



(An Exploration Stage Company)

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS**

For the Three and Six Months Ended June 30, 2015

(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)

Condensed Consolidated Balance Sheets

(Expressed in Canadian Dollars - Unaudited)

	Note	June 30, 2015	December 31, 2014
ASSETS			
Current			
Cash and cash equivalents		\$ 2,059,780	\$ 2,751,579
Receivables		153,205	41,650
Marketable securities	5	8,000	12,000
Prepaid deposits and advances		71,270	42,070
		2,292,255	2,847,299
Non-current			
Property and equipment		317,076	313,414
Exploration and evaluation assets	6	18,459,824	17,007,868
		\$ 21,069,155	\$ 20,168,581
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade and other payables		\$ 569,715	\$ 323,560
Shareholders' equity			
Share capital	7	36,422,223	36,422,223
Contributed surplus		13,739,053	13,384,562
Foreign currency translation reserve		2,590,418	1,603,135
Accumulated other comprehensive income (loss)		(2,000)	2,000
Accumulated deficit		(32,250,254)	(31,566,899)
		20,499,440	19,845,021
		\$ 21,069,155	\$ 20,168,581

On behalf of the Board:

"Douglas B. Forster"

Director

"Edward Farrauto"

Director

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

Calibre Mining Corp.

(An Exploration Stage Company)

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

(Expressed in Canadian Dollars – Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Expenses				
Amortization	\$ 798	\$ 2,240	\$ 2,375	\$ 4,481
Audit and accounting fees	15,667	18,095	36,667	33,787
Bank charges and interest	415	448	1,032	693
Consulting fees	52,500	28,500	106,400	57,000
Insurance	9,156	9,156	18,312	18,312
Legal fees	1,673	8,049	2,627	9,457
Marketing	4,262	677	5,977	1,723
Office, postage and printing	5,270	5,505	27,488	8,327
Rent	16,076	23,263	67,329	47,261
Salaries and wages	40,115	33,036	97,010	67,370
Share based compensation (Note 7c)	120,642	92,762	337,962	92,762
Shareholder relations	3,227	4,626	3,927	4,906
Telephone and utilities	280	478	586	1,248
Trade shows and conferences	28,896	-	38,173	1,672
Transfer agent and regulatory fees	2,798	4,897	11,788	11,927
Travel	3,681	3,726	31,559	7,596
	<u>(305,456)</u>	<u>(235,458)</u>	<u>(789,212)</u>	<u>(368,522)</u>
Other Income (Expenses)				
Other income	48,048	-	92,253	-
Foreign exchange gain	16,299	1,054	21,262	1,754
Loss on disposal of property & equipment	(386)	-	(11,165)	-
Loss on disposal of marketable securities	-	-	-	(169,940)
Interest income	1,067	1,888	3,507	5,789
	<u>65,028</u>	<u>2,942</u>	<u>105,857</u>	<u>(162,397)</u>
Net Loss for the Period	<u>(240,428)</u>	<u>(232,516)</u>	<u>(683,355)</u>	<u>(530,919)</u>
Foreign exchange translation effect	(151,100)	(404,255)	987,283	20,998
Unrealized gain (loss) on marketable securities	-	(6,000)	-	12,000
Adjustment on sale of marketable securities	-	-	-	80,000
Net Comprehensive Income (Loss) for the Period	<u>\$ (391,528)</u>	<u>\$ (642,771)</u>	<u>\$ 303,928</u>	<u>\$ (417,921)</u>
Net Loss per Share - Basic and Diluted	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted Average Shares Outstanding	<u>222,910,918</u>	<u>187,910,918</u>	<u>222,910,918</u>	<u>187,910,918</u>

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

Calibre Mining Corp.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars – Unaudited)

	Number of common shares	Share capital	Contributed surplus	Foreign currency translation reserve	Accumulated Other Comprehensive Income (Loss)	Accumulated deficit	Total
Balance – December 31, 2013	187,910,918	\$ 34,309,042	\$ 12,409,209	\$ 562,886	\$ (80,000)	\$ (30,256,434)	\$ 16,944,703
Warrant amendment	-	-	92,762	-	-	-	92,762
Translation adjustment	-	-	-	20,998	-	-	20,998
Other comprehensive income	-	-	-	-	92,000	-	92,000
Net loss for the period	-	-	-	-	-	(530,919)	(530,919)
Balance – June 30, 2014	187,910,918	\$ 34,309,042	\$ 12,501,971	\$ 583,884	\$ 12,000	\$ (30,787,353)	\$ 16,619,544
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	-	-	354,491	-	-	-	354,491
Translation adjustment	-	-	-	987,283	-	-	987,283
Net loss for the period	-	-	-	-	-	(683,355)	(683,355)
Balance – June 30, 2015	222,910,918	\$ 36,422,223	\$ 13,739,053	\$ 2,590,418	\$ (2,000)	\$ (32,250,254)	\$ 20,499,440

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

Calibre Mining Corp.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian Dollars - Unaudited)

	Six Months Ended	
	June 30, 2015	June 30, 2014
Operating Activities		
Net loss for the period	\$ (683,355)	\$ (530,919)
Items not affecting cash:		
Amortization	2,375	4,481
Stock-based compensation	337,962	92,762
Loss on disposal of property & equipment	11,165	-
Loss on sale of marketable securities	-	169,940
Net changes in non-cash working capital:		
Receivables	29,840	1,367
Accounts payable and accrued liabilities	43,344	5,901
Prepaid expenses	(29,200)	17,399
	<u>(287,869)</u>	<u>(239,069)</u>
Investing Activities		
Proceeds from sale of marketable securities	-	260,060
Proceeds from sale of property & equipment	350	-
Purchase of property & equipment	(5,919)	-
Advance for exploration work	-	347,959
Exploration and evaluation expenditures, net	(398,361)	(373,363)
	<u>(403,930)</u>	<u>234,656</u>
Net Decrease in Cash and Cash Equivalents	(691,799)	(4,413)
Cash and cash equivalents - Beginning of Period	2,751,579	1,111,846
Cash and cash equivalents - End of Period	\$ 2,059,780	\$ 1,107,433
Supplemental Disclosure of Non-Cash Financing and Investing Activities		
Recoverable payment receivable included in mineral properties	\$ 141,395	\$ -
Amortization included in exploration and evaluation assets	\$ 11,373	\$ 10,889
Stock based compensation included in exploration and evaluation assets	\$ 16,529	\$ -
Exploration and evaluation costs included in accounts payable	\$ 476,410	\$ 17,688

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

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 2015

(Expressed in Canadian Dollars – Unaudited)

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 1820, 999 West Hastings St., Vancouver, B.C., 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" or "Calibre") are engaged principally in the acquisition, exploration and development of mineral properties in Nicaragua. 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, and 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.

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 period ended December 31, 2014, 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, 2014, 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 26, 2015.

3. Significant Accounting Policies

Standards, amendments and interpretations not yet effective

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee and are mandatory for future periods only and as such have not been applied to these consolidated financial statements. The Company has no plans for early adoption of the following pronouncement.

- In May 2014, the IASB issued IRFS 15: *Revenue from Contracts with Customers*, which replaces IAS 18: *Revenues* and covers principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. IFRS 15 is effective for annual periods beginning on or after January 1, 2017. The Company is in the process of reviewing the standard to determine the impact on its consolidated financial statements.
- In May 2014, the IASB issued amendments to IAS 16: *Property, Plant, and Equipment* and IAS 38: *Intangibles*, prohibiting the use of revenue-based depreciation for property, plant and equipment and significantly limiting the use of revenue-based amortization for intangible assets. These amendments are effective for annual periods beginning on or after January 1, 2016. The Company is in the process of reviewing the standard to determine the impact on its consolidated financial statements.

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 2015

(Expressed in Canadian Dollars – Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES - *continued*

Standards, amendments and interpretations not yet effective - *continued*

- In July 2014, the IASB issued IFRS 9, *Financial Instruments* (“IFRS 9”). The IASB has previously published versions of IFRS 9 that introduced new classification and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). The July 2014 publication represents the final version of the standard, replaces earlier versions of IFRS 9 and substantially completes the IASB’s project to replace IAS 39 – *Financial Instruments: Recognition and Measurement*.

This standard replaces the current multiple classification and measurement models for financial assets and liabilities with a single mode that has only three classification categories: amortized cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity’s business model and the contractual cash flows characteristics of the financial asset or liability. The standard introduces a new, expected loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new standard requires entities to account for expected credit losses. The new standard also introduces a substantially–reformed model for hedge accounting with enhanced disclosures about risk management activity and aligns hedge accounting more closely with risk management. The new standard is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The extent of the impact of the adoption of IFRS 9 has not yet been determined.

4. Capital Management

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 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.

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 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.

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(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 2015

(Expressed in Canadian Dollars – Unaudited)

5. Marketable Securities

As at June 30, 2015 and December 31, 2014, the Company owned a total of 800,000 common shares of Alder Resources Ltd. (“Alder”) earned in connection with an option agreement with Alder, described in Note 6. The total fair value of the 800,000 Alder shares as at June 30, 2015 was \$8,000 (December 31, 2014 - \$12,000). The decrease in the fair value of the Alder common shares has been adjusted through AOCI, resulting in charge of \$4,000 to AOCI during the six months ended June 30, 2015.

As at December 31, 2013, the Company owned 1,000,000 common shares from Newmarket Gold Inc. (“Newmarket”) with a fair value of \$350,000. The shares were received in connection with the sale of Point Leamington as described in Note 6(b). During the six months ended June 30, 2014, the Company sold all 1,000,000 common shares of Newmarket for cash proceeds of \$260,060. As a result of this sale, the Company reclassified \$80,000 from AOCI to loss on sale of marketable securities resulting in a net loss of \$169,940.

6. Exploration and Evaluation Assets

a) *Borosi, Nicaragua, Central America*

On July 21, 2009, the Company acquired a 100% interest in the Borosi Gold – Silver – 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.

The Company has entered into three separate option agreements over a portion of the Borosi Project as summarized below:

- (i) Since July 2009, the Company has partnered with B2Gold Corp. (“B2Gold”) (TSX: BTO) to explore the Borosi Project, as outlined in the option agreement dated July 21, 2009 (as amended on June 18, 2010 and October 19, 2010). The option agreement covers only a portion of the Borosi Project (approximately 322 km²) (the “B2Gold Option Property”). Pursuant to the agreement, in 2013, B2Gold completed \$8 million of expenditures on the B2Gold Option Property and earned a 51% interest, with Calibre retaining a 49% interest over the concessions. B2Gold continues to be the operator on the B2Gold Option Property.

In September 2013, the Company signed a definitive joint venture agreement (the “JV Agreement”) with B2Gold which granted B2Gold a further option to acquire an additional 19% interest in the B2Gold Option Property, for a total interest of 70%, by spending \$6 million in additional project expenditures by April 2016. The JV Agreement supersedes and replaces the original Option Agreement between Calibre and B2Gold.

- (ii) Calibre controls an undivided 100% interest in certain mineral concessions within the Borosi Project, which includes the Siuna District that hosts the Cerro Aeropuerto Mineral Resource. The Siuna District also includes targets at the La Luz Mine, Cerro Potosi and Montes de Oro.
- (iii) The Company is party to an option agreement with Alder Resources Ltd. (“Alder”) (TSX.V: ALR), whereby Alder can earn a 65% interest in an area, known as the Rosita D concession, located within the Company’s 100%-owned Borosi Project. Under the terms of the option agreement, Alder can earn a 65% interest in the Rosita D concession by expending a total of \$4 million on exploration and other work on the Rosita D concession and by issuing to the Company a total of 1,000,000 common shares of Alder over a 4 year period ending in October 2015 (of which 800,000 shares has been received by the Company). Alder will be acting as the project operator for all work conducted on the Rosita D concession during the option period. Should Alder earn the 65% interest in the Property, a joint venture will be formed with the Company and Alder with each being responsible for their pro-rata share of all subsequent project expenditures.

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 2015

(Expressed in Canadian Dollars – Unaudited)

6. Exploration and Evaluation Assets – *continued*

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

(iv) During the year ended December 31, 2014, the Company executed an option agreement with IAMGOLD Corporation (“IAMGOLD”) whereby IAMGOLD can earn a 51% interest (“First Option”) and subsequently an additional 19% interest (“Second Option”) (for a total of 70%) in the Eastern Borosi Project (“Eastern”). A summary of the terms are as follows:

- IAMGOLD can earn a 51% interest in the Eastern concessions by expending US \$5 million in exploration on Eastern by May 26, 2017, with a minimum US \$1.5 million year one commitment (first year expenditure commitment has been completed); and
- Make cash payments to Calibre totalling US \$450,000, with US \$150,000 due at signing (received) and US \$150,000 on each of the next two anniversary dates, being May 2015 (received) and May 2016;
- Calibre will act as project operator in the first year or a longer period should the parties agree, with IAMGOLD having the right to take over operatorship following the first anniversary;
- Once IAMGOLD earns its initial 51% interest, IAMGOLD will have the option to earn an additional 19% interest over the subsequent three year period by spending an additional US \$5 million on Eastern and making staged cash payments of an additional US \$450,000 in three annual payments;
- Once IAMGOLD exercises its Second Option, or elects not to enter into the Second Option, the parties will formalize a joint venture to advance the project further. At such time of formalizing the joint venture, the parties agree to enter into an industry standard agreement to govern the joint venture. At any time subsequent to formalizing the joint venture, should either party elect not to participate in a future planned work program, a standard straight-line dilution formula will apply and should a party be diluted to 10%, the party’s direct joint venture interest will be converted to a 10% net profits interest on Eastern.

The agreement with IAMGOLD is an option agreement and with the exception of the initial payment to Calibre of US \$150,000 and the initial commitment on project expenditures totalling US \$1.5 million (both completed), all other future payments are at the discretion of IAMGOLD.

During the six months ending June 30, 2015, the Company recorded a total of \$92,253 (2014 - \$Nil) in management fees related to acting as operator on the IAMGOLD option property.

The following table outlines the expenditures at Borosi during the six months ended June 30, 2015 and for the year ended December 31, 2014:

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 2015

(Expressed in Canadian Dollars – Unaudited)

6. Exploration and Evaluation Assets – continued

a) Borosi, Nicaragua, Central America – continued

	Option Property to B2Gold	Option Property to Alder	Option Property to IAMGOLD	Calibre 100% Owned Property	Total
Cost, December 31, 2014	\$ 4,470,066	\$ 455,095	\$ 6,016,493	\$ 6,066,215	\$ 17,007,869
Administration and maintenance	-	-	42,588	30,839	73,427
Amortization	-	-	6,596	4,777	11,373
Assaying	-	-	81,513	27,171	108,684
Camp and field supplies	-	-	29,935	7,484	37,419
Drilling and related	-	-	769,365	222,085	991,450
Foreign exchange	239,082	24,375	314,101	357,177	934,735
Geological consulting	-	-	-	50,971	50,971
Logistics and communications	-	-	59,714	43,241	102,955
Professional fees	-	-	1,866	1,351	3,217
Property maintenance	244,121	18,178	76,522	87,975	426,796
Salary and wages	-	-	272,043	134,049	406,092
Stock – based compensation	-	-	9,587	6,942	16,529
Travel	-	-	54,061	13,514	67,575
Recovery of costs	(231,709)	(16,275)	(1,531,284)	-	(1,779,268)
Total expenses during the period	251,494	26,278	186,607	987,576	1,451,955
Cost, June 30, 2015	\$ 4,721,560	\$ 481,373	\$ 6,203,100	\$ 7,053,791	\$ 18,459,824

	Option Property to B2Gold	Option Property to Alder	Option Property to IAMGOLD	Calibre 100% Owned Property	Total
Cost, December 31, 2013	\$ 4,087,241	\$ 417,497	\$ 5,439,043	\$ 5,264,993	\$ 15,208,774
Administration and maintenance	120,268	12,523	65,675	94,461	292,927
Amortization	9,721	1,012	5,308	7,635	23,676
Assaying	-	-	55,488	18,496	73,984
Camp and field supplies	-	-	41,775	-	41,775
Drilling and related	-	-	674,579	-	674,579
Foreign exchange	248,760	25,326	334,819	337,586	946,491
Geological consulting	-	-	32,085	10,695	42,780
Logistics and communications	-	-	108,095	36,032	144,127
Professional fees	6,787	707	3,706	5,330	16,530
Property maintenance	441,266	30,889	138,263	125,025	735,443
Salary and wages	-	-	410,085	136,695	546,780
Stock – based compensation	-	-	24,954	8,318	33,272
Travel	-	-	62,848	20,949	83,797
Recovery of costs	(443,977)	(32,859)	(1,380,230)	-	(1,857,066)
Total expenses during the year	382,825	37,598	577,450	801,222	1,799,095
Cost, December 31, 2014	\$ 4,470,066	\$ 455,095	\$ 6,016,493	\$ 6,066,215	\$ 17,007,869

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 2015

(Expressed in Canadian Dollars – Unaudited)

6. Exploration and Evaluation Assets – continued

b) Point Leamington, Newfoundland, Canada

On June 20, 2013, Calibre entered into a Purchase and Sale Agreement with Newmarket Gold Inc. (“Newmarket”) whereby the Company sold a 100% interest in the Point Leamington Project including the 263 hectare mining lease. As consideration, Newmarket issued 1,000,000 common shares (with a fair value of \$430,000) and paid Calibre \$250,000. Calibre retains a 0.5% net smelter return royalty, which can be purchased by Newmarket at any time for \$1,000,000. Newmarket is considered a related party to the Company as there is an officer and directors in common.

7. Share Capital

a) Authorized and Issued

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

The Company did not issue any common shares or complete any financings during the six months ended June 30, 2015.

During the year ended December 31, 2014, the Company closed a private placement for gross proceeds of \$2,000,000. The private placement consisted of the Company issuing 25,000,000 units at a price of \$0.08 per unit. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire an additional common share at an exercise price of \$0.15 per share until September 22, 2016. No finder’s fee was paid in connection with this private placement. The Company incurred \$14,439 in transaction fees related to the private placement. The allocation of fair value of the warrants issued in connection with this private placement was \$465,142, 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 1.14%, volatility factor of 131% and an expected life of the warrants of two years.

In addition to the above, during the year ended December 31, 2014, 10,000,000 warrants were exercised to purchase the same number of the Company’s common shares for total proceeds of \$500,000. In conjunction with this exercise, the Company transferred the fair value of these warrants totalling, \$92,762, from contributed surplus to share capital.

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 22, 2013, 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 18,000,000 to 25,000,000 (subject to regulatory approvals). 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.

A summary of the status of the Company’s stock options as at June 30, 2015 and changes for the six months ended is presented below:

	Options	Weighted Average Exercise Price
Outstanding, beginning of period	21,150,000	\$ 0.15
Expired	(100,000)	0.20
Outstanding, end of period	21,050,000	\$ 0.15
Exercisable, end of period	16,225,000	\$ 0.15

Calibre Mining Corp.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 2015

(Expressed in Canadian Dollars – Unaudited)

7. Share Capital – continued

b) Stock options – continued

As at June 30, 2015, 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.)
\$0.10	1,900,000	4.04	950,000	4.04
\$0.12	500,000	4.24	250,000	4.24
\$0.14	500,000	4.42	250,000	4.42
\$0.15	10,900,000	0.86	10,900,000	0.86
\$0.16	6,750,000	4.28	3,375,000	4.28
\$0.19	500,000	1.96	500,000	1.96
	21,050,000	2.44	16,225,000	1.90

c) Stock-based compensation

There were no options granted during the six months ended June 30, 2015.

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 \$354,491 (2014 - \$Nil). Of the total compensation recorded, \$337,962 (2014 - \$Nil) was charged to operations expense and \$16,529 (2014 - \$Nil) was capitalized to exploration and evaluation assets.

d) Warrants

During the six months ended June 30, 2015, there were no changes to the number of warrants issued and outstanding. As at June 30, 2015 the following warrants were outstanding and exercisable:

Exercise Price	Number	Weighted Average Remaining Contractual Life (yrs.)
\$0.15	12,500,000	1.23

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Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 2015

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8. 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, 2015	Six Months Ended June 30, 2014
Short-term benefits ⁽ⁱ⁾	\$ 90,000	\$ 60,000
Share-based payments ⁽ⁱⁱ⁾	\$ 107,205	\$ -
Consulting and advisory fees to key persons	\$ 93,000	\$ 54,000

⁽ⁱ⁾ Short-term benefits include salaries and benefits paid to key management personnel.

⁽ⁱⁱ⁾ Share-based payments are the fair value of options granted to key management personnel and consultants as at the grant date and vested over the course of their vested term.

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.

The Company has employee and consulting agreements in place with provisions which would provide a lump sum payment to certain key management personnel. The total amount accruing to key management on such a change of control would total \$850,000.

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.

9. 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 Central America (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, 2015		
	Canada	Nicaragua	Total
Cash and cash equivalents	\$ 2,058,181	\$ 1,599	\$ 2,059,780
Other current assets	177,268	55,207	232,475
Property and equipment	8,611	308,465	317,076
Exploration and evaluation assets	-	18,459,824	18,459,824
Total assets	\$ 2,244,060	\$ 18,825,095	\$ 21,069,155
Total liabilities	\$ 137,968	\$ 431,747	\$ 569,715

Calibre Mining Corp.

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Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended June 30, 2015

(Expressed in Canadian Dollars – Unaudited)

9. Segmented Information – continued

	As at December 31, 2014		
	Canada	Nicaragua	Total
Cash	\$ 2,728,678	\$ 22,901	\$ 2,751,579
Other current assets	81,483	14,237	95,720
Property and equipment	22,501	290,913	313,414
Exploration and evaluation assets	-	17,007,868	17,007,868
Total assets	\$ 2,832,662	\$ 17,335,919	\$ 20,168,581
Total liabilities	\$ 71,024	\$ 252,536	\$ 323,560

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

	2015	2014
Canada	\$ (682,191)	\$ (531,939)
Nicaragua	(1,164)	1,020
Loss for the period	\$ (683,355)	\$ (530,919)

10. Subsequent Event

Subsequent to June 30, 2015, the Company granted 2,525,000 stock options at an exercise price of \$0.10 per share for a period of five years to directors, officers, and employees of the Company. These options are subject to regulatory approval and are granted under the Company's Stock Option Plan, and include vesting provisions.