CALIBRE MINING CORP

MANAGEMENT DISCUSSION & ANALYSIS

THREE MONTHS ENDED MARCH 31, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") of Calibre Mining Corp. (the "Company" or "Calibre", and as described in the section entitled *Company Overview*) contains information that management believes is relevant to an assessment and understanding of the Company's consolidated financial position and the results of its consolidated operations for the three months ended March 31, 2020 and 2019. This MD&A should be read in conjunction with the unaudited interim consolidated financial statements for the three months ended March 31, 2020 and 2019, which are prepared in condensed format in accordance with International Financial Reporting Standards ("IFRS") as applicable to the preparation of interim financial statements, including International Accounting Standard IAS 34, *Interim Reporting*. The unaudited condensed interim consolidated financial statements should also be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2019, which have also been prepared in accordance with IFRS.

This MD&A was prepared and reflects information as of May 6, 2020.

Additional information including this MD&A, the unaudited interim consolidated financial statements for the three months ended March 31, 2020 and 2019, the audited consolidated financial statements and MD&A for the year ended December 31, 2019, press releases, and other corporate filings are available on the SEDAR website, www.sedar.com, and the Company's website, www.calibremining.com.

This MD&A contains certain non-IFRS measures. The Company believes that these measures, in addition to information prepared in accordance with IFRS, provides investors with useful information to assist in their evaluation of the Company's performance and ability to generate cash flow from its operations. While these measures are intended to provide additional information, they should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS, as they do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers. For further information, refer to the section *Non-IFRS Measures* within this MD&A.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors outlined in the *Risk Factors* and *Forward-Looking Statements* sections. This MD&A provides management's analysis of historical financial and operating results and provides estimates of the Company's future financial and operating performance based on information currently available. Actual results will vary from estimates and variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

All amounts are in U.S. dollars ("$") unless otherwise stated. References to "CAD" are to the Canadian dollar.

The following additional abbreviations may be used within this MD&A: General and Administrative Expenses ("G&A"); Property, Plant, and Equipment ("PPE"); Asset Retirement Obligation ("ARO"); Gold ("Au"); Silver ("Ag"); Troy Ounces ("oz"); All-in-Sustaining Costs per ounce sold ("AISC"); Grams per Tonne ("g/t"); Tonnes ("t"); Tonnes per Annum ("tpa"); Hectares ("ha"); Square Kilometre ("km^2"); and Metres ("m"). In addition, throughout this MD&A, the reporting periods for the three months ended March 31, 2020 and 2019 are condensed to be Q1 2020 and Q1 2019, respectively.

COMPANY OVERVIEW

Calibre is a multi-asset gold producer and explorer operating in Nicaragua with near mine discovery and organic growth potential. The 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. As at March 31, 2020, the Company's common shares were listed on the Toronto Stock Exchange ("TSX") in Canada under the ticker symbol *CXB* (prior to October 21, 2019, the Company's common shares were listed on the TSX Venture Exchange in Canada under the same symbol). Effective November 22, 2019, Calibre also began trading in the United States on the premium OTCQX Best Market, under the ticker symbol *CXBMF*.

RECENT CORPORATE DEVELOPMENTS

Acquisition of Nicaragua Assets

On October 15, 2019, the Company acquired a 100%-interest in the El Limon and La Libertad gold mines, the Pavon gold project ("Pavon") and additional mineral concessions in Nicaragua (collectively, the "Nicaragua Assets") from B2Gold Corp ("B2Gold"), (the "Transaction"), while also continuing to maintain a portfolio of exploration projects in Nicaragua.

The purchase price for the Transaction was paid in a combination of cash, common shares, a convertible debenture, and a deferred cash payment component, summarized as follows:

(i) $40 million in cash;

(ii) Issuance of 88 million common shares with a fair value of $40 million;

(iii) Issuance of a $10 million convertible debenture (the "Debenture"). During the year ended December 31, 2019, Calibre converted the Debenture paying all interest incurred and eliminating the outstanding principal through the issuance of 17.6 million common shares. As at December 31, 2019 and March 31, 2020, there were no amounts owing and no obligations under the terms of this Debenture;

(iv) Working capital adjustment cash payment of $12.8 million; and

(v) Deferred cash payments totalling $15.5 million (see *Subsequent Events* below).

Following the closing of the Transaction and the conversion of the Debenture, B2Gold owns approximately 34% of Calibre as at March 31, 2020.

Additional details on the Transaction, including fair value analysis, preliminary purchase price allocation and accounting treatment on the business acquisition is provided in the consolidated financial statements for the year ended December 31, 2019 and 2018.

Suspension of Operations

On March 25, 2020, the Company announced a temporary suspension of operations at its El Limon and La Libertad mines. While the Company had implemented numerous mitigation measures and had no confirmed cases of the novel coronavirus ("COVID-19") at our locations, Calibre took the proactive step to temporarily suspend operations due to the global pandemic and increasing logistical challenges of sourcing consumables and exporting its gold. The health and safety of employees, contractors and surrounding communities continues to be the Company's highest priority.

Calibre's financial and/or operating performance could continue to be materially and adversely affected by the COVID-19 global health crises, other epidemics, pandemics or outbreaks of new infection diseases or viruses. Such public health crises can result in volatility and disruption to global supply chains, trade and market sentiment, mobility of people, and global financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, and results of operations, gold price, and other factors relevant to the Company. The risks also include risks to employee health and safety, on-going suspension or slowdown of operations, additional non-compensable costs, or could result in the cancellation of contracts, as well as supply chain disruptions that could negatively impact Calibre's business, financial condition and results of operations.

During the temporary suspension, the Company is focused on ensuring environmental compliance, progressing social, permitting and technical programs, while maintaining a state of readiness for an efficient restart of operations when deemed appropriate. The Company has estimated holding costs of approximately $2.5 million per month during the temporary suspension. The Company cannot estimate the duration nor the impact of the suspension at this time.

As at March 31, 2020, the Company had $43.1 million in cash (December 31, 2019 - $32.9 million) and was debt free other than the Deferred Payment obligations to B2Gold (discussed above).

The Company has taken significant steps to manage its liquidity and optimize its capital management while operations remain in temporary suspension, including stopping all mining and processing activities, reducing on-site workforce and related site costs, eliminating non-essential travel, reducing general and administrative costs, delaying non-essential capital expenditures and exploration activities, and deferring senior management salaries by 20% during the suspension period. In addition, subsequent to March 31, 2020, the Company and B2Gold agreed to defer the remaining purchase price payment and working capital adjustment of $15.5 million by six months to April 15, 2021.

Agreements with Rio Tinto Exploration ("Rio Tinto")

During the three months ended March 31, 2020, Calibre entered into an option earn-in agreement with Rio Tinto, whereby Rio Tinto can earn an initial 55% interest (and potentially up to a 75% interest) in Calibre's 100%-owned Borosi Project (the "Borosi Project") in Northeast Nicaragua. The Borosi Projects host both gold-silver and copper-gold resources in two areas, as well as multiple lesser explored copper-gold skarns, low-sulphidation epithermal gold-silver vein systems and bulk tonnage copper-gold porphyry targets. A summary of the significant terms of the agreement follows:

- *First Option:* Rio Tinto shall have a five-year option to acquire a 55% interest in the Borosi Project by incurring $10 million in qualifying expenditures, of which $3 million is committed to be incurred within two years of obtaining the necessary permits and approvals.
- *Second Option:* If Rio Tinto exercises the First Option and earns a 55% interest in the Borosi Project, it will have the right to earn an additional 10% interest by incurring an additional $15 million over a three-year period.
- *Third Option:* If Rio Tinto exercises the Second Option and earns a 65% interest in the Borosi Project, it has the right to earn an additional 10% interest by incurring an additional $20 million over a three-year period.

Calibre has been designated as the initial operator of the field work being completed under the above option agreement and will receive a fee equal to 10% of the qualifying expenditures.

In addition, the Company and Rio Tinto also entered into a separate exploration alliance ("Alliance Agreement") to acquire and earn-in to various exploration concessions in Nicaragua, with a focus on skarn, copper and copper-gold porphyry style targets (the "Alliance"). This exploration alliance is a five-year generative exploration and concession acquisition alliance under which Rio Tinto will fund 100% of the costs incurred under the Alliance Agreement.

Rio Tinto has the right to instruct Calibre to acquire selected alliance properties and will fund the acquisition of those properties. Rio Tinto shall also have the right to designate one or more blocks of the Alliance properties (each such block not to exceed 40,000 hectares in the aggregate) and shall have the exclusive option to earn up to an 80% interest in each such block, on the following terms and conditions:

- *First Option:* Rio Tinto shall have a five-year option to acquire a 55% interest in the Alliance by incurring $5 million in qualifying expenditures.
- *Second Option:* If Rio Tinto exercises the First Option and earns a 55% interest in the Alliance, it shall have the right to earn an additional 10% by incurring an additional $5 million in qualifying expenditures over a five-year period.
- *Third Option:* If Rio Tinto exercises the Second Option and earns 65% interest in the Alliance, it shall have the right to earn an additional 15% by incurring an additional $15 million over a five-year period.

Calibre will receive a fee of 10% of expenditures for acting as the operator under the Alliance Agreement.

As a result of the issues involving the COVID-19 pandemic (discussed below), the Company and Rio Tinto have not yet commenced an initial joint exploration program on the Borosi Projects, however discussion, data analysis, and planning are on-going.

Subsequent Events

On April 1, 2020, the Company and B2Gold agreed to defer the payment of $15.5 million related to the acquisition of the Nicaragua Assets to April 2021. Pursuant to the terms of the amendment, Calibre has agreed to pay B2Gold interest on the total deferred payment at a per annum rate based on the London interbank offered rate plus an additional 2.5% from the date of the original payment date (October 15, 2020) until the deferred payment is repaid.

CONSOLIDATED RESULTS SUMMARY AND HIGHLIGHTS

The following summary consolidated financial and operational results for Q1 2020 includes the results from the Nicaraguan Assets acquired from B2Gold in October 2019 as discussed in the section *Corporate Developments*. During Q1 2019, Calibre was an exploration stage company with no operations in production.

Consolidated Financial Results

(in thousands - except per share and per ounce amounts)		**Q1 2020**		**Q1 2019**
Revenue	**$**	**59,363**	$	-
Cost of sales, including depletion and depreciation	**$**	**36,403**	$	-
Mine operating income	**$**	**22,960**	$	-
Net income (loss)	**$**	**12,517**	$	(356)
Net income (loss) per share - basic and diluted	**$**	**0.04**	$	(0.01)
Cash generated from operating activities	**$**	**20,113**	$	(283)
Capital investment in mine development and PPE	**$**	**6,676**	$	-
Capital investment in exploration	**$**	**2,783**	$	642
Average realized gold price per ounce (1)	**$**	**1,583**	$	-
Total Cash Cost (1)	**$**	**884**	$	-
AISC (1)	**$**	**1,030**	$	-

(1) This is a non-IFRS measure, for further information refer to Non-IFRS Measures section in this MD&A.

Consolidated Operational Results

	Q1 2020
Ore Mined *(t)*	**587,584**
Ore Milled *(t)*	**524,100**
Grade *(g/t Au)*	**2.54**
Recovery (%)	**91.8**
Gold Ounces Produced *(oz)*	**42,085**
Gold Ounces Sold *(oz)* (1)	**37,494**

(1) Gold ounces sold does not include 1,261 ounces that were mined from Veta Nueva, as the mine is not in commercial production and the sale of these ounces (and related costs) were netted against capital expenditures incurred during Q1 2020.

Q1 2020 Highlights

- Production of 42,085 ounces of gold
    - Limon produced 20,636 ounces from 130,485 tonnes of ore with an average grade of 5.11 g/t Au and average recoveries of 89.5%
    - Libertad produced 21,449 ounces from 393,615 tonnes of ore with an average grade of 1.69 g/t Au and average recoveries of 94.2%
- Cash of $43.1 million as at March 31, 2020
    - $10.2 million increase from December 31, 2019
- Positive resource expansion drilling from
    - Limon Norte (including 18.65 g/t Au over 5.1 metres)
    - Panteon (including 17.77 g/t Au over 10.8 metres)
- Executed the Borosi earn-in agreement and exploration alliance agreement with Rio Tinto
- Net income of $12.5 million (Q1 2019 net loss of $0.4 million) on $59.4 million of revenue (Q1 2019 : $Nil)
- AISC [1] at Limon, Libertad and on a consolidated basis of $984, $951, and $1,030, respectively; and
- Net income per share of $0.04 (Q1 2019 net loss of $0.01 per share).

COMPANY OUTLOOK

Calibre's asset base includes multiple ore sources, 2.7 million tonnes per annum of installed mill capacity from two processing facilities, reliable in-country infrastructure and favourable transportation costs. The Company will continue to optimize its consolidated mine and process plans as we progress our "hub-and-spoke" approach to maximizing value from our integrated asset base. This philosophy was demonstrated during the quarter at Libertad which delivered 21,449 ounces, despite the ongoing suspension at the Jabali underground mine, with approximately 20% of Libertad's production sourced from Limon and Pavon.

(1) This is a non-IFRS measure, for further information refer to the Non-IFRS Measures section in the MD&A.

Regarding the suspension at the Jabali underground mine, the Company signed agreements to move 9 of the 29 families that are affected. The government has made significant progress negotiating the relocation of the other impacted households. The Company continues to support the government to ensure a safe and responsible resolution and anticipates recommencing operations at Jabali underground in the third quarter of 2020, assuming operations have recommenced after the COVID-19 temporary suspension.

As announced on March 25, 2020, the Company temporarily suspended operations and withdrew 2020 guidance as a result of the COVID-19 pandemic. The Company will provide updated 2020 production and cost guidance when operations restart.

During the suspension, the Company continues to progress technical studies, social investment programs and permitting activities, including the Pavon Project. In addition to permitting activities, during the quarter, the Company initiated a Pre-Feasibility Study ("PFS") for Pavon and anticipates (i) approval of an exploitation permit, and (ii) a positive PFS announcement before the end of the year.

On December 3, 2019, Calibre reported indicated mineral resources at Pavon totaling 1.39 million tonnes averaging 5.16 g/t Au and containing 230,175 ounces of gold, and inferred resources totaling 567,000 tonnes averaging 3.38 g/t Au and containing 61,624 ounces of gold. Pavon has significant potential to expand along strike and down plunge of the current open pit resources. The Company plans to initiate a 10,000-metre exploration drilling program at Pavon during the second half of 2020.

EXTERNAL PERFORMANCE DRIVERS AND TRENDS

Price of Gold

The price of gold is a significant factor in determining the Company's profitability, financial performance and cash flow from operations. The price of gold is subject to volatile price fluctuations and can be affected by numerous macroeconomic conditions, including supply and demand, value of the US dollar, interest rates, and global economic and geopolitical issues. Despite the volatility, management considers the outlook for the remainder of 2020 and longer-term to be favourable for gold prices. Key drivers of the price of gold continue to be historically low global interest rates, and rising geopolitical tensions, and the uncertainties surrounding the recent global COVID – 19 pandemic.

As at March 31, 2020, the price of gold closed at $1,609/oz (based on the London Bullion Market Association final posted rate), up 5.6% from the price on December 31, 2019. The average gold price for Q1 2020 was $1,583 (Q1 2019: $1,304).

Foreign Exchange Volatility

The Company's reporting currency is the U.S. dollar. The Company's functional currency for its parent company with its head office in Vancouver is the Canadian dollar and the U.S. dollar is the functional currency for the subsidiaries in Nicaragua, although some costs in Nicaragua are paid in Nicaraguan Córdoba.

The exchange rate between the Córdoba and the U.S. dollar has historically been managed by the Nicaraguan Central Bank. The Córdoba has been annually devalued against the U.S. dollar by means of a "crawling peg" mechanism set at 3% per year. As such, the Company holds most of its cash and cash equivalents in either U.S. or Canadian dollars and holds minimal balances in Córdoba.

As at March 31, 2020, the Canadian dollar closed at $1.42 (December 31, 2019: $1.30) and the Nicaraguan Córdoba closed at $34.09 (December 31, 2019: $33.84) for each U.S. dollar, respectively. The average rates in Q1 2020 for the Canadian dollar and the Nicaraguan Córdoba were $1.33 and $33.96, respectively (Q1 2019: $1.33 and $33.10 respectively). The sudden decline in the Canadian dollar at the end of March 31, 2020 was attributed to a number of factors including the significant slide in oil prices and economic impacts of the COVID – 19 pandemic. The Company's exposure to fluctuations in the Canadian dollar is limited to its corporate general and administrative costs in Canada (Q1 2020: $2.4 million) and cash balances held in Canadian dollar, which as at March 31, 2020 totalled $12.0 million.

HEALTH, SAFETY, COMMUNITY RELATIONS, AND THE ENVIRONMENT

Calibre aspires for "zero harm" to employees, the environment and local communities. The Company strives to minimize and mitigate risks inherent in its business in a sustainable manner and recognizes that community engagement is critical to sustainability. Ultimately, the success and sustainability of the Company's business will be earned by minimizing risks, mitigating negative impacts and with the support of and collaboration with our neighbours.

Calibre's vision is to integrate and promote sustainability into all facets of the business through implementation of environmentally responsible practices and believes that effective environmental management is paramount to its success. There were no material breaches of permits or licenses at any of the Company's locations during the year. All incidents were reported to regulators in a timely manner and impacts, if any, were appropriately mitigated.

Historically, Calibre, and its newly acquired entities encompassing the mines at El Limon and La Libertad have invested significantly in the communities in which they operate, with the focus on the following areas:

- Education;
- Health;
- Livelihoods; and
- Social infrastructure

The Company plans to continue its significant investment in the communities in which it operates.

While the Company has temporarily suspended operations in accordance with our health and safety goals, management is monitoring the global situation and continues to work towards a plan for an efficient restart of operations at the appropriate time and with enhanced health and safety guidelines in light of the new global environment.

EL LIMON

El Limon Operating and Financial Information - Summary

The following summary consolidated financial and operational results for Q1 2020 includes the results from the Nicaraguan Assets acquired from B2Gold in October 2019, as discussed in the section *Corporate Developments*. During Q1 2019, Calibre was an exploration stage company with no operations in production and as such no operational or financial data is presented.

		Q1 2020
Operating Information		
Ore Mined - open pit *(t)*		**191,619**
Ore Mined - open pit - head grade *(g/t Au)*		**4.39**
Waste Mined - open pit *(t)*		**3,266,603**
Ore Mined - underground *(t)*		**29,920**
Ore Mined - underground - head grade *(g/t Au)*		**3.87**
Total Ore Mined *(t)*		**221,539**
Total Ore Mined - head grade *(g/t Au)*		**4.32**
Ore Milled *(t)*		**130,485**
Grade *(g/t Au)*		**5.11**
Recovery *(%)*		**89.5**
Gold Ounces Produced		**20,636**
Gold Ounces Sold		**18,525**
Financial Information *(in thousands - except per ounce amounts)*		
Revenue	**$**	**29,283**
Mine operating income	**$**	**10,929**
Cash flow from operations	**$**	**10,290**
Mine development and PPE expenditures	**$**	**6,554**
Exploration expenditures	**$**	**668**
Total Cash Costs [1]	**$**	**878**
AISC [1]	**$**	**984**

(1) This is a non-IFRS measure, for further information refer to Non-IFRS Measures section in this MD&A.

El Limon - Operating Information

Mine production consisted of 191,619 ore tonnes at an average grade of 4.39 g/t gold from the Limon Central ("LC") Phase 1 open-pit, 25,093 tonnes at an average grade of 3.74 g/t gold from the Santa Pancha underground mine, and 4,827 tonnes of development ore from Veta Nueva underground mine at an average grade of 4.51 g/t gold.

While mining at LC Phase 1 continued, a large stripping campaign for LC Phase 2 was being conducted simultaneously with approximately 3.3 million tonnes of waste material mined during the quarter. While all mining activities are currently suspended, upon recommencement of operations, the Company expects to continue the stripping campaign at LC Phase 2, in addition to advancing the development of the Veta Nueva underground mine.

El Limon produced 20,636 ounces driven by an average mill grade of 5.11 g/t gold and recovery of 89.5% from 130,485 tonnes of ore milled.

El Limon - Financial Information

El Limon generated revenue of $29.3 million on sales of 18,525 ounces of gold, resulting in an average realized gold price [1] of $1,581/oz, in-line with average gold price for the same period (as previously discussed under the section *External Performance Drivers and Trends)*.

Cost of sales (including depletion and depreciation) was $18.4 million. Total Cash Costs (1) and AISC (1) were $878 and $984 per ounce, respectively. Mine operating income was $10.9 million. Cash flows from operations were $10.3 million as a result of a strong gold price environment and an increased focus of managing costs through operational efficiencies.

The Company continues to look for areas of cost improvements and efficiencies that include optimizing underground water pumps, ventilation systems, monitoring electrical energy usage, and managing delays in development by prioritizing production of higher-grade zones.

Total capital expenditures were $6.6 million, including $4.8 million of capitalized stripping of LC Phase 2 and $1.0 million of sustaining capital for the San Jose Tailings storage facility expansion. As Veta Nueva underground is not in commercial production, the costs incurred during the quarter of $1.1 million in development capital were offset against revenue from incidental ounces sold. In addition, the Company incurred $0.7 million of exploration costs at Limon Norte and Panteon.

LA LIBERTAD

La Libertad Operating and Financial Information - Summary

The following summary consolidated financial and operational results for Q1 2020 includes the results from the Nicaraguan Assets acquired from B2Gold in October 2019 as discussed in the section *Corporate Developments*. During Q1 2019, Calibre was an exploration stage company with no operations in production and as such no operational or financial data is presented.

		Q1 2020
Ore Mined - open pit *(t)*		**366,045**
Ore Mined - open pit - head grade *(g/t Au)*		**1.61**
Waste Mined - open pit *(t)*		**2,273,945**
Ore Mined - underground *(t)*		**-**
Ore Mined - underground - head grade *(g/t Au)*		**-**
Total Ore Mined *(t)*		**366,045**
Total Ore Mined - head grade *(g/t Au)*		**1.61**
Ore Milled *(t)*		**393,615**
Grade *(g/t Au)*		**1.69**
Recovery *(%)*		**94.2**
Gold Ounces Produced		**21,449**
Gold Ounces Sold (2)		**18,969**
Financial Information *(in thousands - except per ounce amounts)*		
Revenue	**$**	**30,080**
Mine operating income	**$**	**12,031**
Cash flow from operations	**$**	**11,879**
Mine development and PPE expenditures	**$**	**122**
Exploration expenditures	**$**	**1,647**
Total Cash Costs (1)	**$**	**891**
AISC (1)	**$**	**951**

(1) This is a non-IFRS measure, for further information refer to Non-IFRS Measures section in this MD&A.

(2) Gold ounces sold does not include 1,261 ounces that were mined from Veta Nueva, as the mine is not in commercial production and the sale of these ounces (and related costs) were netted against capital expenditures incurred during Q1 2020.

La Libertad - Operating Information

The majority of La Libertad's mine production consisted of 120,696 tonnes of ore from the Jabali open-pit grading 2.73 g/t and 236,815 tonnes grading 0.73 g/t from "spent ore". The hub and spoke approach commenced in the first quarter with 20,944 tonnes of ore grading 3.08 g/t from Limon and 6,246 tonnes of ore from Pavon at a grade of 13.12 g/t.

As disclosed on November 21, 2019, on January 14, 2020 and in the year-end MD&A, Calibre suspended blasting and mining activities at its Jabali underground mine as artisanal mining activities caused localized ground instability, impacting approximately 20 properties with 29 families located several hundred meters from the Jabali underground mine. Agreements have been signed to relocate nine of the 29 families. The government is well advanced with its negotiations on the other households, with a relocation site identified and preliminary plans and relocation compensation presented. Currently, Calibre anticipates recommencing the underground operation during the third quarter of 2020, assuming operations have recommenced after the COVID-19 temporary suspension.

Despite the hiatus of activities at Jabali underground, La Libertad achieved gold production of 21,449 from an average mill grade of 1.69 g/t and recovery of 94.2% from 393,615 tonnes of ore milled.

With favorable in-country transportation costs, 2.7 million tonnes of installed annual mill capacity between the two properties, reliable infrastructure, Calibre will continue to evaluate the opportunity to optimize our consolidated mine and process plans as we look to develop a "hub-and-spoke" approach to maximizing value from our combined Nicaraguan asset base.

La Libertad - Financial Information

La Libertad generated revenue of $30.1 million from sales of 18,969 ounces of gold, resulting in an average realized gold price of $1,586/oz. Sales did not include 1,261 ounces that were mined from Veta Nueva as the mine is not in commercial production and the sale of these ounces (and related costs) were netted against capital expenditures incurred during the quarter.

Cost of sales (including depletion and depreciation) was $18.0 million. Total Cash Costs[(1)] and AISC[(1)] were $891 and $951, respectively. Mine operating income was $12.0 million. Cash flows from mining operations were $11.9 million.

Capital and exploration expenditures totaled $1.8 million, net of credit related to pre-commercial production ounces of $0.4 million. Exploration drilling of $1.6 million was spent at Jabali, Amalia, Tranca and San Antonio. Development capital included $0.2 million for Pavon.

[(1)] This is a non-IFRS measure, for further information refer to the Non-IFRS Measures section in the MD&A.

GROWTH AND DISCOVERY

El Limon Exploration

In April 2020, Calibre announced results from exploration drilling during Q1 2020 at the Panteon deposit, part of the El Limon mine complex. The results confirm the continuity of high-grade gold mineralization over consistent, mineable widths along the down-plunge projection of an ore shoot located at the southeastern limit of historic underground mine workings which extend along strike to the northwest.

Between 1965 and 1992, the Panteon vein was mined to a depth of 115 metres from surface and is reported to have produced approximately 285,000 ounces of gold from ore averaging 6 g/t Au. The recent drilling was focused on delineating additional high-grade resources that can be rapidly developed as part of Calibre's broader "hub-and-spoke" approach to maximizing value from its consolidation operations.

Highlights from the Panteon drilling include:

- 17.96 g/t Au over 4.4 metres Estimated True Width ("ETW") from 210 metres depth hole (LIM20-4422);
- 10.64 g/t Au over 4.7 metres ETW from 178 metres depth (LIM20-4423);
- 54.67 g/t Au over 5.2 metres ETW from 179 metres depth (LIM20-4424);
- 17.77 g/t Au over 10.8 metres ETW from 155 metres depth (LIM20-4425); and
- 6.28 g/t Au over 9.1 metres ETW from 194 metres depth (LIM20-4426).

The Panteon deposit is located approximately 150 metres west of the Santa Pancha underground mine. Calibre has drilled a total of 2,625 metres in 12 holes, focusing on a 75 by 150 metre section of thickening along the vein and its potential extension at depth. Drilling to date has tested this section over a vertical range of 115 to 175 metres depth from surface. The results of this drilling, combined with previous drilling by B2Gold, are being incorporated into the Company's broader operation plan to support future development decisions. Calibre plans to continue exploration drilling to test the potential of the Panteon vein system as it extends further at depth and along strike to the southeast. There are currently no mineral resources reported for Panteon.

In addition to the above, in February 2020, the Company announced the following highlights from initial exploration drilling at Limon Norte completed during Q4 2019:

- 11.85 g/t Au over 5.1m Estimated True Width ("ETW") from 209.4 metres depth in hole LIM19-4417;
- 18.65 g/t Au over 5.1m ETW from 197.1 metres depth in hole LIM19-4418; and
- 4.13 g/t Au over 20.3m ETW from 248.4 metres depth in hole LIM19-4420.

The drilling confirmed the continuity of gold mineralization below the current mineral resource pit shell, with hole LIM19-4420 intercepting the Limon Norte structure approximately 60 metres below the currently defined inferred mineral resource. Limon Norte is located approximately 200 metres northwest of the currently producing Limon Central open pit. During Q4 2019 Calibre drilled a total of 1,285 meters in five holes at El Limon, including 4 holes at Limon Norte and one hole at Panteon. A more detailed description of these results along with a summary table of drill intercept assays, hole locations and cross sections is provided in the Company's February 4, 2020 news release, which is available on the Company's website and SEDAR profile at www.sedar.com.

Upon recommencement of operations at El Limon, Calibre will continue to focus its exploration drilling program on resource expansion opportunities at Panteon and Limon Norte, as well as other prospective targets within its district scale property position at El Limon. To date, the El Limon mining district is estimated to have produced in excess of 3.5 million ounces of gold.

La Libertad Exploration

In February 2020, the Company announced the results from exploration drilling during Q4 2019 at La Libertad, testing four zones of prospective epithermal-style gold mineralization at stages of development ranging from active mining to first pass reconnaissance testing. The program completed 27 drill holes targeting the Jabalí and Esmeralda deposits and the previously untested Buenos Aires gold vein system. A further eight shallow drill holes were completed on two vein structures at the Amalia property located 35 kilometres northeast of La Libertad. Highlights from the drilling program include:

At Amalia:

- 17.84 g/t Au over 7.0m ETW from 60.6 metres depth in hole EZ19-001

At La Libertad:

- 10.66 g/t Au over 1.7m ETW from 123.5 metres depth in hole JB19-473;
- 2.59 g/t Au over 3.0m ETW from 38.0 metres depth in hole EM19-004; and
- 4.56 g/t Au over 1.1m ETW from 4.6 metres depth in hole PU19-004.

The shallow high-grade intercept at Amalia is currently being followed up with additional exploration drilling. Located approximately 35 kilometers northeast of La Libertad, the Amalia property encompasses a large system of low-sulphidation epithermal gold structures that has had limited modern exploration and no drilling previously. During Q4 2019 Calibre drilled a total of 1,181 metres in 8 holes as an initial test of the Espinoza and Pavona vein structures. Six holes were drilled along a 250-metre section of the Espinoza vein structure to test the down-dip potential of anomalous gold grades identified from previous surface trenching, which has so far traced the structure over a one-kilometer strike extent.

At La Libertad, 27 drill holes totalling 3,429 metres were completed to begin testing the gold vein systems at the Jabalí and Esmeralda deposits, as well as the Buenos Aires prospect which had not been previously drilled. At the Jabalí underground mine, two infill holes were drilled to upgrade resource classification in support of mine planning and engineering design. At Esmeralda, results have been received for twelve of thirteen holes drilled along a 600-metre extension of the Esmeralda vein system as it continues beyond the past-producing Esmeralda open-pit. Six of the holes intercepted near-surface gold mineralization over narrow vein widths. At Buenos Aires, first pass reconnaissance drilling targeted three vein structures exposed within a 3.5 km^2 area that is a site of widespread artisanal mining. Significant surface trenching results at Buenos Aires range from 1.5m @ 7.1 g/t Au to 6.2m @ 2.3 g/t Au. Anomalous gold mineralization was confirmed along all three of the structures tested, including hole PU19-004 which intercepted 1.1 metres grading 4.6 g/t Au along the Pulpito structure. Drilling results from the Esmeralda and Buenos Aires targets are being evaluated in combination with results from ongoing reconnaissance drill testing of other targets within the broader La Libertad property. More detailed descriptions of these results along with summary tables of drill intercept assays, hole locations and cross sections is provided in the Company's February 11, 2020 news release, which is available on Calibre's website and SEDAR profile at www.sedar.com.

Upon recommencement of operations at La Libertad, Calibre will continue to direct is exploration focus on resource expansion opportunities at Jabalí and other areas as well as first pass drill testing of earlier stage targets at Tranca and Amalia. The company also plans to initiate field reconnaissance and surface targeting surveys over less explored portions of its district scale property positions at Libertad and Amalia.

Other Exploration Projects

In addition to its El Limon and La Libertad operating properties, Calibre has certain interests in three contiguous blocks of mineral concessions located within the prolific Mining Triangle in the North Atlantic Autonomous Region of Nicaragua. The Borosi concessions are host to a variety of mineral deposit styles including epithermal gold and silver, porphyry copper-gold and gold-silver-base metal skarns. On February 24, 2020 Calibre announced it had entered into a pair of agreements with Rio Tinto that includes an option earn-in pursuant to which Rio Tinto can earn up to a 75% interest in Calibre's 100%-owned Borosi properties and a strategic exploration alliance agreement under which both companies will partner to identify, acquire and explore properties in the region. Details of these two agreements are provided in Calibre's February 24, 2020 news release and its unaudited condensed interim consolidated financial statements which are available on the Company's website and SEDAR profile at www.sedar.com.

The Company's interests in the Mining Triangle region also include a joint venture agreement with IAMGOLD Corp. ("IAMGOLD") covering a 176 km^2 area of prospective gold-silver mineralization, and a three-way joint venture with Rosita Mining and Century Mining covering a 33.6 km^2 area centered around a historic copper skarn deposit. Both agreements remain in good standing.

As a result of the suspension of its Nicaragua operations announced March 25, 2020, exploration work on its Borosi projects have remained suspended subject to improvements in the global economic environment and related logistical supply channels. The Company maintains active dialogs with Rio Tinto and IAMGOLD in anticipation of resumption of exploration activities on the Borosi projects in due course.

CONSOLIDATED FINANCIAL RESULTS

Mining Operations

The Company transitioned to a gold producer on October 15, 2019 with the purchase of the Nicaraguan Assets from B2Gold. The following discussion on the consolidated financial results related to the mining operations are for the first quarter of 2020. There were no comparable mining related figures for the prior year as the Company had not yet commenced gold production activities.

The Company sold 37,494 ounces of gold for revenue of $59.4 million at an average realized price of $1,583 per ounce, in line with the average gold price for Q1 2020 of $1,583.

Total cost of sales was $36.4 million, which includes production costs of $29.8 million, royalty and production taxes of $2.4 million, refinery, transportation and other costs of $1.0 million, and depreciation and amortization of $3.2 million.

Mine operating income was $10.9 million from El Limon and $12.0 million from La Libertad.

Total Cash Costs (1) for the were $884 per ounce and AISC was $1,030 per ounce. A reconciliation of the Total Cash Costs (1) and AISC (1), which are non-IFRS measures, is provided in the *Non-IFRS Measures* section in the MD&A.

(1) This is a non-IFRS measure, for further information refer to the Non-IFRS Measures section in the MD&A.

Expenses and Net Income

G&A expenses totaled $2.4 million compared to $0.2 million in Q1 2019. The increase is the result of increased salaries and wages associated with higher staffing levels including enhancements to the senior management team required for Calibre's transition from exploration to gold producer. Prior to this transition, the Company engaged consultants in various management responsibilities. The increase is also related to higher levels of overall corporate activity including regulatory costs associated with Calibre's transition from the TSX Venture Exchange to the TSX Stock Exchange, higher professional fees, marketing and promotion of the launch in new business and operations, and greater corporate oversight costs related to operations in Nicaragua.

Share-based compensation was $1.4 million compared to $0.1 million in Q1 2019. The increase in 2020 relates to granting of options and RSUs in Q4 2019 and Q1 2020, as the Company enhanced its management team and increased staffing levels in connection with the acquisition of the assets from B2Gold.

Finance expense include accretion on mine restoration provision ($0.2 million), accretion on the deferred payment to B2Gold ($0.4 million) and accretion of employee benefits obligations ($0.1 million). There were no such financing expenses for 2019.

Current and deferred income tax expense was $6.3 million for the first quarter of 2020 (2019 - $Nil), which includes alternative minimum taxes and ad valorem taxes.

Net income (loss) per share (both basic and diluted) was $0.04 (2019: $(0.01)).

LIQUIDITY AND CAPITAL RESOURCES

Calibre is committed to managing liquidity by achieving positive cash flows from its operations to fund capital requirements and development projects. The Company monitors and expects settlement of financial assets and obligations on an ongoing basis; there are no significant accounts payable, capital lease obligations, or other payments that are outstanding past their due dates.

Factors that may affect the Company's liquidity are continuously monitored. These factors include when Calibre will resume operations that have been temporarily suspended because of the COVID-19 pandemic, the market price of gold, production levels, operating costs, capital costs, exploration expenditures, timing of value-added-tax and other tax refunds, and foreign currency fluctuations. In addition, the taxation laws in Nicaragua are complicated and subject to change. The Company may also be subject to review, audit and assessment in the ordinary course. Any such changes in taxation law or review and assessments could result in higher taxes being payable or require payment of taxes due from previous years, which could adversely affect the Company's profitability. Taxes may also adversely affect the Company's ability to repatriate earnings or otherwise deploy its assets as anticipated. In the event that the Company is adversely affected by any of these factors and, as a result, the operating cash flows are not sufficient to meet the Company's working capital requirements, there is no guarantee that the Company would be able to raise additional capital on acceptable terms to fund a potential cash shortfall.

As at March 31, 2020, the Company had a positive working capital balance of $41.3 million (December 31, 2019: $30.9 million), including a cash balance of $43.1 million (December 31, 2019: $32.9 million). The increase in working capital reflects ongoing free cash flow generation from the Company's mines. Included in current liabilities is the present value of the deferred payment to B2Gold of $14.7 million. The carrying value of the amount payable is $15.5 million and the due date of October 15, 2020 was extended to April 15, 2021.

Based on reasonable expectations and forecasts including restarting our operation in 2020 and for our operating performance and capital plan, the Company expects to generate sufficient cash flow to service its obligations and cover exploration, development and corporate costs associated with its operations.

Cashflow Analysis

Calibre generated operating cash flow of $20.1 million compared to utilization of $0.3 million for the comparable prior period in 2019. The difference highlights the impact of the acquisition of the mines acquired in the fourth quarter of 2019.

The Company invested cash of $8.4 million in its exploration projects, property, plant, and equipment, and mine development. The majority of the expenditures were associated with mine development of $5.1 million (2019: $Nil), property plant and equipment of $1.2 million (2019: Nil), and exploration expenditures of $2.1 million (2019: $0.6 million).

OFF-BALANCE SHEET ITEMS

As at March 31, 2020, the Company did not have any off-balance sheet items.

OUTSTANDING SHARE INFORMATION

The Company is authorized to issue an unlimited number of common shares. The following table outlines the outstanding common shares and convertible instruments of the Company as at March 31, 2020 and December 31, 2019. For further information and details concerning outstanding shares, options, restricted share units, and share purchase warrants, refer to the Consolidated Statements of Changes in Shareholders' Equity, and Note 13 in the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2020.

	Issued and Outstanding	
(In thousands)	**As at March 31, 2020**	**As at December 31, 2019**
Common shares	328,021	328,021
Options	32,475	30,250
Restricted share units	7,235	5,275
Share purchase warrants	11,794	13,764

There were no changes to the Company's common shares and equity instruments noted above subsequent to March 31, 2020, up to the date of this report (May 6, 2020).

QUARTERLY INFORMATION

(in thousands - except ounces and per share amounts)	Q1 2020	Q4 2019 [2]	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018
Gold Ounces Produced	42,085	33,506	-	-	-	-	-	-
Gold Ounces Sold	37,494	38,993	-	-	-	-	-	-
Average realized gold price per ounce *($/oz)* [1]	$ 1,583	$ 1,481	$ -	$ -	$ -	$ -	$ -	$ -
Total cash cost per ounce sold *($/oz)* [1]	$ 884	$ 866	$ -	$ -	$ -	$ -	$ -	$ -
AISC per ounce sold *($/oz)* [1]	$ 1,030	$ 959	$ -	$ -	$ -	$ -	$ -	$ -
Revenue	$ 59,363	$ 57,763	$ -	$ -	$ -	$ -	$ -	$ -
Mine operating income [3]	$ 22,960	$ 13,344	$ -	$ -	$ -	$ -	$ -	$ -
Net income (loss)	$ 12,517	$ 3,130	$ (1,381)	$ (468)	$ (356)	$ (281)	$ (368)	$ (117)
Net income (loss) per share - basic & diluted ($/share)	$ 0.04	$ 0.01	$ (0.03)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.00)
Total assets	$ 284,641	$ 265,184	$ 25,352	$ 25,728	$ 26,042	$ 25,625	$ 22,268	$ 22,462
Non-current liabilities	$ 78,832	$ 75,713	$ 137	$ 228	$ 224	$ -	$ -	$ -

(1) This is a non-IFRS measure, for further information refer to Non-IFRS Measures section in this MD&A.

(2) Consolidated Financial and Operational results for Q1 2020 and Q4 2019 includes the results from the Nicaraguan Assets acquired from B2Gold and discussed in the section *Corporate Developments*, since their acquisition, from the period of October 15, 2019. Prior to October 15, 2019, Calibre was an exploration stage company with no properties in production.

As noted above, fourth quarter 2019 information includes the financial and operational results of El Limon and La Libertad effective October 15, 2019 to December 31, 2019. This acquisition transformed Calibre from an exploration company into a multi-asset gold producer and explorer. As a result, the effect of the transaction had significant implications to the Company's operating and financial results, as noted in the above table.

Prior to the fourth quarter of 2019, the variation seen over the above quarters was primarily dependent upon the success of the Company's ongoing property evaluations and acquisitions program and the timing and results of the Company's exploration activities on its current properties, none of which was possible to predict with certainty.

The above losses were also impacted by increases or decreases in corporate general and administrative expenditures, which can change from quarter to quarter depending on overall levels of corporate activity (for example, due diligence and/or transaction costs) which impacted losses in the second and third quarter of 2019), options granted in any given period, which will give rise to share-based compensation expenses, and impairment of assets, if any, in any given period.

NON-IFRS MEASURES

Calibre has included certain non-IFRS measures in this MD&A, as discussed below. The Company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provides investors with an improved ability to evaluate the underlying performance of the Company. These non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

Total Cash Costs per Ounce of Gold Sold ("Total Cash Costs")

Total Cash Costs include mine site operating costs such as mining, processing and local administrative costs (including stock-based compensation related to mine operations), royalties, production taxes, mine standby costs and current inventory write-downs, if any. Production costs are exclusive of depreciation and depletion, reclamation, capital and exploration costs. Total Cash Costs are net of by-product silver sales and are divided by gold ounces sold to arrive at a per ounce figure.

All-In Sustaining Costs per Ounce of Gold Sold ("AISC")

AISC is a performance measure that reflects the expenditures that are required to produce an ounce of gold from current operations. While there is no standardized meaning of the measure across the industry, the Company's definition is derived from the definition, as set out by the World Gold Council in its guidance dated June 27, 2013 and November 16, 2018, respectively. The World Gold Council is a non-regulatory, non-profit organization established in 1987 whose members include global senior mining companies. The Company believes that this measure is useful to external users in assessing operating performance and the ability to generate free cash flow from operations.

Calibre defines AISC as the sum of Total Cash Costs, sustaining capital (capital required to maintain current operations at existing production levels), corporate general and administrative expenses, in-mine exploration expenses, amortization of asset retirement costs and rehabilitation accretion related to current operations. AISC excludes capital expenditures for significant improvements at existing operations deemed to be expansionary in nature, exploration and evaluation related to growth projects, rehabilitation accretion not related to current operations, financing costs, debt repayments, and taxes. Total AISC is divided by gold ounces sold to arrive at a per ounce figure.

Total Cash Costs and AISC per Ounce of Gold Sold Reconciliations

The table below reconciles Total Cash Costs and AISC per ounce sold for the three months ended March 31, 2020:

	Q1 2020			
(in thousands - except per ounce amounts)	**El Limon**	**La Libertad**	**G&A**	**Consolidated**
Production costs	$ 14,298	$ 15,530	$ -	$ 29,828
Royalties and production taxes	1,778	592	-	2,370
Refinery, transportion and other	182	781	-	963
			-	
Total cash costs	16,258	16,903	-	33,161
Corporate administration	-	-	2,370	2,370
Reclamation accretion and amortization of ARO	87	121	-	208
Sustaining capital [(1)]	1,213	224	-	1,437
Sustaining exploration [(1)]	668	789	-	1,457
Total AISC	$ 18,226	$ 18,037	$ 2,370	$ 38,633
Gold ounces sold [(2)]	18,525	18,969	-	37,494
Total Cash Costs	$ 878	$ 891		$ 884
AISC	$ 984	$ 951		$ 1,030

(1) Refer to sustaining capital expenditures and sustaining mine exploration reconciliations below.

(2) La Libertad sales did not include 1,261 ounces that were mined from Veta Nueva, as the mine is not in commercial production and the sale of these ounces (and related costs) were netted against capital expenditures incurred during Q1 2020.

The table below shows a reconciliation of sustaining capital expenditures to operating mine capital expenditures from the condensed interim consolidated financial statements for the three months ended March 31, 2020:

	Q1 2020		
(in thousands)	El Limon	La Libertad	Consolidated
Operating mine capital expenditures on an accrual basis	$ 6,554	$ 122	$ 6,676
Less:			
Veta Nueva development [1]	(393)	414	21
Pavon development	-	(268)	(268)
Deferred stripping at Limon Central	(4,841)	-	(4,841)
Limon projects	(107)	-	(107)
Other	-	(44)	(44)
Sustaining capital	$ 1,213	$ 224	$ 1,437

(1) As the Veta Nueva underground mine is not in commercial production, the costs incurred during the quarter of $1.1 million in development capital were offset against revenue from incidental ounces sold in La Libertad.

The table below shows a reconciliation of sustaining exploration expenditures to total exploration expenditures from the condensed interim consolidated financial statements for the three months ended March 31, 2020:

	Q1 2020		
(in thousands)	El Limon	La Libertad	Consolidated
Total mine exploration expenditure on an accrual basis	$ 668	$ 1,647	$ 2,315
Less:			
Regional exploration	-	(858)	(858)
Sustaining exploration	$ 668	$ 789	$ 1,457

Average Realized Price per Ounce Sold

Average realized price per ounce sold is a common performance measure that does not have any standardized meaning. The most directly comparable measure prepared in accordance with IFRS is revenue from gold sales. The measure is reconciled for the periods presented as follows:

	Q1 2020		
(in thousands - except per ounce amounts)	El Limon	La Libertad	Consolidated
Revenue	$ 29,283	$ 30,080	$ 59,363
Ounces of gold sold [1]	18,525	18,969	37,494
Average realized price per ounce sold	$ 1,581	$ 1,586	$ 1,583

(3) La Libertad sales does not include 1,261 ounces that were mined from Veta Nueva, as the mine is not in commercial production and the sale of these ounces (and related costs) were netted against capital expenditures incurred during Q1 2020.

COMMITMENTS AND CONTINGENCIES

Commitments

The Company is currently committed to $104.2 million for purchase obligations, contractual commitments and operating leases as follows:

	Remaining 2020	2021	2022	2023	2024	2025 and Later years	Total
Payables and non-capital orders	$ 21,436	$ -	$ -	$ -	$ -	$ -	$ 21,436
Deferred payment to B2Gold	-	15,836	-	-	-	-	15,836
Capital expenditure commitments	3,169	-	-	-	-	-	3,169
Mine restoration provision	2,723	2,669	3,626	12,849	11,942	19,155	52,964
Employee future benefits	1,004	195	188	89	360	8,613	10,449
Leasing commitments	173	115	48	-	-	-	336
	$ 28,505	$ 18,815	$ 3,862	$ 12,938	$ 12,302	$ 27,768	$ 104,190

Royalties

- International Royalty Corporation, a subsidiary of Royal Gold, Inc., holds a 3% net smelter return ("NSR") royalty on gold production from El Limon and certain other concessions.
- Centerra Gold Inc. holds a 2% NSR royalty on any future production from the La Luz Project in Eastern Borosi (not currently in production). Calibre has the right to (i) purchase 1.0% of the NSR Royalty for CAD $2 million; and (ii) being granted a right of first refusal on the remaining 1.0% NSR Royalty.
- Inversiones Mineras, Sociedad Anonima holds a 2% NSR royalty on gold production from La Libertad and Buenaventura Mining Concessions - currently only the La Libertad concession is in gold production.
- B2Gold retains a 1.5% NSR on production from certain concessions within the 100% Calibre-owned Borosi project (unrelated to the El Limon and La Libertad gold mines).

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. In the event that 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.

In October 2019, a municipality near the El Limon mine issued a demand payment letter to Triton Minera S.A. ("Triton") for annual municipal registration fees and penalties totaling approximately $1.0 million. Calibre believes Triton is not subject to these fees as established in its mining tax regime and the declaration is without merit and plans to vigorously contest this claim.

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

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, Chief Financial Officer, Chief Operating Officer, and the VP, Exploration. 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 months ended March 31, 2020 and 2019:

		Q1 2020		Q1 2019
Short-term salaries and benefits	**$**	**224**	$	45
Director fees	**$**	**136**	$	-
Share-based compensation	**$**	**982**	$	55
Consulting and advisory fees paid to key management	**$**	**-**	$	67

Management Contracts

As at March 31, 2020, minimum commitments upon termination of the existing contracts was approximately $1.5 million and minimum commitments due within one year under the terms of these contracts is $1.9 million. In addition, the Company is party to various executive and employee contracts that would require payments totalling $1.4 million to be made upon the occurrence of a "change of control".

Other Related Party Transactions

As disclosed in Note 1 of the unaudited condensed consolidated financial statements for the three months ended March 31, 2020 and 2019, B2Gold is considered a related party by virtue of its significant equity interest in Calibre following the completion of the Nicaraguan Asset transaction. B2Gold owns approximately 34% of the Company as at March 31, 2020. Related party transactions with B2Gold are discussed in Notes 1 and 12 of those financial statements. Pursuant to an agreement with B2Gold in November 2016, B2Gold retains a 1.5% NSR on production from certain concessions within the 100% Calibre-owned Borosi project (unrelated to the acquisition of the Nicaraguan Assets).

PROPOSED TRANSACTIONS

There are no proposed transactions that the Board of Directors or senior management believe that the decision to acquire any specific project by the Company's Board is certain.

RISK FACTORS

The exploration, development and mining of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Calibre is subject to several risks and uncertainties which could have a material adverse impact on its operations, its financial condition and the trading price of its shares. The most significant risks and uncertainties faced by the Company include: successful integration of the recently acquired Nicaraguan Assets; inherent mining industry risks; uncertainty of Mineral Resource and Mineral Reserve estimates; gold price volatility; mineral exploration, development, and operating risks; Nicaraguan political and economic risks; foreign exchange risks; social unrest in Nicaragua; artisanal mining; uncertainties and risks related to feasibility studies; liquidity risks; title, rights, licenses and permit risks; environmental risks and hazards; communication and customs risk associated with working in Nicaragua; community relations; competition; labour relations; share price volatility; litigation; commodity and supply pricing;

taxation; uninsured risks; loss of key personnel; cyber security; dependence on key personnel; and safety and security, particularly associated with the global COVID-19 pandemic.

For a comprehensive discussion on the risks and uncertainties the reader is directed to the Company's annual MD&A for the year ended December 31, 2019 and 2018 and the latest Annual Information Form filed on SEDAR at www.sedar.com and the Company's website at www.calibremining.com. Careful attention should also be paid to the section in this MD&A entitled "Cautionary Note Regarding Forward Looking Statements"

COVID-19

Calibre's financial and/or operating performance have been adversely affected by the outbreak of public health crises, epidemics, pandemics or outbreaks of new infection diseases or viruses, such as the recent global outbreak of a novel coronavirus (COVID-19). Such public health crises, including the ongoing COVID-19, can result in volatility and disruption to global supply chains, trade and market sentiment, mobility of people, and global financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions and results of operations, and other factors relevant to Calibre. The risks to the Company of such public health crises, including the ongoing COVID-19, also include risks to employee health and safety, a slowdown or suspension of operations, additional non-compensable costs, or could result in the cancellation of contracts, as well as supply chain disruptions that could negatively impact Calibre's business, financial condition and results of operations.

On March 25, 2020, Calibre announced that it has commenced the legal process with the Nicaraguan Ministry of Labour to obtain authorization for the temporary suspension of its El Limon and La Libertad mines. The Company will maintain personnel at each site as required to ensure environmental compliance, progress ongoing permitting and technical studies, and maintain operational readiness. The Company cannot estimate the duration nor the impact of the suspension of operations at this time and has accordingly withdrawn its 2020 guidance (as previously provided on December 4, 2019).

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities, disclosure of commitments and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions. Actual results could differ from these estimates.

Key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities applied in the preparation of the unaudited condensed interim consolidated financial statements with the addition of the COVID-19 pandemic issue discussed in this document are consistent with those applied and disclosed in the annual consolidated financial statements for the year ended December 31, 2019.

ACCOUNTING POLICIES AND CHANGES

The Company's accounting policies are outlined in the consolidated financial statements for the year ended December 31, 2019 and 2018 in Notes 4 and 5. The accounting policies and basis of presentation applied in the preparation of the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2020 are consistent with those applied and disclosed in the Company's audited annual consolidated financial statements for the year ended December 31, 2019. There are no new accounting pronouncements currently outstanding that require additional analysis.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial assets and liabilities consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and long-term payables.

Fair Values

Calibre's financial assets and liabilities are classified based on the lowest level of input significant to the fair value measurement based on the fair value hierarchy:

Level 1 – quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data.

Fair values of cash and cash equivalents are based on quoted prices in active markets for identical assets, resulting in a level one valuation. The carrying value amount of the Company's financial instruments that are measured at amortized cost approximates fair value due to their short-term nature and market conditions and amount involved.

Capital Risk Management

The Company's objectives when managing its capital is to ensure it will be able to continue as a going concern while maximizing the return to shareholders. The selling price of gold and minimizing production costs and capital expenditures are key factors in helping the Company reach its capital risk management objectives.

Credit Risk

As at March 31, 2020, the Company's maximum exposure to credit risk was the book value of cash and cash equivalents, accounts receivable, value added and other taxes receivable and loans receivable. The Company limits its credit exposure on cash and cash equivalents by holding its deposits mainly with high credit quality financial institutions as determined by credit agencies. The majority of the Company's cash and cash equivalents is held with Canadian financial institutions.

Liquidity Risk

Calibre manages its liquidity risk 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 March 31, 2020, the Company had cash and cash equivalents of $43.1 million. Cash provided by operating activities totaled $20.1 million for Q1 2020. For a summary of the Company's commitments, refer to the *Commitments and Contingencies* section of this MD&A.

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. Details of various currencies held by the Company as of March 31, 2020 and December 31, 2019 are included in Notes 7 and 18 of the financial statements.

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 March 31, 2019, would affect the statements of operations and comprehensive income by approximately $0.6 million.

The Cordoba has been annually devalued against the U.S. dollar by means of a crawling peg mechanism which currently stands at approximately 3%. All the Company's gold production is in Nicaragua.

Prior to the acquisition of the Nicaragua Assets, the Company funded its exploration activities in Nicaragua on a cash call basis using U.S. or Canadian dollars held in bank accounts located in Canada. Since the acquisitions of the Nicaragua Assets, the Company generates revenue in U.S. dollars, thereby mitigating currency risk for its Nicaraguan operations where expenditures are in U.S. dollars. The Company maintains Canadian and U.S. dollar bank accounts in Canada, and US dollar and Cordoba bank accounts in Nicaragua. The Company's foreign exchange exposure to fluctuations in 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.

CONTROLS AND PROCEDURES

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate and recorded, processed, summarized and reported to allow timely decisions with respect to required disclosure, including in its annual filings, interim filings or other reports filed or submitted by it under securities legislation. The Company's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design of the Company's disclosure controls and procedures, that as of March 31, 2020, the Company's disclosure controls and procedures have been designed to provide reasonable assurance that material information relating to the Company is made known to them by others within the Company.

The Company's management, including the Chief Executive Officer and Chief Financial Officer, are responsible for establishing adequate internal control over financial reporting. The Company's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation, that the internal control over financial reporting provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Except as noted below, for the three months ended March 31, 2020, there were no changes in the Company's internal control over financial reporting that materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

The Company assessed the disclosure controls and procedures and internal control over financial reporting for the Nicaraguan Assets acquired on October 15, 2019; however, in accordance with NI 52- 109 - *Certification of Disclosure in Issuer's Annual and Interim Filings*, because the Nicaraguan Assets were acquired less than 365 days before the end of December 31, 2019, the Company has limited the scope of the Company's design of disclosure controls and procedures and internal controls over financial reporting to exclude the controls, policies and procedures of the Nicaraguan Assets acquired on October 15, 2019, which the Company has elected to do.

FORWARD-LOOKING STATEMENTS

This MD&A contains “forward-looking information” and “forward-looking statements” (collectively “forward-looking statements”) within the meaning of applicable Canadian securities legislation. Except for statements of historical fact relating to Calibre, forward-looking information includes, but is not limited to, information with respect to the Company’s expected production from, and the further potential of, the Company’s properties; the Company’s ability to raise additional funds, as required; the future price of minerals, particularly gold; the estimation of mineral resources and mineral reserves; conclusions of economic evaluations; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production, general and administrative and other costs; capital expenditures; success of exploration activities; mining or processing issues; currency rates; government regulation of mining operations; environmental risks; and outlook, guidance, and other forecasts.

Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as “expect”, “plan”, “anticipate”, “project”, “target”, “potential”, “schedule”, “forecast”, “budget”, “estimate”, “intend” or “believe” and similar expressions or their negative connotations, or that events or conditions “will”, “would”, “may”, “could”, “should” or “might” occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made.

Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond Calibre’s control, including risks associated with or related to: impacts related to the COVID-19 pandemic; the volatility of metal prices; changes in tax laws; the dangers inherent in exploration, development and mining activities; the uncertainty of reserve and resource estimates; cost or other estimates; actual production, development plans and costs differing materially from the Company’s expectations; the ability to obtain and maintain any necessary permits, consents or authorizations required for mining activities; the current ongoing instability in Nicaragua and the ramifications thereof; environmental regulations or hazards and compliance with complex regulations associated with mining activities; the availability of financing and debt activities, including potential restrictions imposed on Calibre’s operations as a result thereof and the ability to generate sufficient cash flows; remote operations and the availability of adequate infrastructure; fluctuations in price and availability of energy and other inputs necessary for mining operations; shortages or cost increases in necessary equipment, supplies and labour; the reliance upon contractors, third parties and joint venture partners; the dependence on key personnel and the ability to attract and retain skilled personnel; the risk of an uninsurable or uninsured loss; adverse climate and weather conditions; litigation risk; competition with other mining companies; community support for Calibre’s operations, including risks related to strikes and the halting of such operations from time to time; conflicts with small scale miners; failures of information systems or information security threats; compliance with anti-corruption laws, and sanctions or other similar measures. The list is not exhaustive of the factors that may affect Calibre’s forward-looking statements.

Calibre’s forward-looking statements are based on the applicable assumptions and factors management considers reasonable as of the date hereof, based on the information available to management at such time. These assumptions and factors include, but are not limited to, assumptions and factors related to Calibre’s ability to carry on current and future operations, including: development and exploration activities; the timing, extent, duration and economic viability of such operations, including any mineral resources or reserves identified thereby; the accuracy and reliability of estimates, projections, forecasts, studies and assessments; the availability and cost of inputs; the price and market for outputs, including gold; the timely receipt of necessary approvals or permits; the ability to meet current and future obligations; the ability to obtain timely financing on reasonable terms when required; the current and future social, economic and political conditions; and other assumptions and factors generally associated with the mining industry.

Calibre’s forward-looking statements are based on the opinions and estimates of management and reflect their current expectations regarding future events and operating performance and speak only as of the date hereof. Calibre does not assume any obligation to update forward-looking statements if circumstances or management’s beliefs, expectations or opinions should change other than as required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, and actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits or liabilities Calibre will derive therefrom. For the reasons set forth above, undue reliance should not be placed on forward-looking statements.

NOTE TO U.S. INVESTORS

This document uses the terms “Measured”, “Indicated” and “Inferred” Resources. U.S. investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resources will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred Mineral Resources may not form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. U.S. investors are also cautioned not to assume that all or any part of an inferred Mineral Resource exists, or is economically or legally mineable.

TECHNICAL INFORMATION

Unless otherwise stated, all scientific and technical data contained in this MD&A that relates to geology, exploration and mineral resources has been reviewed and approved by Mr. Mark Petersen (P.Geo) who is a “Qualified Person” within NI 43-101 as a member of the Professional Geoscientists Ontario and a Registered Member of the Society for Mining, Metallurgy and Exploration. Mr. Petersen serves as the Company’s Vice President, Exploration.

Unless otherwise stated, all technical information and data contained in this MD&A that relates to mineral reserves and the Company’s operating mines has been reviewed and approved by Mr. Darren Hall MAusIMM, who is a “Qualified Person” within NI 43-101 as a Member of the Australasian Institute of Mining and Metallurgy and, Mr. Hall serves as the Company’s Senior Vice President and Chief Operating Officer.