$ 43,011,620	\$ 14,465,391	\$ 3,462,162	\$ (2,941)	\$ (33,471,499)	\$ 27,464,734
Issuance of common shares:							
• on private placement	19,575,000	1,465,953	443,736	-	-	-	1,909,689
• on finder's fees	120,000	16,581	5,019	-	-	-	21,600
• on exercise of warrants	4,115,500	759,562	(101,082)	-	-	-	658,480
Stock based compensation	-	-	827,015	-	-	-	827,015
Other comprehensive loss	-	-	-	-	(2,715)	-	(2,715)
Foreign exchange translation	-	-	-	(790,649)	-	-	(790,649)
Loss for the period	-	-	-	-	-	(1,053,881)	(1,053,881)
Balance – June 30, 2017	312,671,418	\$ 45,253,716	\$ 15,640,079	\$ 2,671,513	\$ (5,656)	\$ (34,525,380)	\$ 29,034,272
Balance – December 31, 2015	222,910,918	\$ 36,422,223	\$ 13,983,563	\$ 4,012,801	\$ (8,371)	\$ (32,695,962)	\$ 21,714,253
Issuance of common shares	30,000,000	2,060,256	792,351	-	-	-	2,852,607
Warrant amendment	-	-	40,385	-	-	-	40,385
Stock based compensation	-	-	88,157	-	-	-	88,157
Other comprehensive income	-	-	-	-	9,955	-	9,955
Foreign exchange translation	-	-	-	(1,244,968)	-	-	(1,244,968)
Net loss for the period	-	-	-	-	-	(527,356)	(527,356)
Balance – June 30, 2016	252,910,918	\$ 38,482,479	\$ 14,904,456	\$ 2,767,833	\$ 1,584	\$ (33,263,703)	\$ 22,892,650

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 Six Months Ended June 30

(Expressed in Canadian Dollars – Unaudited)

	2017	2016
Operating Activities		
Net loss for the period	\$ (1,053,881)	\$ (567,741)
Items not affecting cash:		
Amortization	1,586	1,036
Share-based compensation	711,797	122,954
Net changes in non-cash working capital:		
Receivables	(31,697)	117,542
Accounts payable and accrued liabilities	(1,674)	(82,967)
Prepaid expenses	(68,859)	37,459
	<u>(442,728)</u>	<u>(371,717)</u>
Investing Activities		
Option payment received from optionee	202,323	194,211
Cash received from option partners	2,340,829	1,706,159
Exploration and evaluation expenditures	(3,494,740)	(1,704,410)
	<u>(951,588)</u>	<u>195,960</u>
Financing Activities		
Proceeds from share issuances, net of transaction costs	1,931,289	2,852,607
Exercise of warrants	658,480	-
	<u>2,589,769</u>	<u>2,852,607</u>
Net Increase in Cash and Cash Equivalents	1,195,453	2,676,850
Cash and cash equivalents - Beginning of Period	<u>3,579,759</u>	<u>863,279</u>
Cash and cash equivalents - End of Period	<u>\$ 4,775,212</u>	<u>\$ 3,540,129</u>
Supplemental Disclosure of Non-Cash Investing Activities		
Amortization included in exploration and evaluation assets	\$ 9,818	\$ 8,341
Stock based compensation included in exploration and evaluation assets	\$ 115,218	\$ 5,588
Exploration and evaluation costs included in accounts payable	\$ 204,582	\$ 294,936

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 Six Months Ended June 30, 2017

(Expressed in Canadian Dollars – Unaudited)

1. Nature of Operations

Calibre Mining Corp. (an Exploration Stage Company) is incorporated under the laws of British Columbia, Canada and maintains its corporate head office at Suite 413 - 595 Burrard Street, 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.

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, 2016, 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, 2016, 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 August 23, 2017.

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.

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Interim Consolidated Financial Statements

For The Six Months Ended June 30, 2017

(Expressed in Canadian Dollars – Unaudited)

3. Significant Judgments, Estimates and Assumptions (cont'd.)

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.

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, 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.

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For The Six Months Ended June 30, 2017

(Expressed in Canadian Dollars – Unaudited)

5. Exploration and Evaluation Assets

During the period ended June 30, 2017, IAMGOLD Corporation (“IAMGOLD”) completed its 51% earn-in in Calibre’s Eastern Borosi Gold Project (the “Project”) and exercised the Second Option to earn in a further 19% in the Project. The Company received from IAMGOLD the first option payment under the Second Option of \$202,323 (2016 - \$194,211) in accordance with the option agreement. The following table outlines the expenditures at the Borosi concessions during the period ended June 30, 2017:

	Joint Venture with Rosita	Option Property to IAMGOLD	Option Property to Centerra	Calibre 100% Owned Property	Total
Cost, December 31, 2016	\$ 505,760	\$ 6,710,144	\$ 363,624	\$ 16,423,982	\$ 24,003,509
Administration and maintenance	-	122,372	122,372	126,080	370,823
Amortization	-	4,156	4,156	4,282	12,594
Assaying	-	38,227	69,321	80,780	188,328
Camp, supplies and logistics	-	98,815	72,064	17,646	188,525
Drilling and related	-	835,269	2,541	518,577	1,356,387
Foreign exchange	(15,341)	(203,536)	(11,030)	(498,181)	(728,088)
Geological consulting	-	-	181,989	46,045	228,034
Professional fees	-	-	-	5,311	5,311
Property maintenance	18,064	164,784	110,828	218,970	512,646
Resource estimates	-	-	-	24,163	24,163
Salary and wages	-	168,973	225,661	285,609	680,243
Share-based compensation	-	38,022	38,022	39,174	115,218
Travel	-	9,674	5,656	70,255	85,584
Recovery of costs and option payments	-	(1,623,484)	(919,668)	-	(2,543,152)
Cost, June 30, 2017	\$ 508,483	\$ 6,363,415	\$ 265,536	\$ 17,362,691	\$ 24,500,124

6. Share Capital

a) Authorized

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

b) Long-term Incentive Plan

During the period ended June 30, 2017, the Company received shareholder and regulatory approval for a new long term incentive plan (the “Long-Term Incentive Plan”). The Board of the Company approved the Long-Term Incentive Plan on April 26, 2017. The Long-term Incentive Plan is the Company’s only compensation plan providing for the issuance of securities of the Company as compensation.

c) Private Placement

The Company completed a private placement for 19,575,000 units (“Units”) of the Company’s common shares at a price of \$0.10 per Unit for gross proceeds of \$1,957,500. Each Unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share for \$0.15 until January 12, 2020. Calibre issued 120,000 finder’s units (“Finder’s Units”) in connection with the private placement. Each Finder’s Unit consisted of one common share and one common share purchase warrant. Each warrant entitles the finder to acquire an additional common share for \$0.15 until January 12, 2020.

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Interim Consolidated Financial Statements

For The Six Months Ended June 30, 2017

(Expressed in Canadian Dollars – Unaudited)

6. Share Capital (cont'd.)

The allocation of fair value of the warrants issued in connection with this private placement was \$443,736, with the corresponding charge to contributed surplus using the relative fair value approach. The fair value of the warrants was determined using the Black-Scholes pricing model with a risk free rate of 0.82%, volatility factor of 79% and an expected life of the warrants of three years.

The Company incurred \$47,811 in transaction fees related to the private placement. Included in transaction fees is \$21,600 relating to the fair value of the Finder's Units issued. The fair value of the Finder's Units was determined using the Black-Scholes pricing model with a risk free rate of 0.82%, volatility factor of 79% and an expected life of the warrants of three years.

d) Stock options

During the period ended June 30, 2017, the Company granted 7,000,000 stock options at a price of \$0.27 per share for a period of five years to various employees, officers, consultants and directors of the Company.

A summary of the status of the Company's stock options as at June 30, 2017 is presented below:

Exercise price	January 1, 2017	Granted	Expired	June 30, 2017	Expiry date	Remaining contractual life in years	Number of options vested
\$0.15	3,900,000	-	(3,900,000)	-	January 25, 2017	-	-
\$0.19	500,000	-	(500,000)	-	June 15, 2017	-	-
\$0.10	1,700,000	-	-	1,700,000	July 15, 2019	2.04	1,700,000
\$0.12	500,000	-	-	500,000	September 23, 2019	2.23	500,000
\$0.16	6,250,000	-	-	6,250,000	October 9, 2019	2.28	6,250,000
\$0.14	500,000	-	-	500,000	December 1, 2019	2.42	500,000
\$0.10	2,525,000	-	-	2,525,000	August 27, 2020	3.16	2,525,000
\$0.16	500,000	-	-	500,000	September 7, 2021	4.19	250,000
\$0.27	-	7,000,000	-	7,000,000	February 20, 2022	4.65	1,750,000
	16,375,000	7,000,000	(4,400,000)	18,975,000			13,475,000
	\$0.14	\$0.27	\$0.15	\$0.19	Weighted average exercise price		

The Company amortizes the total fair value of options granted over a graded vesting schedule. The total compensation expense recognized for options granted during the period was \$827,015 (2016 - \$88,157). Of the total compensation recorded, \$711,797 (2016 - \$82,569) was charged to operations expense and \$115,218 (2016 - \$5,588) was capitalized to exploration and evaluation assets.

The fair value of the options granted during 2017 was determined using the Black-Scholes pricing model with a risk free rate of 1.02%, volatility factor of 99% and an expected life of the options of five years.

e) Warrants

A total of 4,115,500 share purchase warrants with an exercise price of \$0.16 per share were exercised into common shares of the Company for gross proceeds of \$658,480.

As at June 30, 2017 the following warrants were outstanding and exercisable:

Exercise price	January 1, 2017	Issued	Exercised	June 30, 2017	Expiry date	Remaining contractual life in years
\$0.16	31,194,000	-	(4,115,500)	27,078,500	April 21, 2018	0.81
\$0.15	-	19,695,000	-	19,695,000	January 12, 2020	2.54
	31,194,000	19,695,000	(4,115,500)	46,773,500		
	\$0.16	\$0.15	\$0.16	\$0.16	Weighted average exercise price	

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Interim Consolidated Financial Statements

For The Six Months Ended June 30, 2017

(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:

	Six months Ended June 30, 2017	Six months Ended June 30, 2016
Short-term benefits ⁽ⁱ⁾	\$ 116,000	\$ 108,000
Share-based payments ⁽ⁱⁱ⁾	\$ 642,879	\$ 20,160
Consulting and advisory fees to key persons	\$ 79,688	\$ 73,000

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

⁽ⁱⁱ⁾ 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 June 30, 2017, the Company paid or accrued \$9,654 (2016 - \$24,466) in office rent expense to related companies.

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 June 30, 2017		
	Canada	Nicaragua	Total
Cash and cash equivalents	\$ 4,714,008	\$ 61,204	\$ 4,775,212
Other current assets	57,776	141,800	199,576
Property and equipment	13,801	301,821	315,622
Exploration and evaluation assets	-	24,500,124	24,500,124
Total assets	\$ 4,785,585	\$ 25,004,949	\$ 29,790,534
Total liabilities	\$ 64,023	\$ 692,239	\$ 756,262

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Interim Consolidated Financial Statements

For The Six Months Ended June 30, 2017

(Expressed in Canadian Dollars – Unaudited)

8. Segmented Information (cont'd.)

	As at December 31, 2016		
	Canada	Nicaragua	Total
Cash and cash equivalents	\$ 3,535,282	\$ 44,477	\$ 3,579,759
Other current assets	53,079	48,657	101,735
Property and equipment	8,004	325,080	333,084
Exploration and evaluation assets	-	24,003,509	24,003,509
Total assets	\$ 3,596,365	\$ 24,421,723	\$ 28,018,087
Total liabilities	\$ 117,894	\$ 435,459	\$ 553,352

The following geographic data denotes net losses based on their country of origin for the six months ended June 30:

	2017	2016
Canada	\$ 1,053,881	\$ 567,741
Nicaragua	-	-
Loss for the period	\$ 1,053,881	\$ 567,741

9. Commitment

The Company has minimum annual lease commitments ranging from \$146,751 to \$149,679 for its office premise expiring June 2022. Lease improvement allowance is available to the Company that can reduce its lease obligations.
