Condensed Interim Consolidated Financial Statements

For the Three and Nine Months Ended September 30, 2023 and 2022

(Unaudited and stated in thousands of United States dollars)

Condensed Interim Consolidated Statements of Operations and Comprehensive Income

Three and Nine Months Ended September 30, 2023 and 2022

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

	Notes	Three months ended Sept. 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
			(Restated - Note 2)		*(Restated - Note 2)*
Revenue	4	**$ 143,884**	$ 86,342	**$ 410,107**	$ 299,946
Cost of sales					
Production costs	5	**(70,471)**	(55,719)	**(209,478)**	(175,190)
Royalty and production taxes		**(5,538)**	(3,685)	**(15,290)**	(12,371)
Refinery and transportation		**(385)**	(237)	**(1,240)**	(690)
Depreciation and amortization		**(24,734)**	(11,235)	**(55,548)**	(36,441)
Total cost of sales		**(101,128)**	(70,876)	**(281,556)**	(224,692)
Income from mine operations		**42,756**	15,466	**128,551**	75,254
Expenses					
General and administrative	6	**(3,221)**	(3,125)	**(8,642)**	(9,409)
Share-based compensation	14	**(1,651)**	45	**(3,397)**	(1,280)
Other corporate expenses		**(1,118)**	(55)	**(1,630)**	(4,842)
Foreign exchange gain (loss)		**197**	(43)	**106**	(431)
Other expenses		**(177)**	(3,007)	**(911)**	(3,507)
Operating profit		**36,786**	9,281	**114,076**	55,785
Interest income		**353**	243	**1,125**	565
Finance expense	7	**(1,390)**	(501)	**(3,292)**	(1,548)
Other (expense) income, net		**26**	(180)	**(333)**	(185)
Income before taxes		**35,775**	8,843	**111,576**	54,617
Current tax expense		**(11,760)**	(6,651)	**(31,805)**	(23,588)
Deferred tax expense		**(603)**	(479)	**(6,747)**	(2,187)
Net income		**$ 23,412**	$ 1,713	**$ 73,024**	$ 28,842
Other comprehensive income (loss)					
Items that may be reclassified subsequently to profit and loss:					
Employee benefits provision	12	**(441)**	-	**(441)**	-
Foreign currency translation differences		**(155)**	(1,769)	**(196)**	(1,380)
Comprehensive income		**$ 22,816**	$ (56)	**$ 72,387**	$ 27,462
Income per share - basic		**$ 0.05**	$ 0.00	**$ 0.16**	$ 0.07
Income per share - diluted		**$ 0.05**	$ 0.00	**$ 0.15**	$ 0.06
Weighted average number of shares outstanding *(in thousands)*					
- basic		**455,754**	453,932	**454,190**	443,009
- diluted		**477,428**	469,322	**474,013**	460,843

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

Condensed Interim Consolidated Statement of Financial Position

As at September 30, 2023 and December 31, 2022

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

As at:	Notes		September 30, 2023		December 31, 2022
ASSETS					
Current assets					
Cash and cash equivalents		**$**	**97,293**	$	56,492
Receivables, prepaids and other current assets	8		**19,884**		13,534
Inventories	9		**111,968**		104,954
Total current assets			**229,145**		174,980
Non-current assets					
Mineral interests, plant and equipment	10		**528,852**		477,180
Long term restricted cash	13		**4,234**		2,500
Other assets	11		**10,328**		9,598
Total assets		**$**	**772,559**	$	664,258
LIABILITIES					
Current liabilities					
Accounts payable and accruals		**$**	**46,722**	$	42,203
Income and other taxes payable			**20,174**		13,479
Current portion of provisions	12		**5,780**		5,687
Current portion of debt	13		**8,504**		4,187
Current portion of share based liabilities	14		**963**		734
Current portion of lease liability			**282**		268
Total current liabilities			**82,425**		66,558
Non-current liabilities					
Provisions	12		**77,158**		74,112
Debt	13		**10,862**		8,058
Share based liabilities	14		**1,956**		1,165
Lease liability			**400**		567
Deferred tax liability			**69,622**		63,055
Total liabilities			**242,423**		213,515
SHAREHOLDERS' EQUITY					
Share capital	14		**298,640**		291,607
Contributed surplus			**22,442**		22,470
Accumulated other comprehensive income			**938**		1,574
Retained earnings			**208,117**		135,092
Total shareholders' equity			**530,136**		450,743
Total liabilities and shareholders' equity		**$**	**772,559**	$	664,258

APPROVED ON BEHALF OF THE BOARD ON NOVEMBER 7, 2023:

Signed *"Darren Hall"*, DIRECTOR Signed *"Edward Farrauto"*, DIRECTOR

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

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

	Notes	Three months ended Sept. 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
Cash provided by operations					
Net income		**$ 23,412**	$ 1,713	**$ 73,024**	$ 28,842
Payments against rehabilitation liabilities	12	**(171)**	(101)	**(687)**	(251)
Non-cash adjustments					
Share-based compensation	14	**552**	(543)	**1,607**	(371)
Depreciation and amortization		**24,855**	11,251	**55,804**	36,830
Accretion expense	7	**904**	485	**2,750**	1,493
Write-down of exploration properties	10	**-**	3,235	**461**	3,235
Deferred tax expense		**603**	479	**6,747**	2,187
Inventory NRV adjustment	9	**-**	3,281	**(780)**	3,281
Other		**(329)**	(1,903)	**(321)**	(1,703)
Working capital adjustments	15	**4,400**	(10,796)	**2,171**	(4,950)
Net cash provided by operating activities		**54,226**	7,101	**140,776**	68,593
Investing activities					
Expenditures on mineral properties, plant and equipment	10	**(37,933)**	(43,262)	**(110,433)**	(107,934)
Cash receipt from Rio Tinto	10	**-**	-	**-**	1,599
Cash paid for the Fiore acquisiton	3	**-**	-	**-**	(8,000)
Cash obtained from the Fiore acquisition	3	**-**	-	**-**	13,607
Surety bond refund		**-**	-	**-**	5,249
Net cash used in investing activities		**(37,933)**	(43,262)	**(110,433)**	(95,479)
Financing activities					
Exercise of share options and warrants	14	**2,019**	357	**5,295**	5,747
Payment of lease liability and interest		**(72)**	(91)	**(180)**	(881)
Proceeds from debt, net of issuance costs	13	**5,602**	10,118	**11,526**	10,118
Restricted cash	13	**(1,734)**	(2,500)	**(1,734)**	(2,500)
Repayment of debt	13	**(1,652)**	-	**(4,439)**	-
Net cash provided by financing activities		**4,163**	7,884	**10,469**	12,484
Effect of exchange rate changes on cash		**(32)**	(21)	**(11)**	(25)
Change in cash and cash equivalents		**20,424**	(28,297)	**40,801**	(14,428)
Cash and cash equivalents, beginning of period		**76,869**	92,323	**56,492**	78,454
Cash and cash equivalents, end of period		**$ 97,293**	$ 64,026	**$ 97,293**	$ 64,026
Other information					
Interest paid - cash		**$ 45**	$ 16	**$ 69**	$ 55
Taxes paid - cash		**$ 5,342**	$ 4,398	**$ 25,110**	$ 22,020

Supplemental Cash Flow Information – Note 15

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

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

Three and Nine Months Ended September 30, 2023 and 2022

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

				Accumulated Other Comprehensive Income			
	Number of Shares *(in thousands)*	Share Capital	Contributed Surplus	Foreign Currency Translation Reserve	Other	Retained Earnings	Total
Balances at December 31, 2021	**340,269**	**$ 175,712**	**$ 19,059**	**$ 2,177**	**$ 755**	**$ 91,749**	**$ 289,453**
Shares issued on purchase of Fiore Gold (Note 3)	101,322	107,205	-	-	-	-	107,205
Replacement options granted on purchase of Fiore Gold (Note 3)	-	-	3,182	-	-	-	3,182
Exercise of options and warrants (Note 14)	6,459	6,470	(723)	-	-	-	5,747
Exercise of restricted and performance share units (Note 14)	1,496	1,623	(1,623)	-	-	-	-
Share based compensation (Note 14)	-	-	1,926	-	-	-	1,926
Foreign exchange translation	-	-	-	(1,380)	-	-	(1,380)
Net income	-	-	-	-	-	28,842	28,842
Balances at September 30, 2022	**449,546**	**$ 291,010**	**$ 21,821**	**$ 797**	**$ 755**	**$ 120,591**	**$ 434,974**
Balances at December 31, 2022	**450,367**	**$ 291,607**	**$ 22,470**	**$ 1,809**	**$ (235)**	**$ 135,093**	**$ 450,743**
Exercise of options and warrants (Note 14)	7,189	6,317	(1,022)	-	-	-	5,295
Exercise of restricted and performance share units (Note 14)	854	716	(716)	-	-	-	-
Share based compensation (Note 14)	-	-	1,710	-	-	-	1,710
Change in employee benefits provision, net of tax	-	-	-	-	(441)	-	(441)
Foreign exchange translation	-	-	-	(196)	-	-	(196)
Net income	-	-	-	-	-	73,024	73,024
Balances at September 30, 2023	**458,410**	**$ 298,640**	**$ 22,442**	**$ 1,613**	**$ (676)**	**$ 208,117**	**$ 530,135**

The accompanying notes are an integral part of the unaudited, condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

Nature of Operations

Calibre Mining Corp. (individually, or collectively with its subsidiaries, as applicable, "Calibre" or the "Company") is a gold mining, mine development, and exploration company. The Company owns several operational open-pit and underground mines, two milling facilities (the El Limon and La Libertad mines), and a portfolio of exploration and development opportunities in Nicaragua, Central America that were acquired from B2Gold Corp ("B2Gold") in 2019. In addition to its mining operations in Nicaragua, Calibre continues to explore and develop several concessions at its 100%-owned Eastern Borosi Gold-Silver Project ("EBP") which includes the Eastern Borosi Mines ("EBM").

In January 2022, the Company acquired Fiore Gold Ltd. (individually, or collectively with its subsidiaries, as applicable, "Fiore") whereby Calibre acquired a 100% interest in Fiore's Pan Mine, a producing heap leach gold operation in Nevada, U.S.A. Fiore also owns the adjacent advanced-stage Gold Rock Project and the past producing Illipah Gold Project in Nevada, as well as the Golden Eagle project in Washington State which is an exploration stage project.

Calibre is incorporated under the laws of British Columbia, Canada and maintains its corporate head office at Suite 1560 – 200 Burrard Street, P.O. Box 49167, Vancouver, British Columbia, Canada, V6C 3L6. The Company's common shares are listed on the Toronto Stock Exchange in Canada under the ticker symbol *CXB* and in the United States on the premium OTCQX Best Market, under the ticker symbol *CXBMF*.

2. BASIS OF PRESENTATION

Basis of Presentation and Statement of Compliance

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), as applicable to interim financial reports including International Accounting Standard 34, *Interim Financial Reporting*. Therefore, these condensed interim consolidated financial statements do not include all the information and note disclosures required by IFRS for annual financial statements and should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2022, which have been prepared in accordance with IFRS.

The accounting policies and basis of presentation applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited annual consolidated financial statements for the year ended December 31, 2022, unless otherwise noted.

These unaudited condensed interim consolidated financial statements were approved by the Board of Directors of the Company on November 7, 2023.

Accounting Policy Change and Restatement

During the nine months ended September 30, 2023, Calibre amended its inventory and revenue accounting policy to include the recognition of silver by-product at cost and proceeds of sale as revenue (Note 4) whereas the Company had previously been recording by-product credits at net realizable value in production costs (Note 5). The Company has applied this accounting policy change retrospectively.

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

2. BASIS OF PRESENTATION – *continued*

Accounting Policy Change and Restatement – *continued*

Accordingly, revenue and production costs were restated for the three and nine months ended September 30, 2022:

	Amount previously disclosed for the three months ended September 30, 2022	Effect of accounting policy change	Restated balance for the three months ended September 30, 2022
Revenue	$ 85,201	$ 1,141	$ 86,342
Production costs	54,600	(1,119)	55,719
Refinery and transportation	215	(22)	237
Net income	$ 1,713	$ -	$ 1,713

	Amount previously disclosed for the nine months ended September 30, 2022	Effect of accounting policy change	Restated balance for the nine months ended September 30, 2022
Revenue	$ 296,026	$ 3,920	$ 299,946
Production costs	171,292	(3,898)	175,190
Refinery and transportation	668	(22)	690
Net income	$ 28,842	$ -	$ 28,842

Significant Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make accounting policy judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical accounting policy judgements and estimates applied in the preparation of the Company's unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in Note 4 of the Company's audited annual consolidated financial statements for the year ended December 31, 2022, unless otherwise noted.

3. ACQUISITION OF UNITED STATES ASSETS

On January 12, 2022, the Company completed the acquisition of all of Fiore's issued and outstanding common shares pursuant to a court-approved plan of arrangement (the "Acquisition"). Pursuant to the terms of the agreement, Calibre acquired a 100% interest in Fiore's gold producing Pan Mine, the adjacent advanced-stage Gold Rock Project and the past producing Illipah Gold Project in Nevada, as well as the Golden Eagle Project in Washington State. Fiore controls a large land package on Nevada's prolific Battle Mountain – Eureka trend.

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

3. ACQUISITION OF UNITED STATES ASSETS - *continued*

On closing of the Acquisition, Calibre issued a total of 101.3 million common shares and paid $8.0 million in cash to Fiore shareholders for a 100% interest in Fiore Gold Ltd. And its subsidiaries. Pursuant to the terms of the arrangement, the Company also issued a total of 6.5 million replacement options to holders of Fiore options and 0.2 million amended stock appreciation rights (“SARs”) to holders of Fiore SARs.

The Company has determined that this acquisition is a business combination for accounting purposes under IFRS 3, *Business Combinations*. A business consists of inputs and processes applied to those inputs that have the ability to create outputs, and management considers this acquisition to qualify as such.

Management applied significant judgment in estimating the fair value of mineral interests and exploration and evaluation assets. To estimate the fair value of the mineral interest and exploration and evaluation assets, management used discounted cash flow models and in-situ values.

Key assumptions developed by management used to determine the fair value of the mineral interest and exploration and evaluation assets included future metal prices, production based on current estimates of Mineral Reserves and recoverable Mineral Resources, future operating costs and capital expenditures, discount rates and in-situ multiples. The Company’s estimates of Mineral Reserves and recoverable Mineral Resources are based on information prepared by qualified persons as defined in accordance with NI 43-101 issued by the Canadian Securities Administrators (management’s experts).

The following tables summarize the fair value of the consideration paid and the fair values of identified assets and liabilities recognized as a result of the Acquisition.

CAD$ Calibre share price	$	1.34
Foreign exchange rate		0.7896
Calibre share price	$	1.06

Value of shares on close of Transaction	$	107,205
Value of cash on close of Transaction		8,000
Value of SARs		62
Value of Replacement Options		3,244
Value Purchase Price	$	118,511

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

3. ACQUISITION OF UNITED STATES ASSETS - *continued*

Fair Value of Identified Assets Acquired and Liabilities Assumed		
Assets		
Cash and cash equivalents	$	13,607
Receivables, prepaids, and deposits		1,313
Inventories		32,873
Plant, equipment, and mineral interests		101,276
Deposits and advance royalties		9,867
Total Assets		158,936
Liabilities		
Accounts payables and accrued liabilities		14,109
Lease liabilities		739
Asset retirement obligations		10,737
Deferred income tax liabilities		14,840
Total Liabilities		40,425
Net assets acquired	$	118,511

During the nine months ended September 30, 2023, there were no business combination costs nor amounts expended related to advisory, legal, regulatory, professional fees, and success fees versus $4,842 expensed during the nine months ended September 30, 2022.

4. REVENUE

	Three months ended Sept. 30,		Nine months ended Sept. 30,	
	2023	2022	**2023**	2022
		(Restated - Note 2)		*(Restated - Note 2)*
Gold	**$ 141,263**	$ 85,201	**$ 401,823**	$ 296,026
Silver	**2,621**	1,141	**8,284**	3,920
	$ 143,884	$ 86,342	**$ 410,107**	$ 299,946

5. PRODUCTION COSTS

	Three months ended Sept. 30,		Nine months ended Sept. 30,	
	2023	2022	**2023**	2022
		(Restated - Note 2)		*(Restated - Note 2)*
Raw materials and consumables	**$ 25,547**	$ 19,970	**$ 69,691**	$ 55,864
Salaries and employee benefits	**11,148**	10,368	**36,924**	33,588
Contracted services	**26,098**	19,913	**78,237**	60,746
Electricity and power	**6,447**	5,442	**18,820**	15,494
Site administration and other	**4,015**	6,154	**11,097**	14,389
Change in inventories	**(2,784)**	(6,128)	**(5,291)**	(4,891)
	$ 70,471	$ 55,719	**$ 209,478**	$ 175,190

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

6. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended Sept. 30,		Nine months ended Sept. 30,	
	2023	2022	**2023**	2022
Salaries, wages and benefits	**$ 1,704**	$ 1,659	**$ 4,692**	$ 5,407
Consulting and professional fees	**361**	538	**863**	1,609
Corporate administration and other	**1,156**	928	**3,087**	2,393
	$ 3,221	$ 3,125	**$ 8,642**	$ 9,409

7. FINANCE EXPENSE

	Three months ended Sept. 30,		Nine months ended Sept. 30,	
	2023	2022	**2023**	2022
Interest expense	**$ 486**	$ 16	**$ 542**	$ 55
Accretion of mine restoration provision	**650**	234	**1,949**	704
Accretion of employee benefit obligations	**254**	251	**801**	789
	$ 1,390	$ 501	**$ 3,292**	$ 1,548

8. RECEIVABLES, PREPAIDS AND OTHER CURRENT ASSETS

	September 30, 2023	December 31, 2022
Receivables	**$ 1,378**	$ 984
Value added tax and other recoverable taxes	**1,567**	938
Prepaid expenses and deposits	**8,080**	5,673
Supplier advances	**8,499**	5,527
Employee advances and other	**360**	412
	$ 19,884	$ 13,534

Value added tax (“VAT”) receivable in Nicaragua may be used to offset other taxes payable including income and payroll taxes. Historically, the operations have experienced delays in receiving payment or confirmation of offset against other taxes and, on some occasions, VAT receivable claims have been denied. As at September 30, 2023, $5,023 of VAT and other recoverable taxes has been reclassified to long-term assets (December 31, 2022 - $4,783) (Note 11).

Included in supplier and employee advances are certain payments to local contractors engaged by the Company to conduct mine development and provide operational support. The advances to different contractors have various terms of repayment from short-term to up to 24-month periods and rates of interest ranging from nominal amounts to 6% per annum. In certain situations, the advances are collateralized by certain equipment owned by the contractor. As at September 30, 2023, $1,860 in supplier advances are included in long-term assets (December 31, 2022 - $1,724) (Note 11).

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

9. INVENTORIES

	September 30, 2023	December 31, 2022
Finished goods - gold and silver doré	**$ 25**	$ 74
Ore on leach pads	**40,360**	41,740
Mill in-circuit	**18,901**	12,820
Ore stockpiles	**9,343**	4,904
Materials and supplies	**43,339**	45,416
	$ 111,968	$ 104,954

The amount of depreciation included in inventories as at September 30, 2023 was $14,169 (December 31, 2022 - $10,882). The amount of cost of sales expensed from inventory for gold doré, mill-in-circuit, ore on leach pads and ore stockpiles was $97,391 and $269,226 for the three and nine months ended September 30, 2023 ($69,209 and $211,945 for the three and nine months ended September 30, 2022).

During the year ended December 31, 2022, the Company recorded a write-down of Ore on leach pads, and a partial reversal of that write-down, which together totaled $1,198 of which $1,056 was classified as a component of Production costs and $142 was classified as Depreciation and amortization. Subsequently, during the three months ended March 31, 2023, the Company further reversed $780 of the write-down of which $656 was classified as a component of Production costs and $124 was classified as Depreciation and amortization. The write-down and subsequent reversals are related to the Pan mine leach pad, part of the United States operating segment.

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

10. MINERAL INTERESTS, PLANT AND EQUIPMENT

The following tables provide continuity schedules which outline changes to mineral interests for the nine months ended September 30, 2023 and year ended December 31, 2022.

Cost	Mineral Interests	Exploration and Evaluation assets	Property, plant and equipment	Total
Balance as at December 31, 2021	**$ 187,329**	**$ 60,330**	**$ 103,443**	**$ 351,102**
Assets acquired	26,027	48,512	26,738	101,277
Additions	60,605	48,002	38,183	146,790
Right of use additions	-	-	912	912
Reclassifications	10,840	(10,670)	(170)	-
Disposals	-	(3,235)	(137)	(3,372)
Change in mine restoration provision	-	-	(3,733)	(3,733)
Recovery on costs and option payments	-	(1,599)	-	(1,599)
Balance as at December 31, 2022	**$ 284,801**	**$ 141,340**	**$ 165,236**	**$ 591,377**
Additions	58,349	21,448	31,400	111,197
Right of use additions	-	-	27	27
Disposals	-	(461)	(30)	(491)
Reclassifications	7,809	(7,433)	(376)	-
Balance as at September 30, 2023	**$ 350,959**	**$ 154,894**	**$ 196,257**	**$ 702,110**
Accumulated depreciation and amortization				
Balance as at December 31, 2021	**$ 42,353**	**$ -**	**$ 18,663**	**$ 61,015**
Depreciation and amortization	32,866	-	20,419	53,285
Disposals	-	-	(104)	(104)
Balance as at December 31, 2022	**$ 75,219**	**$ -**	**$ 38,978**	**$ 114,196**
Depreciation and amortization	47,606	-	11,484	59,090
Disposals	-	-	(29)	(29)
Balance as at September 30, 2023	**$ 122,825**	**$ -**	**$ 50,433**	**$ 173,257**
Net carrying amounts				
Balance as at December 31, 2022	$ 209,582	$ 141,340	$ 126,258	$ 477,180
Balance as at September 30, 2023	**$ 228,134**	**$ 154,894**	**$ 145,824**	**$ 528,852**

As at September 30, 2023 and December 31, 2022, the Company's mineral interests, exploration & evaluation assets, and plant & equipment did not have any indicators of impairment.

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

10. MINERAL INTERESTS, PLANT AND EQUIPMENT – *continued*

The following table provides a continuity schedule which details exploration and evaluation assets for the nine months ended September 30, 2023 and the year ended December 31, 2022.

	December 31, 2022	Assets acquired	Additions	Recoveries and option payments	Write off of exploration property	Costs reclassified	September 30, 2023
Limon	$ 10,124	$ -	$ 4,824	$ -	$ -	$ (1,478)	$ 13,470
Libertad	17,846	-	3,708	-	-	-	21,554
Borosi - 100% Calibre	18,726	-	1,637	-	-	-	20,363
EBP - 100% Calibre	26,108	-	5,629	-	-	(357)	31,380
Other Nicaragua	461	-	-	-	(461)	-	-
Pan Mine	10,800	-	4,122	-	-	(5,598)	9,324
Gold Rock	34,116	-	1,197	-	-	-	35,313
Golden Eagle	21,598	-	144	-	-	-	21,742
Illipah and other Nevada	1,561	-	187	-	-	-	1,748
	$ 141,340	$ -	$ 21,448	$ -	$ (461)	$ (7,433)	$ 154,894

	December 31, 2021	Assets acquired	Additions	Recoveries and option payments	Write off of exploration property	Costs reclassified	December 31, 2022
Limon	$ 5,171	$ -	$ 7,166	$ -	$ -	$ (2,213)	$ 10,124
Libertad	16,211	-	13,327	-	(3,235)	(8,457)	17,846
Borosi - Rio Tinto option	18,521	-	1,599	(1,599)	-	(18,521)	-
Borosi - 100% Calibre	-	-	205	-	-	18,521	18,726
EBP - 100% Calibre	19,966	-	6,142	-	-	-	26,108
Other Nicaragua	461	-	-	-	-	-	461
Pan Mine	-	2,281	8,519	-	-	-	10,800
Gold Rock	-	23,854	10,262	-	-	-	34,116
Golden Eagle	-	21,080	518	-	-	-	21,598
Illipah and other Nevada	-	1,297	264	-	-	-	1,561
	$ 60,330	$ 48,512	$ 48,002	$ (1,599)	$ (3,235)	$ (10,670)	$ 141,340

11. OTHER ASSETS

	September 30, 2023	December 31, 2022
Long-term portion of supplier advances (Note 8)	**$ 1,860**	$ 1,724
Long-term portion of value added and other recoverable taxes (Note 8)	**5,023**	4,783
Advance royalties	**3,445**	3,091
	$ 10,328	$ 9,598

The advance royalties relate to properties acquired in the Fiore acquisition (Note 3).

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

12. PROVISIONS

Employee Benefits Obligation

	Nine months ended Sept. 30, 2023	Year ended December 31, 2022
Balance beginning of year	$ **14,205**	$ 12,428
Service cost	**1,313**	819
Accretion expense	**821**	1,314
Total amount recognized in profit and loss	**2,134**	2,133
Remeasurements		
Change in financial estimates	**688**	1,419
Change in mine life	**(57)**	(24)
Total amount recognized in OCI	**631**	1,395
Payments	**(888)**	(1,751)
Balance end of period and December 31, 2022	$ **16,082**	$ 14,205
Less: current portion	**(1,121)**	(1,028)
Long-term portion as of September 30, 2023 and December 31, 2022	$ **14,961**	$ 13,177

The employee benefits obligation relates to severance accruals for employees at the Company's operations in Nicaragua. The severance is computed based on years of service at the average salary of the last six months of employment. Employees that work less than ten years have a maximum benefit of five months' salary. In some cases, those with more than ten consecutive years of service can receive an additional severance benefit of ten to twenty months' salary when leaving Calibre. The calculation is in line with labor regulations in Nicaragua.

The assumptions used to calculate the employee benefits obligation at the end of each year are as follows:

	2023	2022
Discount rate	**7.2%**	8.2%
Salary growth rate	**3.0%**	3.0%

Mine Restoration Provision

	Nine months ended Sept. 30, 2023	Year ended December 31, 2022
Balance beginning of year	$ **65,594**	$ 58,347
Reclamation provision related to Fiore acquisition	-	10,737
Change in estimate	-	(3,733)
Accretion expense	**1,949**	940
Payments	**(687)**	(697)
Balance end of period and December 31, 2022	$ **66,856**	$ 65,594
Less: current portion	**(4,659)**	(4,659)
Long-term portion as of September 30, 2023 and December 31, 2022	$ **62,197**	$ 60,935

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

12. PROVISIONS – *continued*

Mine Restoration Provision - *continued*

The restoration provision consists primarily of costs associated with mine reclamation and closure activities. These activities, which tend to be site specific, generally include costs for earthworks, including detoxification and recontouring, revegetation, water treatment, demolition, decommissioning the mill complex and related infrastructure, physical and chemical stability of the tailings area, post-closure site security and monitoring costs. The Company considers such factors as changes in laws and regulations, and requirements under existing permits in determining the estimated costs. Such analysis is performed on a regular basis.

The undiscounted cash flows, before inflation adjustments, estimated to settle the mine restoration provisions were approximately $72,217 as at September 30, 2023 ($72,904 as at December 31, 2022). Due to the nature of mine closure plans, cash expenditures are expected to occur over a significant period of time.

13. DEBT

	Nine months ended September 30, 2023	Year ended December 31, 2022
Balance beginning of year	**$ 12,245**	$ -
Drawdowns	**11,526**	13,086
Interest accretion	**1,184**	194
Interest paid	**(1,150)**	(184)
Principal repayments	**(4,439)**	(851)
Balance end of period and December 31, 2022	**$ 19,366**	$ 12,245
Less: current portion	**(8,504)**	(4,187)
Long-term portion as of September 30, 2023 and December 31, 2022	**$ 10,862**	$ 8,058

a) In September 2022, the Company signed a term loan with Lafise Bank in Nicaragua, financing up to $19,000 over a 3-year amortization period, for equipment purchases at the Eastern Borosi Project. The equipment secures the loan. The interest rate for the facility is set on a scale ranging from 7.0% to a maximum of 10% per annum, with the interest rate for 2023 set at 10.0%. In addition, the Company will be charged a 0.5% disbursement fee on each draw. The Company began equal monthly repayments of the loan on October 28, 2022. These repayments are set to end on September 25, 2025.

   As part of the financing agreement, the Company is required to maintain a $2,500 deposit as a collateral. These funds are earning interest at a rate of 2.85%.

   As at September 30, 2023, the Company had drawn this loan in full.

b) In July 2023, the Company completed an additional term loan with Lafise Bank in Nicaragua financing up to $8,668 over a 3-year amortization period, for equipment purchases at the Limon mine. The equipment secures the loan.

13. DEBT - *continued*

The interest rate for the facility is currently set at 7.75% for the next 3 months until October 31, 2023 when the interest rate will be set at the Secured Overnight Financing Rate ("SOFR") + 2.44% with a maximum cap of 10.5% and a minimum rate of 7.75%. In addition, the Company will be charged a 0.5% disbursement fee on each draw. The Company began equal monthly repayments of the loan on August 31, 2023 that will end on July 31, 2026.

As part of the financing agreement, the Company is required to maintain a $1,734 deposit as a collateral. These funds are earning interest at a rate of 3.50%.

As at September 30, 2023, the Company has drawn $5,602 of the funds with an additional $2,126 drawn in November 2023.

14. SHARE CAPITAL

Authorized and Issued Share Capital

At September 30, 2023 and December 31, 2022, the Company had approximately 458.4 million and 450.4 million common shares issued and outstanding, respectively. The authorized share capital consists of unlimited common shares without par value.

Recent Issuances of Share Capital

During the nine months ended September 30, 2023, 3.1 million options and 4.1 million warrants were exercised for gross proceeds of $5,295.

During the nine months ended September 30, 2023, 0.9 million common shares were issued as settlement of vested RSUs and PSUs.

During the year ended December 31, 2022, pursuant to the acquisition of Fiore, the Company issued a total of 101.3 million common shares with a value of $107,205 (Note 3).

During the year ended December 31, 2022, 6.5 million options and 0.09 million warrants were exercised for gross proceeds of $6,240. In addition, 2.2 million common shares were issued as settlement of vested RSUs and PSUs.

Long-term Incentive Plan

Effective October 8, 2020, the Company adopted the Incentive Plan (the "Incentive Plan"). The purpose of the Incentive Plan is to attract, retain and incentivize leadership as directors, officers, employees and consultants of the Company and to promote a greater alignment of interests between such persons and shareholders of the Company. The Incentive Plan is administered by the Board who are tasked with the responsibility to interpret the Incentive Plan, including determining the times when awards are granted, to whom, the number of awards granted, the length of the exercise period and the vesting provisions involved in awards granted, subject to the terms of the Incentive Plan, applicable securities laws and regulatory requirements.

As at September 30, 2023, the aggregate number of shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all awards granted under the Incentive Plan is fixed at 60 million which would be issued upon the exercise or redemption and settlement of options, DSUs, PSUs and RSUs, collectively, the "Share Unit Awards". The Share Unit Awards can be settled through a delivery of cash, common shares, or any combination thereof, at the sole discretion of the Board. To date, the Company has not granted any DSUs under the Incentive Plan.

14. SHARE CAPITAL – *continued*

Warrants

A summary of the Company's warrant activities for the nine months ended September 30, 2023 and the year ended December 31, 2022 is presented below:

	Nine months ended September 30, 2023		Year ended December 31, 2022	
	Shares issuable on exercise of warrants (in thousands)	Weighted average exercise price (CAD$)	Shares issuable on exercise of warrants (in thousands)	Weighted average exercise price (CAD$)
Balance as at beginning of period	9,091	$ 0.95	9,178	$ 0.95
Exercised	(4,126)	0.95	(87)	0.95
Balance as at end of period	4,965	$ 0.95	9,091	$ 0.95

As at September 30, 2023, the following share purchase warrants were outstanding and exercisable:

Expiry date	Exercise price (CAD$)	Number of warrants (in thousands)	Remaining contractual life in years
October 30, 2023	$0.95	4,965	0.08
Weighted average/Total	$0.95	4,965	

Stock Options

A summary of the Company's stock option activities for the nine months ended September 30, 2023 and the year ended December 31, 2022 is presented below:

	Nine months ended September 30, 2023		Year ended December 31, 2022	
	Shares issuable on exercise of options (in thousands)	Weighted average exercise price (CAD$)	Shares issuable on exercise of options (in thousands)	Weighted average exercise price (CAD$)
Balance as at beginning of period	31,033	$ 0.81	27,836	$ 0.75
Fiore replacement options (Note 3)	-	-	6,459	0.82
Granted	5,209	1.01	5,488	1.01
Exercised	(3,063)	0.59	(6,526)	0.81
Cancelled	(437)	1.03	(1,186)	0.90
Expired	(1,332)	1.17	(1,038)	1.29
Balance as at end of period	31,410	$ 0.85	31,033	$ 0.81

During the nine months ended September 30, 2023, the Company granted 5.2 million stock options. The options granted expire in 2031. The options vest one-third per year beginning one year from the date of grant.

During the year ended December 31, 2022, the Company granted 11.9 million stock options of which 6.5 million options were pursuant to the acquisition of Fiore (Note 3). The options granted pursuant to the Fiore acquisition are vested and are subject to expiry at varying dates. The remaining 5.5 million options granted expire in 2030, with all the options vesting equally over three years beginning one year from the date of grant.

14. SHARE CAPITAL – *continued*

Stock Options - *continued*

As at September 30, 2023, the following stock options were outstanding and exercisable:

Options Outstanding			Options Exercisable
Number of Options (in thousands)	Exercise price (CAD$)	Weighted average remaining contractual life in years	Number of Options (in thousands)
19,556	$0.18 - $0.98	3.94	19,389
9,879	$1.01 - $1.48	6.89	1,578
1,975	$1.51 - $2.13	5.40	1,318
31,410	$0.85	4.97	22,285

Restricted Stock Units ("RSU")

A summary of the Company's RSU activities for the nine months ended September 30, 2023 and the year ended December 31, 2022 is presented below:

	Nine months ended September 30, 2023	**Year ended December 31, 2022**
	Number of units (in thousands)	Number of units (in thousands)
Balance as at beginning of period	3,473	5,110
Granted	2,508	2,165
Exercised (equity-settled)	(853)	(1,913)
Exercised (cash-settled)	(317)	(1,186)
Cancelled	(250)	(703)
Balance as at end of period	4,561	3,473

The Company granted a total of 2.5 million RSUs during the nine months ended September 30, 2023 and 2.2 million RSUs during the year ended December 31, 2022. The RSUs granted vest one-third per year, on the anniversary dates starting one-year from the date of grant. The RSUs will be settled within 10 business days of vesting, however, as allowed under the Incentive Plan, individuals may elect to defer the receipt of any vested RSUs until a later date prior to their expiry. A summary of the vesting schedule of the RSUs currently outstanding is outlined in the table below:

	Number of RSUs vesting during the period (in thousands)
Vested and Exercisable as at September 30, 2023	386
Vesting in 2023	262
Vesting in 2024	1,759
Vesting in 2025	1,365
Vesting in 2026	789
	4,561

14. SHARE CAPITAL – *continued*

Restricted Stock Units ("RSU") - *continued*

Pursuant to the terms of the Incentive Plan, the Board can elect to settle any outstanding RSUs through any combination of cash or the issuance of common shares.

During the nine months ended September 30, 2023, the Company settled a total of 0.3 million RSUs through a cash payment of CAD $0.4 million.

During the year ended December 31, 2022, the Company settled a total of 1.2 million RSUs through a cash payment of CAD $1.3 million.

As at September 30, 2023, there are 0.4 million RSUs that have vested and can be exercised at any time at the option of the RSU holder.

Performance Share Units ("PSU")

A summary of the Company's PSU activities for the nine months ended September 30, 2023 and the year ended December 31, 2022 is presented below:

	Nine months ended September 30, 2023	**Year ended December 31, 2022**
	Number of units (in thousands)	Number of units (in thousands)
Balance as at beginning of period	1,100	1,350
Granted	-	-
Exercised (equity-settled)	-	(250)
Balance as at end of period	1,100	1,100

Pursuant to the terms of the Incentive Plan, the Board can elect to settle any outstanding PSUs through any combination of cash or the issuance of common shares.

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

14. SHARE CAPITAL – *continued*

Stock-Based Compensation

The weighted average fair value of the stock options granted during the nine months ended September 30, 2023 was $0.45 per share (nine months ended September 30, 2022 – $0.49 per share). Options are priced using the Black-Scholes option pricing model. The fair value of options granted during the nine months ended September 30, 2023 and 2022 was estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	Nine months ended September 30,	
	2023	2022
Weighted average risk-free interest rate	**3.57%**	1.43%
Weighted average expected option life	**5 years**	3 years
Weighted average expected stock volatility	**68%**	55%
Weighted average expected dividend yield	**Nil**	Nil

The Company amortizes the fair value of options, RSUs, and PSUs granted over a graded vesting schedule. Consequently, the total compensation expense recognized for equity awards during the nine months ended September 30, 2023 was $3,529 (nine months ended September 30, 2022 - $1,511). For the nine months ended September 30, 2023, the total compensation charged to the statement of operations was $3,426 (nine months ended September 30, 2022 - $1,418) and $102 (nine months ended September 30, 2022 - $94) was capitalized to mineral interests.

15. SUPPLEMENTAL CASH FLOW INFORMATION

The following table includes supplemental information to the statement of cash flows for the three and nine months ended September 30, 2023 and 2022:

	Three months ended Sept. 30,		Nine months ended Sept. 30,	
	2023	2022	**2023**	2022
Change in non-cash working capital				
Change in receivables, prepaids, and deposits	**$ (7,622)**	$ (1,175)	**$ (7,081)**	$ (2,781)
Change in inventories	**(168)**	(10,170)	**(2,947)**	(9,754)
Change in accounts payable, accrued liabilities and income tax	**12,933**	614	**11,564**	6,238
Change in provisions	**(743)**	(64)	**635**	1,348
	$ 4,400	$ (10,796)	**$ 2,171**	$ (4,950)
Non-cash investing and financing activities				
Value of shares issued for acquisition of United States Assets (Note 3)	**$ -**	$ -	**$ -**	$ 107,205
Value of SARs and options issued for acquisition of United States Assets (Note 3)	**-**	-	**-**	3,305
Share-based compensation included in exploration and evaluation assets	**31**	21	**102**	94
Mineral interest costs included in accounts payable	**6,723**	1,639	**6,723**	1,639

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

16. RELATED PARTY TRANSACTIONS

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

Compensation of Key Management and Board of Directors

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company has identified its members of the Board of Directors and certain senior officers as its key management personnel, including the Chief Executive Officer and Chief Financial Officer. The remuneration of directors and key management is determined by the compensation committee of the Board of Directors.

The director's fees, consulting fees and other compensation of directors and key management personnel were as follows for the three and nine months ended September 30, 2023 and 2022:

	Three months ended Sept. 30,		Nine months ended Sept. 30,	
	2023	2022	**2023**	2022
Short-term salaries and benefits	**$ 458**	$ 318	**$ 1,269**	$ 1,237
Director fees	**168**	172	**502**	526
Share-based compensation	**294**	538	**810**	868

Management contracts

As at September 30, 2023, minimum commitments upon termination of the existing contracts was approximately $1,485 and minimum commitments due within one year under the terms of these contracts is $2,128. In addition, the Company is party to various executive and employee contracts that would require payments totalling $5,739 to be made upon the occurrence of a "change of control".

Other related party transactions

B2Gold is considered a related party by virtue of its equity interest in Calibre. B2Gold owned approximately 24% of the Company as at September 30, 2023. Pursuant to an agreement with B2Gold in November 2016, B2Gold retains a 1.5% NSR on production within certain concessions pertaining to a portion of the ground that is included in the Borosi – 100% Calibre owned area. (Note 10).

17. SEGMENTED INFORMATION

Operating segments are those operations whose operating results are reviewed by the chief operating decision makers ("CODM") to make decisions about resources to be allocated to the segments and assess their performance, provided those operations pass certain quantitative thresholds. The CODM for the Company is the Chief Executive Officer and the Chief Financial Officer. In order to determine if operating segments shall be aggregated, management reviews various factors, including economic characteristics, nature of their products, production process, regulatory environment, geographical location and managerial structure. After aggregation criteria have been considered, operations whose revenues, earnings or assets exceed 10% of the total consolidated revenues, earnings or assets are considered to be reportable segments.

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

17. SEGMENTED INFORMATION – *continued*

Management views the operations in Nicaragua as one segment as the operations in Nicaragua are integrated to optimize results. In January 2022, the Company acquired Fiore (Note 3) which has a producing mine located in Nevada and two development projects which are located in Nevada and Washington State in the United States. These United States assets are considered a separate segment. The Corporate column includes costs related to head office and group services which do not form part of a segment.

The following tables provide information on the operations of the Company for the three and nine months ended September 30, 2023 and 2022:

	Three months ended September 30, 2023				Three months ended September 30, 2022			
	Nicaragua	United States	Corporate	Total	Nicaragua	United States	Corporate	Total
Revenue *(restated - Note 2)*	$ 125,168	$ 18,716	$ -	$ 143,884	$ 68,784	$ 17,558	$ -	$ 86,342
Cost of Sales *(restated - Note 2)*	-	-						
Production costs	(57,101)	(13,370)	-	(70,471)	(38,487)	(17,254)	-	(55,741)
Royalties and production taxes	(4,648)	(890)	-	(5,538)	(2,851)	(834)	-	(3,685)
Refinery and transportation	(358)	(27)	-	(385)	(215)	-	-	(215)
Depreciation and amortization	(22,239)	(2,495)	-	(24,734)	(8,935)	(2,300)	-	(11,235)
Total cost of sales	(84,346)	(16,782)	-	(101,128)	(50,488)	(20,388)	-	(70,876)
Earnings from operations	40,822	1,934	-	42,756	18,296	(2,830)	-	15,466
Expenses								
General and administrative	-	-	(3,221)	(3,221)	-	-	(3,125)	(3,125)
Share-based compensation	-	-	(1,651)	(1,651)	-	-	45	45
Due diligence and transaction costs	-	-	(1,118)	(1,118)	-	-	(55)	(55)
Foreign exchange gain (loss)	180	-	17	197	(2)	-	(41)	(43)
Other expense	-	-	(177)	(177)	-	-	(3,007)	(3,007)
Income (loss) before taxes and other items	$ 41,002	$ 1,934	$ (6,150)	$ 36,786	$ 18,294	$ (2,830)	$ (6,183)	$ 9,281
Additions to:								
Mineral interest	$ 19,712	$ 3,883	$ -	$ 23,595	$ 14,911	$ 1,290	$ -	$ 16,201
Plant and equipment	9,090	305	-	9,395	14,840	233	-	15,073
Exploration and evaluation	5,428	2,277	-	7,705	6,886	5,489	-	12,375
Total capital additions	$ 34,230	$ 6,465	$ -	$ 40,695	$ 36,637	$ 7,012	$ -	$ 43,649

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

17. SEGMENTED INFORMATION – *continued*

	Nine months ended September 30, 2023				Nine months ended September 30, 2022			
	Nicaragua	**United States**	**Corporate**	**Total**	**Nicaragua**	**United States**	**Corporate**	**Total**
Revenue *(restated - Note 2)*	$ 350,503	$ 59,604	$ -	$ 410,107	$ 243,761	$ 56,185	$ -	$ 299,946
Cost of Sales *(restated - Note 2)*								
Production costs	(168,584)	(40,894)	-	(209,478)	(131,956)	(43,256)	-	(175,212)
Royalties and production taxes	(12,609)	(2,681)	-	(15,290)	(9,891)	(2,480)	-	(12,371)
Refinery and transportation	(1,133)	(107)	-	(1,240)	(619)	(49)	-	(668)
Depreciation and amortization	(47,889)	(7,659)	-	(55,548)	(32,206)	(4,235)	-	(36,441)
Total cost of sales	(230,215)	(51,341)	-	(281,556)	(174,672)	(50,020)	-	(224,692)
Earnings from operations	120,288	8,263	-	128,551	69,089	6,165	-	75,254
Expenses								
General and administrative	-	-	(8,642)	(8,642)	-	-	(9,409)	(9,409)
Share-based compensation	-	-	(3,397)	(3,397)	-	-	(1,280)	(1,280)
Due diligence and transaction costs	-	-	(1,630)	(1,630)	-	-	(4,842)	(4,842)
Foreign exchange gain (loss)	226	-	(120)	106	(318)	-	(113)	(431)
Other expense	-	-	(911)	(911)	-	-	(3,507)	(3,507)
Income (loss) before taxes and other items	$ 120,514	$ 8,263	$ (14,700)	$ 114,076	$ 68,771	$ 6,165	$ (19,151)	$ 55,785
Additions to:								
Mineral interest	$ 51,613	$ 6,736	$ -	$ 58,349	$ 39,751	$ 2,853	$ -	$ 42,604
Plant and equipment	30,500	900	-	31,400	24,890	1,253	-	26,143
Exploration and evaluation	15,798	5,650	-	21,448	22,421	16,899	-	39,320
Total capital additions	$ 97,911	$ 13,286	$ -	$ 111,197	$ 87,062	$ 21,005	$ -	$ 108,067

The following geographic data includes assets based on their location as at September 30, 2023 and December 31, 2022:

	September 30, 2023				December 31, 2022			
	Nicaragua	United States	Canada	Total	Nicaragua	United States	Canada	Total
Cash and cash equivalents	$ 21,623	$ 7,824	$ 67,846	$ 97,293	$ 8,480	$ 7,942	$ 40,070	$ 56,492
Other current assets	85,699	44,835	1,318	131,852	72,229	45,462	797	118,488
Mining interest, property and equipment	408,704	119,547	601	528,852	362,565	114,014	601	477,180
Other long-term assets	11,117	3,445	-	14,562	9,007	3,091	-	12,098
Total assets	$ 527,143	$ 175,651	$ 69,765	$ 772,559	$ 452,281	$ 170,509	$ 41,468	$ 664,258

(Unaudited - Stated in thousands of United States Dollars, except per share amounts, unless otherwise noted)

18. COMMITMENTS AND CONTINGENCIES

Commitments

The Company is committed to $22,999 for obligations under normal course of operations including capital expenditure commitments and contractual commitments. The following table provides a summary of the upcoming commitments by year as at September 30, 2023:

	2023	2024	2025 and later years	Total
Payables and non-capital orders	$ 12,504	$ 403	$ -	$ 12,907
Capital expenditure commitments	8,666	1,426	-	10,092
	$ 21,170	$ 1,829	$ -	$ 22,999

Contingencies

Various tax and legal matters are outstanding from time to time. Judgements and assumptions regarding these matters are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations. If management's estimate of the future resolution of these matters changes, the Company will recognize the effects of these changes in the consolidated financial statements on the date such changes occur.

The Nicaraguan subsidiaries of Calibre Mining Corp., received observation letters from the Nicaraguan Tax Authority for the fiscal year 2017 relating to certain matters associated with the Company's operations in Nicaragua related to the tax deductibility of certain expenditures. The proposed reassessment, and associated tax payment for the Company's Nicaraguan subsidiaries for the fiscal year 2017 is approximately $8.0 million (including penalties and interest charges). However, the Company believes that its tax positions are valid and intends to vigorously defend its tax filing positions. No provision has been recorded for this amount as at September 30, 2023.

19. FINANCIAL INSTRUMENTS AND RISK FACTORS

The Company's operations include the acquisition, operation, and exploration of mineral properties in Nicaragua and the United States. The Company's activities expose it to risks, including financial and operational risks of varying degrees of significance to achieve its strategic objectives for growth and shareholder returns. These principal risks related to financial instruments to which the Company is exposed are credit risk, liquidity risk, interest rate risk, and currency risk.

The carrying value amount of the Company's financial instruments that are measured at amortized cost approximate fair value due to their short-term nature and market conditions.

Credit risk

Credit risk is the risk of financial loss to the Company if a third-party to a financial instrument fails to meet its contractual obligations. As at September 30, 2023, the Company's maximum exposure to credit risk was the book value of cash and cash equivalents, accounts receivable and current and long-term loan receivable.

Concentration of credit risk exists with respect to our cash and cash equivalents which are primarily held at one of the largest Canadian domestic chartered banks.

19. FINANCIAL INSTRUMENTS AND RISK FACTORS – *continued*

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and through its budgeting and forecasting process. Budgets are prepared annually, and forecasts are prepared and reviewed on a regular basis, to help determine the funding requirements to support the Company's current operations and expansion and development plans and by managing its capital structure as described above.

As at September 30, 2023, the Company had cash and cash equivalents of $97,293 (December 31, 2022 - $56,492) and current liabilities of $82,425 (December 31, 2022 - $66,558). Cash provided by operating activities totaled $140,776 for the nine months ended September 30, 2023 (nine months ended September 30, 2022 - $68,593). In addition, the Company's working capital improved from $108,422 at December 31, 2022 to $146,720 at September 30, 2023.

Interest rate risk

Interest rate risk is the risk that the fair values and future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company has interest bearing cash balances, which are subject to fluctuations in the interest rate. An increase or decrease in the interest earned from financial institutions on deposits held would result in a nominal increase or decrease in the Company's income (loss) before income taxes in the consolidated statement of operations. The Company has additional exposure to interest rate risk on its outstanding borrowings. With other variables unchanged, a 1% increase on the Company's debt interest rate would increase annual interest expense by $193. The Company closely monitors its exposure to interest rate risk and has not entered into any derivative contracts to manage this risk.

Currency risk

Currency risk is the risk that the fair value of, or cash flow from, the Company's financial instruments will fluctuate because of changes in foreign currency rates. The Company's functional currency at the location of its operations is the U.S. dollar and the major purchases are transacted in the U.S. dollars as well. The significant majority of the Company's currency is held in either the U.S. or Canadian dollars with only a very small amount held at any time in the Nicaraguan Cordoba.

The Company is subject to gains and losses due to fluctuations in the Canadian dollar and Nicaraguan Cordoba against the U.S. dollar. Sensitivity to a plus or minus 5% change in all foreign currencies (Canadian dollar and Nicaraguan Cordoba) against the U.S. dollar with all over variables held constant at September 30, 2023, would affect the statements of operations and comprehensive income by approximately $4.1 million.

The Cordoba has been annually devalued against the U.S. dollar by means of a crawling peg mechanism which currently stands at approximately 1%. 85.5% of the Company's revenue in the nine months ended September 30, 2023 was from ounces produced in Nicaragua.

19. FINANCIAL INSTRUMENTS AND RISK FACTORS - *continued*

Currency risk - *continued*

The Company generates revenue in U.S. dollars, thereby mitigating currency risk for its Nicaraguan operations where expenditures are mainly in U.S. dollars. The Company maintains Canadian and U.S. dollar bank accounts in Canada and the United States. The Company also maintains US dollar and Cordoba bank accounts in Nicaragua. The Company's foreign exchange exposure to fluctuations of the Cordoba is not significant as its annual expenditures in the local Nicaraguan currency and Cordoba denominated bank accounts are kept at a minimum at any given time. In addition, while a significant portion of the Company's corporate administrative costs are denominated in Canadian dollars, any fluctuation in the U.S. dollar against the Canadian dollar is not expected to have a material impact on the Company's cash flows given the relative stability of both currencies and the limited Canadian dollar expenditures in any given year.