CALIBRE
MINING CORP

MANAGEMENT DISCUSSION & ANALYSIS

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2020

Table of Contents

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 and nine months ended September 30, 2020 and 2019. This MD&A should be read in conjunction with the unaudited interim consolidated financial statements for the three and nine months ended September 30, 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 November 4, 2020.

Additional information including this MD&A, the unaudited interim consolidated financial statements for the three and nine months ended September 30, 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 Kilometer ("km^2"); and Meters ("m"). In addition, throughout this MD&A, the reporting periods for the three months ended September 30, 2020 and 2019 are condensed to be Q3 2020 and Q3 2019, respectively, and the nine months ended September 30, 2020 and 2019 are condensed to be YTD 2020 and YTD 2019, respectively.

COMPANY OVERVIEW

Calibre is a Canadian-listed gold producer and explorer with two 100%-owned operating gold mines in Nicaragua. The Company is focused on sustainable operating performance and a disciplined approach to growth. 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 September 30, 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*.

CONSOLIDATED RESULTS SUMMARY AND HIGHLIGHTS

The following is a summary of consolidated financial and operational results for Q3 2020 and YTD 2020 and includes the results from the Nicaraguan Assets acquired from B2Gold in October 2019, as discussed in the section *Corporate Developments* below. Additional information including operational and financial information for each mine is provided throughout this MD&A.

During Q3 2019 and YTD 2019, Calibre was an exploration stage company with no production.

The consolidated financial and operational results discussed below and throughout this MD&A reflect the adjustments from the early adoption of "Amendments to International Accounting Standards 16, Property, Plant & Equipment, Proceeds before Intended Use" as discussed in detail in the section *Accounting Policies and Changes* in this MD&A.

Consolidated Financial Results

(in $'000s - except per share and per ounce amounts)	Q3 2020	Q3 2019	YTD 2020	YTD 2019
Revenue	**$ 85,791**	$ -	**$ 163,071**	$ -
Cost of sales, including depreciation and amortization	**$ (39,915)**	$ -	**$ (88,049)**	$ -
Mine operating income	**$ 45,876**	$ -	**$ 75,022**	$ -
Net income (loss)	**$ 32,930**	$ (1,381)	**$ 40,158**	$ (2,210)
Net income (loss) per share - basic	**$ 0.10**	$ (0.03)	**$ 0.12**	$ (0.05)
Net income (loss) per share - fully diluted	**$ 0.09**	$ (0.03)	**$ 0.11**	$ (0.05)
Cash provided by (used in) operating activities	**$ 45,592**	$ (911)	**$ 52,525**	$ (1,508)
Capital investment in mine development and PPE	**$ 12,784**	$ 16	**$ 23,224**	$ 16
Capital investment in exploration	**$ 8,839**	$ 288	**$ 13,586**	$ 1,632
Average realized gold price ($/oz) [(1)]	**$ 1,913**	$ -	**$ 1,753**	$ -
Total Cash Costs [(1)]	**$ 786**	$ -	**$ 850**	$ -
AISC [(1)]	**$ 963**	$ -	**$ 1,041**	$ -

Consolidated Operational Results

	Q3 2020	YTD 2020
Ore Mined *(t)*	**466,827**	**1,245,758**
Ore Milled *(t)*	**506,748**	**1,227,929**
Grade *(g/t Au)*	**3.02**	**2.67**
Recovery (%)	**91.6**	**91.7**
Gold Ounces Produced	**45,341**	**93,435**
Gold Ounces Sold	**44,842**	**93,023**

Q3 2020 Highlights

- Returned to a steady state of production in July 2020 following a 10-week suspension of operations related to the global pandemic
  - Gold production of 45,341 ounces
    - Limon produced 22,079 ounces from 126,683 tonnes of ore with an average grade of 5.73 g/t Au and average recoveries of 90.1%
    - Libertad produced 23,262 ounces from 380,065 tonnes of ore with an average grade of 2.11 g/t Au and average recoveries of 93.0%

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

- Gold sales of 44,842 ounces generating revenue of $85.8 million (average realized gold price [1] of $1,913/oz)
- Cash on hand of $55.7 million, an increase of $30.6 million from June 30, 2020
- Net income of $32.9 million (Q3 2019 – net loss of $1.4 million)
- Basic net income per share of $0.10 (Q3 2019 – net loss of $0.03 per share)
- AISC [1] at Limon, Libertad and on a consolidated basis of $934, $902 and $963, respectively
- Exploration permits granted for the Pavon project
- Received permit for the Pavon Norte open pit, with initial ore deliveries from Pavon Norte open pit to the Libertad mill in Q1 2021
- Announced multi-year production and cost outlook for Libertad and Limon (see *Company Outlook* section)
- Reported high-grade drill results from Panteon, including 149.4 g/t Au over 4.8 metres
- 80,000 metre infill, resource expansion and discovery drilling program ongoing with 14 drill rigs active
- Acquired the remaining 70% interest in the Eastern Borosi Project from IAMGOLD Corporation, which contains an inferred resource of 700,500 ounces of gold and 11.3 million ounces of silver (see *Recent Corporate Developments* section)

YTD 2020 Highlights

- Gold production of 93,435 ounces
    - Limon produced 45,552 ounces from 307,972 tonnes of ore processed with an average grade of 5.16 g/t Au and average recoveries of 89.9%
    - Libertad produced 47,884 ounces from 919,957 tonnes of ore processed with an average grade of 1.84 g/t Au and average recoveries of 93.3%
- Gold sales of 93,023 ounces generating revenue of $163.1 million (average realized gold price[1] of $1,753/oz)
- Net income of $40.2 million (YTD 2019 net loss of $2.2 million)
- Basic net income per share of $0.12 (YTD 2019 – net loss of $0.05 per share)
- AISC [1] at Limon, Libertad and on a consolidated basis of $985, $967 and $1,041, respectively
- Cash generated from operating activities of $52.5 million (YTD 2019 cash utilized in operating activities of $1.5 million)
- Significantly improved working capital at September 30, 2020 to $58.7 million from $30.9 million at December 31, 2019
- Capital investments of $36.8 million, including $13.6 million of exploration expenditures
- Executed the Borosi earn-in agreement and exploration alliance agreement with Rio Tinto
- With year-to-date production of 93,435 ounces, Calibre has increased 2020 production guidance to 125,000 – 130,000 ounces (from 110,000 – 125,000 ounces) and decreased 2020 AISC (1) guidance to $1,050 - $1,070)/oz (from $1,070 - $1,100/oz) (see *Corporate Outlook* section)

---

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

RECENT CORPORATE DEVELOPMENTS

Acquisition of Nicaragua Assets

On October 15, 2019, the Company acquired a 100%-interest in the Limon and 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 (paid);

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

(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;

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

(v) A deferred cash payment to B2Gold totalling $15.5 million, payable no later than April 15, 2021 (see below).

Following the closing of the Transaction and the conversion of the Debenture, B2Gold owns approximately 34% of Calibre as at September 30, 2020.

On April 1, 2020, the Company and B2Gold agreed to defer the payment of $15.5 million (above) to no later than April 15, 2021. Pursuant to the terms of the amendment, Calibre will pay B2Gold interest on the 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. Despite the actions taken by the Company and B2Gold to extend this final cash payment, Calibre elected to pay the remaining deferred payment, in full, on October 15, 2020 (see *Subsequent Events* section below).

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.

COVID-19 and Impact on Operations

On March 25, 2020, the Company announced a temporary suspension of operations as a result of the novel coronavirus ("COVID-19") pandemic. During the suspension period, the Company enhanced its health and safety protocols, added key senior management, advanced permitting and technical studies, progressed a supply chain management review, and reviewed the overall scope of its exploration programs.

On June 10, 2020, Calibre announced a phased restart of operations. The phased restart of operations followed government regulations and World Health Organization guidelines with regards to appropriate operating protocols and lasted approximately one month to reach steady-state production levels. To ensure the continued health and safety of our workforce, Calibre implemented additional daily health procedures to monitor and respond quickly to changing circumstances with respect to health requirements, government regulations, and safety protocols. The Company also continues preventative communication campaigns while working closely with communities, the Ministry of Health, employees and contractors to minimize the spread of the pandemic.

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, potential future 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. The Company cannot estimate the impact the COVID-19 pandemic may have on future operations at this time.

In July 2020, the Company was able to re-establish a steady state of operations which carried on throughout the third quarter. As at September 30, 2020, the Company had $55.7 million in cash (December 31, 2019 - $32.9 million). The Company took significant steps to manage its liquidity and optimize capital management during the temporary suspension, including stopping all mining and processing activities, reducing on-site workforce and related site costs, eliminating non-essential travel, delaying non-essential capital expenditures and exploration activities, and deferring senior management salaries by 20% during the suspension period. The Company continues its enhanced COVID-19 health and safety protocols and will look to adapt our operations, as required, to minimize any operational and financial impact resulting from the global pandemic.

Purchase of Eastern Borosi Project ("EBP")

On August 20, 2020, the Company agreed to acquire IAMGOLD Corporation's ("IAMGOLD") 70% interest in the EBP located in northeastern Nicaragua. On closing, Calibre once again owns a 100%-interest in the EBP, which is host to gold-silver mineral resources delineated within six epithermal style vein systems, as well as multiple earlier stage exploration targets and emerging prospects. EPB highlights include:

- National Instrument ("NI") 43-101 Inferred Mineral Resources (prepared by Roscoe Postle Associates Inc. dated May 11, 2018) totaling 4.4 million tonnes averaging 4.93 g/t Au and 80 g/t Ag, containing 700,500 ounces of gold and 11.3 million ounces of silver, including the high-grade Guapinol resource totaling 0.6 million tonnes averaging 12.7 g/t Au and 12 g/t Ag containing 250,500 ounces of gold and 243,000 ounces of silver.

- Consideration for IAMGOLD's 70% interest in the EBP includes (i) 2,253,961 common shares of Calibre, with a fair value of $3.0 million, (ii) $1.0 million in cash payable 12 months after the date of the acquisition, and (iii) a 2.0% Net Smelter Return royalty (the "NSR Royalty") on future production from the Property. Calibre has the right to purchase 1.0% of the NSR Royalty for $2.0 million and a right of first refusal on the remaining 1.0% NSR Royalty.

- The EBP is located approximately 400 km by road from the Libertad Complex, which has surplus processing capacity of approximately 1.5 million tonnes per annum.

The significant surplus processing capacity at the Libertad Complex allows the Company to view the EBP a potential new spoke in our "hub-and-spoke" operating philosophy. Technical studies to better understand how and when material from the EBP could be processed at our Libertad Complex commenced in the fourth quarter.

Agreements with Rio Tinto Exploration ("Rio Tinto")

During the nine months ended September 30, 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.

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 copper and copper-gold porphyry and skarn style targets (the "Alliance").

Details of the terms of each of these agreements is discussed in this MD&A under the section *Growth and Discovery*.

Subsequent Events

Pursuant to the terms of the acquisition of the Nicaragua Assets, the Company was required to make a deferred payment of $15.5 million to B2Gold (as discussed above). On April 1, 2020, Calibre and B2Gold agreed to defer the payment due date for up to six-months from October 15, 2020 to April 15, 2021.

On October 15, 2020, the Company paid the final amount owed under the terms of the Nicaragua Asset acquisition of $15.5 million to B2Gold, on the original due date. As a result of the obligation being satisfied, Calibre avoided any interest charges that would have been required if the deferred payment obligation was repaid after October 15, 2020. The Company elected to make this final payment following a strong third quarter which generated significant cash flow from operations of $45.6 million.

This final payment concludes Calibre's financial obligations under the terms of the agreement to purchase the Nicaragua Assets from B2Gold.

COMPANY OUTLOOK

Revised Guidance

Following a 10-week suspension of operations, Calibre had a successful restart of operations in July and as a result of the strong third quarter, Calibre is updating its 2020 guidance to reflect higher production and lower AISC [(1)].

	2020 Revised Consolidated Guidance *(provided on Nov. 4, 2020)*	*2020 Updated Consolidated Guidance (provided on Jun. 24, 2020)*	*Original 2020 Guidance (provided on Dec. 4, 2019)*
Gold Production (ounces)	**125,000 – 130,000**	*110,000 – 125,000*	*140,000 – 150,000*
Total Cash Costs ($/ounce)[(1)]	**$870 - $890**	*$880 - $920*	*$840 - $890*
AISC ($/ounce)[(1)]	**$1,050 - $1,070**	*$1,070 - $1,100*	*$1,020 - $1,060*
Growth Capital ($ million)	**$25 - $27**	*$27 - $29*	*$24 - $28*
Exploration ($ million)	**$13 - $14**	*$14 - $16*	*$12 - $14*
G&A ($ million)	**$8 - $9**	*$7 - $8*	*$6 - $7*

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 favorable transportation costs. The Company will continue to optimize its mine and process plans as it progresses the "hub-and-spoke" approach to maximizing value and allow us to quickly translate exploration success into production and cash flow.

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

(2) The Company's original 2020 guidance was announced on December 4, 2019 and was withdrawn on March 25, 2020, when the Company announced the temporary suspension of operations. The original 2020 guidance is provided for information and comparative purposes only.

Advancement of the Pavon Norte Open-Pit Mine

During the fourth quarter of 2019, Calibre announced an updated mineral resource estimate for the Pavon Gold Project, which defined indicated resources totaling 1.39 million tonnes at 5.16 g/t Au containing 230,000 ounces of gold, and inferred resources totaling 0.57 million tonnes at 3.38 g/t Au containing 62,000 ounces of gold. The independent Technical Report (written in accordance with National Instrument 43-101 standards), entitled "Pavon Gold Project, Resource Estimation, Nicaragua" dated January 9, 2020 and effective November 12, 2019, prepared by WSP Canada Inc. is available at www.sedar.com under Calibre's profile or on the Company's website.

Since the beginning of 2020, Calibre has continued to progress development at Pavon Norte, working closely with SLR Consulting (Canada) Ltd. (formerly Roscoe Postle Associates Inc.), WSP Canada Inc. and the Centre for an Understanding with Nature in Nicaragua, to ensure quality engineering designs with minimal impacts to the environment. Calibre has advanced engineering studies, mine plans, road construction designs, and socio-environmental initiatives focusing on water conservation and sustainable forestry and ranching. With road construction to the project currently underway, Calibre is well-positioned to commence open-pit ore production from Pavon Norte in the first quarter of 2021, providing an additional source of ore feed which will be processed at the Libertad mill.

The Company was granted the key environmental permit for the development and production of Pavon Norte from the Ministry of Environment and Natural Resources in Nicaragua. The Pavon Norte permit approval marks a significant milestone in the Company's efforts to increase production and extend the life of the Libertad Complex by processing ores mined from satellite deposits, in line with the Company's "hub-and-spoke" operating philosophy. In addition, an exploration permit was granted for the entire Pavon project, providing the Company with the ability to conduct additional surface exploration and drilling activities on new targets that emerge as the project continues to advance.

Multi-Year Production and Outlook

On August 11, 2020, the Company announced its initial multi-year outlook (the "Plan"), which includes the initial Libertad Complex Preliminary Economic Assessment ("PEA"). The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. The full PEA report was filed on www.SEDAR.com on September 16, 2020 and is available on the Company's website. The following provides a summary highlights on the PEA:

- 2021 to 2023 annual average gold production estimated at 120,000 ounces, AISC [(1)] of $906/oz, and after-tax free cash flow of $69 million (at $1,800/oz gold).
- 2021 to 2025 estimated cumulative after-tax free cash flow estimated at $319 million (at $1,800/oz gold).
- 2021 to 2025 includes 1.5 million average annual tonnes of surplus mill capacity (installed, permitted and paid for), which underpins the potential for significant organic production growth in the near-term.
- No exploration drilling results or data acquired after December 31, 2018 are included in the PEA analysis, other than Jabali and Panteon Underground information, which have more current results and a mid-2020 effective date.

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

Of the mineral resources reviewed in the Plan, approximately 60% of the indicated mineral resources and 40% of the inferred mineral resources were included in the PEA. Mineral resources that are not mineral reserves have yet to demonstrate economic viability. Additional technical studies (drilling, engineering, and mine design) are required to better understand the mineral resources excluded from the PEA.

The PEA is based on indicated and inferred mineral resources from the following locations:

- Libertad: Jabali Antena open pit, Jabali underground mine, and the San Antonio open pit;
- Limon (trucked to Libertad Complex): Veta Nueva underground and Santa Pancha Complex (including Panteon); and
- Pavon Norte and Pavon Central open pits.

The Company also provided a 10-year outlook for the Limon Complex, including the following highlights:

- Annual average gold production estimated between 50,000 to 70,000 ounces with AISC (1) of between $906/oz and $1,100/oz.
- Gold production considered in the outlook includes ore from the following sources:
  - Open pit probable mineral reserves (as at December 31, 2019) totaling 1.4 million tonnes grading 4.25 g/t gold containing 195,000 ounces mined between 2020 to 2023; and
  - Additional open pit mineral resources (as at December 31, 2019) that have the potential to extend mine life through 2031. These include open pit indicated mineral resources exclusive of mineral reserves totaling 0.5 million tonnes grading 4.29 g/t gold containing 62,000 ounces and open pit inferred mineral resources of 3.8 million tonnes grading 5.49 g/t gold containing 679,000 ounces.

The Company is currently completing an infill drilling program at the Limon open pits, which the Company anticipates will upgrade a majority of the inferred mineral resources to indicated mineral resources when the year end mineral reserves and resources are announced.

The implementation of our “hub-and-spoke” operating philosophy has been a key driver in advancing opportunities to positively impact the mine life and net asset value at the Libertad and Limon complexes. Integrating Limon’s 0.5 million and Libertad’s 2.2 million tonnes per annum milling capacity, allows us to maximize value by transporting and processing ore from multiple satellite deposits.

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

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, rising geopolitical tensions, pending US election results, and the uncertainties surrounding the recent COVID – 19 global pandemic. The Company continues to be an unhedged producer of gold. As at September 30, 2020, the price of gold closed at $1,887/oz, up 24.6% from the price on December 31, 2019. The average spot gold price for Q3 2020 was $1,909 (Q3 2019: $1,473) and YTD 2020 was $1,735 (YTD 2019: $1,362). The price of gold has increased over the course of YTD 2020 closing at $1,890 per ounce on November 2, 2020.

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 September 30, 2020, the Canadian dollar closed at $1.33 (December 31, 2019: $1.30) and the Nicaraguan Córdoba closed at $34.60 (December 31, 2019: $33.84) for each U.S. dollar, respectively. The average rates in Q3 2020 for the Canadian dollar and the Nicaraguan Córdoba were $1.33 and $34.47, respectively (Q3 2019: $1.32 and $33.33 respectively). The sudden decline in the Canadian dollar during March 2020 was attributed to a number of factors including the significant slide in oil prices and economic impacts of the COVID – 19 pandemic. The Canadian dollar closed at $1.42 on March 31, 2020 and since that time, the Canadian dollar has steadily strengthened. The Company's exposure to fluctuations in the Canadian dollar is limited to its corporate general and administrative costs in Canada (YTD 2020: $6.1 million) and cash balances held in Canadian dollars, which as at September 30, 2020 totalled $3.2 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 to the extent possible.

While the Company continues to promote workplace health and safety and strives for a zero-harm environment, the Company has also taken additional measures during this time of the COVID-19 pandemic to keep our employees and our local communities safe. During YTD 2020, Calibre commenced a communication campaign (local radio and tv ads, as well as various print and social media disseminations) designed to disseminate key information including the promotion of mental health through the reduction of stress and anxiety, reinforce preventative health measures, and maintain company presence around our employees.

The Company has implemented robust COVID-19 protocols and procedures throughout the suspension period and subsequent restart of operations, including pre-screening of all staff returning to work, additional access to onsite or external medical professionals, temperature and health screening testing, mandatory use of face masks on Company property/transport, enhanced social distancing or work from home measures, installation of hand washing stations, vehicle sprays and more frequent sanitation and cleaning of key areas have all been implemented. The Company continues to monitor the situation and will endeavor to modify and adapt as needed to combat the spread of the virus.

LIMON

The following summary consolidated operational and financial results for Q3 2020 and YTD 2020 includes the results from the Nicaraguan Assets acquired from B2Gold in October 2019, as discussed in the section *Corporate Developments*. During Q3 2019 and YTD 2019, Calibre was an exploration stage company with no operations in production and as such no operational or financial data is presented for 2019.

		Q3 2020		YTD 2020
Operating Information				
Ore Mined - open pit *(t)*		122,174		349,311
Ore Mined - open pit - average grade *(g/t Au)*		5.50		4.69
Waste Mined - open pit *(t)*		3,252,587		7,422,633
Ore Mined - underground *(t)*		33,776		75,753
Ore Mined - underground - average grade *(g/t Au)*		3.82		3.90
Total Ore Mined *(t)*		155,949		425,064
Total Ore Mined - average grade *(g/t Au)*		5.13		4.55
Ore Milled *(t)*		126,683		307,972
Grade *(g/t Au)*		5.73		5.16
Recovery *(%)*		90.1		89.9
Gold Ounces Produced		22,079		45,552
Gold Ounces Sold		21,855		45,383
Financial Information *(in $'000s - except per ounce amounts)*				
Revenue	$	41,760	$	79,478
Operating income	$	21,381	$	34,957
Cash flow from operations	$	30,342	$	33,597
Mine development and PPE expenditures	$	9,521	$	17,931
Exploration expenditures	$	1,663	$	2,861
Total Cash Costs ($/oz) [(1)]	$	767	$	835
AISC ($/oz) [(1)]	$	934	$	985

Limon - Operating and Financial Information – Q3 2020

Total mine production consisted of 155,949 ore tonnes at an average grade of 5.13 g/t gold. The majority of the mine production originated from the Limon Central ("LC") Phase 1 open-pit (77,095 tonnes at an average grade of 5.91 g/t gold), LC Phase 2 open-pit (45,079 tonnes at an average grade of 4.79 g/t gold), the Santa Pancha underground mine (26,068 tonnes at an average grade of 3.76 g/t gold), with the remaining tonnes mined from Veta Nueva. Effective June 1, 2020, the Company considers LC Phase 2 to be in commercial production and defers stripping waste material above the average life of mine waste : ore strip ratio.

Limon produced 22,079 ounces driven by an average mill grade of 5.73 g/t gold and recovery of 90.1% from 126,683 tonnes of ore milled.

Limon generated revenue of $41.8 million on sales of 21,855 ounces of gold, resulting in an average realized gold price [(1)] of $1,911/oz, in-line with average spot gold price for the same period (as previously discussed under the section *External Performance Drivers and Trends)*.

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

Cost of sales (including depreciation and amortization) was $20.4 million. Total Cash Costs [1] and AISC [1] were $767 and $934 per ounce, respectively. Mine operating income was $21.4 million. Cash flows from operations was $30.3 million.

Capital expenditures were $9.5 million, including $5.6 million of capitalized stripping of LC Phase 2, $1.0 million for the advancement of the Veta Nueva underground mine, and $1.0 million for underground mining equipment. In addition, the Company incurred $1.7 million of exploration costs on exploration and in-fill drilling. In Q3 2020, in-fill drilling was completed at Panteon, Limon Norte, Limon Central, Tigra-Chaparral, Pozo Bono and Veta Neuva.

Limon - Operating and Financial Information – YTD 2020

Total mine production consisted of 425,064 ore tonnes at an average grade of 4.55 g/t gold. The majority of the mine production originated from the Limon Central ("LC") open-pit, totalling 349,311 tonnes at an average grade of 4.69 g/t gold, the Santa Pancha underground mine totalling 60,930 tonnes at an average grade of 3.83 g/t gold, with the remaining tonnes mined from Veta Nueva.

Limon produced 45,552 ounces driven by an average mill grade of 5.16 g/t gold and recovery of 89.9% from 307,972 tonnes of ore milled.

Limon generated revenue of $79.5 million on sales of 45,383 ounces of gold, resulting in an average realized gold price [1] of $1,751/oz, slightly higher than the average spot gold price for the same period (as previously discussed under the section *External Performance Drivers and Trends)*.

Cost of sales (including depreciation and amortization) was $44.5 million. Total Cash Costs [1] and AISC [1] were $835 and $985 per ounce, respectively. Mine operating income was $35.0 million. Cash flow from operations was $33.6 million.

Capital expenditures were $17.9 million, including $11.5 million of capitalized stripping of LC Phase 2, $1.7 million for the development of the Veta Nueva mine and $1.2 million of sustaining capital for the San Jose Tailings storage facility expansion. In addition, the Company incurred $2.9 million of exploration costs for resource infill and exploration drilling (year-to-date exploration activities are discussed further in the section *Growth and Discovery* below).

The Collective Bargaining Agreement ("CBA") at Limon expired on October 22, 2020. The Company is currently engaged in negotiation with the unions in order to renew the CBA, and during this period of negotiation, operations are being conducted under the terms and conditions of the most recent CBA until a new agreement is ratified.

---

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

LIBERTAD

The following summary consolidated operational and financial results for Q3 2020 and YTD 2020 includes the results from the Nicaraguan Assets acquired from B2Gold in October 2019, as discussed in the section *Corporate Developments*. During Q3 2019 and YTD 2019, Calibre was an exploration stage company with no operations in production and as such no operational or financial data is presented for 2019.

		Q3 2020		YTD 2020
Operating Information				
Ore Mined - open pit *(t)*		308,231		818,047
Ore Mined - open pit - average grade *(g/t Au)*		2.58		2.04
Waste Mined - open pit *(t)*		1,213,068		4,482,711
Ore Mined - underground *(t)*		2,648		2,648
Ore Mined - underground - average grade *(g/t Au)*		2.80		2.80
Total Ore Mined *(t)*		310,878		820,694
Total Ore Mined - average grade *(g/t Au)*		2.58		2.05
Ore Milled *(t)*		380,065		919,957
Grade *(g/t Au)*		2.11		1.84
Recovery *(%)*		93.0		93.3
Gold Ounces Produced		23,262		47,884
Gold Ounces Sold (2)		22,987		47,640
Financial Information *(in $'000s - except per ounce amounts)*				
Revenue	$	44,031	$	83,593
Operating income	$	24,495	$	40,065
Cash flow from operations	$	18,948	$	25,958
Mine development and PPE expenditures	$	3,248	$	5,278
Exploration expenditures	$	3,302	$	5,862
Total Cash Costs ($/oz) (1)	$	805	$	863
AISC ($/oz) (1)	$	902	$	967

Libertad - Operating and Financial Information – Q3 2020

The majority of Libertad's mine production consisted of 111,913 tonnes of ore from the Jabali Antena open-pit grading 3.87 g/t and 185,997 tonnes grading 0.76 g/t from "spent ore". Mined production includes 10,079 tonnes of ore purchased from artisanal small miners at Pavon at a grade of 21.75 g/t.

The hub-and-spoke approach significantly ramped up in the third quarter and included 79,869 tonnes of ore grading 2.69 g/t from Limon that was included in Libertad mill production. Libertad achieved gold production of 23,262 ounces from an average mill grade of 2.11 g/t and recovery of 93.0% from 380,065 tonnes of ore milled.

Libertad generated revenue of $44.0 million from sales of 22,987 ounces of gold, resulting in an average realized gold price of $1,915/oz.

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

Cost of sales (including depreciation and amortization) was $19.5 million. Total Cash Costs [1] and AISC [1] were $805 and $902, respectively. Mine operating income was $24.5 million. Cash flows from mining operations was $18.9 million.

Capital expenditures totaled $3.2 million, including $1.7 million for advancement at Pavon, which included road construction. Exploration drilling of $3.3 million was spent at Jabali, Tranca, Rosario, Socorro, Pavon, Nancite and Escandalo.

Libertad - Operating and Financial Information – YTD 2020

The Libertad mine had limited operations during Q2 2020 as a result of the initiation of the temporary suspension in April 2020 and the phased in restart during June 2020. The mine reached steady-state operations in early July 2020.

The majority of Libertad's mine production consisted of 267,108 tonnes of ore from the Jabali open-pit grading 3.26 g/t and 525,010 tonnes grading 0.77 g/t from "spent ore". Mined production includes 23,398 tonnes of ore purchased from artisanal small miners at Pavon at a grade of 16.77 g/t.

The hub-and-spoke approach included 119,725 tonnes of ore grading 2.75 g/t from Limon and that ore was included in mill production. Libertad achieved gold production of 47,884 ounces from an average mill grade of 1.84 g/t and recovery of 93.3% from 919,957 tonnes of ore milled.

On August 5, 2020, the Company announced that blasting and mining activities have recommenced at the Jabali underground mine, below the Jabali Antena open pit. Jabali underground represents an important long-term source of high-grade ore feed for the Libertad mill and is a key focus of our expanded drilling program. The Company currently maintains three drill rigs completing resource infill and step-out drilling at Jabali, which as at December 31, 2019 hosted an inferred mineral resource of 1.24 million tonnes at an average grade of 7.87 g/t Au containing 315,000 ounces of gold. Through our expanded drilling program, Calibre sees excellent potential to upgrade inferred to indicated resources while expanding the resource inventory along strike and down plunge to the west. During Q3, the Jabali underground mine was being reconditioned with 2,648 tonnes of ore mined during the ramp up of mining operations.

During Q4 2020, mining the Jabali Antena open-pit will be completed and Libertad will transition to ore processed mainly from Jabali underground supplemented by ore delivered from Limon. Additionally, starting in Q1 2021 it is expected that the commencement of mining ore from Pavon Norte will provide a third source of ore feed for Libertad.

Libertad generated revenue of $83.6 million from sales of 47,640 ounces of gold, resulting in an average realized gold price of $1,755/oz.

Cost of sales (including depreciation and amortization) was $43.5 million. Total Cash Costs [1] and AISC [1] were $863 and $967, respectively. Mine operating income was $40.1 million. Cash flows from mining operations were $26.0 million.

Capital expenditures totaled $5.3 million, including $2.2 million for advancement at Pavon and $0.9 million for the resettlement of households that enabled the Jabali underground operation to recommence. Expenditures of $5.9 million for combined infill and exploration drilling programs were incurred at Jabali, Tranca, Rosario, Amalia, Socorro, Nancite and San Antonio (year-to-date exploration activities are discussed further in the section *Growth and Discovery* below).

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

GROWTH AND DISCOVERY

Limon and Libertad Exploration – Q3 2020 and YTD

In May 2020, Calibre provided a summary of its exploration results from the Company's diamond drilling programs. Similar to the Company's mining operations, Calibre's exploration programs were suspended in April 2020 and recommenced in July 2020. The Company resumed exploration drilling with an expanded 60,000-metre program (increased from the original plan of 47,000-metres). In addition, an unbudgeted 20,000-metre infill drilling program was approved, targeting a significant upgrade of inferred to indicated resources for inclusion in the 2020 year-end Mineral Reserve and Resource estimates.

Drilling prior to the temporary suspension confirmed resource expansion potential down plunge at the Panteon deposit at Limon and at the Jabali West underground mine at Libertad. Drilling has also returned positive results at the previously untested Tranca and Amalia prospects.

During Q3 2020, drilling at Libertad focused on four targets: resource expansion and delineation drilling at Jabali West and Jabali Central, initial drill testing at Tranca, and follow up drilling at the Amalia prospect (see news release dated February 11, 2020). Drilling at Limon continued to focus on the Panteon and Limon Norte deposits during Q3 2020 and following the release of favorable results from initial drilling in Q4 2019 and in Q1 2020 (see news releases dated February 4, 2020 and April 9, 2020).

Highlighted drilling results for drilling completed in Q1 2020 were announced on May 20, 2020 and include:

Panteon Gold Deposit
- 4.25 g/t Au over 2.1 meters Estimated True Width ("ETW") in hole LIM-20-4429; and
- 2.08 g/t Au over 6.0 meters ETW in hole LIM-20-4433.

Jabali West Underground Deposit
- 23.46 g/t Au over 3.3 meters ETW in hole JB20-476;
- 10.27 g/t Au over 3.9 meters ETW in hole JB20-480; and
- 9.78 g/t Au over 2.1 meters ETW in hole JB20-489.

Tranca Gold Prospect
- 3.92 g/t Au over 4.5 meters ETW in hole TR20-009;
- 1.62 g/t Au over 4.6 meters ETW in hole TR20-002; and
- 2.09 g/t Au over 4.7 meters ETW in hole TR20-003.

Amalia Gold Prospect
- 19.99 g/t Au over 1.9 meters ETW in hole EZ20-007;
- 5.24 g/t Au over 6.7 meters ETW in hole EZ20-011; and
- 3.86 g/t Au over 3.1 meters ETW in hole EZ20-015.

On September 15, 2020, Calibre provided an update for the expanded infill and exploration drilling program totaling 80,000 metres. Drilling resumed early in the third quarter focused initially on resource infill and expansion drilling, transitioning to first-pass drill testing of earlier stage prospects later in the quarter. The Company currently has 14 diamond rigs actively deployed at Limon, Libertad, and more recently at Pavon. The highlights presented below represent initial results (post-resumption of drilling in July 2020) from (i) 5,146 metres of infill drilling from the Limon open pit, Panteon underground and Jabali West underground deposits, and (ii) 3,474 metres of initial resource expansion and exploration drilling at the Rosario and Tranca prospects at Libertad.

Infill Drilling Results:

Panteon Underground Deposit
- 149.36 g/t Au over 4.8 metres ETW from 314.1 to 319.5m in LIM20-4444;
- 13.71 g/t Au over 2.8 metres ETW from 232.6 to 236.6m in LIM20-4446; and
- 7.69 g/t Au over 3.4 metres ETW from 219.6 to 223.6m in LIM20-4451.

Limon Open Pits

- 14.79 g/t Au over 3.3 metres ETW from 34.6 to 38.7m in LIM20-4439;
- 9.57 g/t Au over 4.4 metres ETW from 25.4 to 30.1m in LIM20-4443;
- 7.21 g/t Au over 7.6 metres ETW from 57.4 to 65.0m; and
- 6.29 g/t Au over 5.2 metres ETW from 74.4 to 79.6m, both in LIM20-4447.

Jabali West Underground Deposit

- 7.54 g/t Au over 1.7 metres ETW from 296.3 to 298.2m; and
- 5.46 g/t Au over 7.3 metres ETW from 307.1 to 315.1m, both in JB20-492.

Initial Resource Expansion & Exploration Drilling Results:

Rosario Gold Prospect

- 2.23 g/t Au over 4.4 metres ETW from 162.8 to 167.8 m in RS20-048;
- 2.10 g/t Au over 2.8 metres ETW from 179.8 to 182.9 m in RS20-049; and
- 2.32 g/t Au over 7.4 metres ETW from 128.3 to 138.4 m in RS20-051.

Tranca Gold Prospect

- 1.07 g/t Au over 3.8 metres ETW from 184.7 to 189.7m in TR20-013.

An overview of the Company's exploration work to date by significant project is discussed below.

Panteon Deposit

The Panteon deposit is located approximately 150 meters west of the Santa Pancha underground mine. During the first half of 2020, Calibre drilled a total of 2,625 meters in 12 holes, focusing on a 75 by 150-meter section of thickening along the vein and its potential extension at depth. The work completed tested this section over a strike length of 125 meters and a vertical depth of 200 meters from surface. On April 9, 2020, Calibre announced initial high-grade drill results from Panteon, which included 17.96 g/t Au over 4.4 meters ETW (LIM-20-4422) and 10.64 g/t Au over 4.7 meters (LIM-20-4423).

Four additional holes were drilled to further delineate the deposit and hole LIM-20-4429 intercepted 4.25 g/t Au over 2.1 meters ETW, 40 meters down plunge from previously reported LIM-20-4422 (which returned 17.96 g/t Au over 4.4 meters ETW), demonstrating that the ore shoot remains open down plunge to the southeast.

As a result of the exploration work, Calibre announced its maiden Mineral Resource estimate for the Panteon deposit. Roscoe Postle Associates Inc. (now part of SLR Consulting Ltd.) estimates that the Panteon deposit currently contains an Indicated Mineral Resource of 90,000 tonnes at an average grade of 9.88 g/t Au for 29,000 contained ounces, with an additional Inferred Mineral Resource of 303,000 tonnes at an average grade of 6.79 g/t Au for 66,000 contained ounces (see news release dated June 3, 2020 for further details).

Since the restart of drilling in Q3 2020, Calibre has received assay results for the first nine infill holes, all of which intercepted moderate to strong gold mineralization over true vein widths ranging from one to five metres, generally confirming expected vein thickness and grade continuity. Approximately 250 metres northwest of the area where drilling focused during the first quarter of 2020, a second ore shoot appears to be emerging as evidenced by the 149.4 g/t Au over 4.8 metres ETW reported from LIM-20-4444.

Calibre is now transitioning from resource infill to step-out exploration drilling to test the potential for additional high-grade mineralization both down plunge of the known ore shoots and to identify additional ore shoots in both directions along strike of the main Panteon vein structure.

During the first quarter of 2020, the Company commenced development of a crosscut linking Panteon with existing infrastructure at Santa Pancha. A total of 280 metres of underground development has been completed, putting the Company in an excellent position to begin mining ore from Panteon in 2021.

Limon Deposits (Limon Central, Limon Norte, and Tigra-Chaparral)

Calibre reported results from the first four step-out holes drilled at Limon Norte during the fourth quarter of 2019 on February 4, 2020, which included 18.65g/t Au over 5.1m ETW (LIM-19-4418) and 11.65 g/t Au over 5.1m ETW (LIM-19-4417). Three additional holes were completed for a total of 880 meters, testing the potential to extend the Limon Norte gold resource another 100 meters down-dip of the currently defined resource. The Company conducted infill drilling in the third quarter to improve confidence and upgrade the classification of the Limon Norte mineral resource from Inferred to Indicated. In late Q3 2020, exploration drilling has commenced at Limon Norte.

The Limon open pit deposits occur as a series of structurally controlled ore shoots distributed along a more than two-kilometre, northerly trending fault system in the central part of the Limon district. Since the previous set of drill results were reported in the second quarter of 2020, Calibre has completed twelve additional diamond drill infill holes (from a total of 45 planned infill holes) totaling 1,971 metres - one at Limon Central, nine at Limon Norte and two at Tigra-Chaparral. Five of the nine holes at Limon Norte intercepted strong gold mineralization peripheral to a historic underground mine stope in the central portion of the inferred resource. These holes include LIM20-4439 which returned 3.3 metres ETW averaging 14.78 g/t Au and LIM20-4447 which returned 7.6 metres ETW averaging 7.21 g/t Au (see news release September 15, 2020 for further details).

As at December 31, 2019, open pit mineral reserves along the Limon trend included Probable Reserves of 1.4 million tonnes grading 4.25 g/t Au containing 195,000 ounces of gold. Additional open pit mineral resources include Indicated resources totaling 0.5 million tonnes grading 4.29 g/t Au containing 62,000 ounces of gold (exclusive of mineral reserves), and Inferred resources totaling 3.8 million tonnes grading 5.49 g/t Au containing 679,000 of ounces of gold.

Results of the combined infill and step-out exploration drilling through the end of October 2020 will be integrated into the Company’s 2020 year-end mineral reserve and resource updated, to be reported in Q1 2021, and expected to be published and filed at the end of the first quarter in 2021.

Jabali West Underground Mine

The Jabali West deposit is located directly below the Jabali Antena open pit and contains an inferred mineral resource hosting an estimated 1,243,000 tonnes averaging 7.87 g/t Au for 315,000 ounces of contained gold (see Amended Technical Report filed on SEDAR titled, “The Libertad Mine, Chontales Department, Nicaragua and dated January 31, 2020”).

During the first half of 2020, Calibre completed eight holes for a total of 1,320 meters of infill and step-out drilling at the Jabali West underground mine. Of the eight holes drilled, seven were infill holes drilled to increase resource estimation confidence. All of these holes intercepted moderate to strong gold mineralization over ETW’s ranging from one to four meters in a section of the vein approximately 45 to 60 meters below the base of the Jabali Antena open pit. One step out hole (JB20-476) intercepted 23.46 g/t Au over 3.3 meters ETW, 200 vertical meters below the current Jabali Antena open pit resource and 25 meters down plunge from a previously drilled B2Gold drill (JB11-254), which intercepted 2.18 g/t Au over 7.7 meters.

Since the restart of drilling in Q3 2020, Calibre has completed an additional 17 holes totaling 2,700 metres of infill drilling. Results for the first two of these holes indicate that grade continuity and thicknesses are in line with expectations, including 7.3 metres ETW averaging 5.46 g/t Au in JB20-492, drilled along the lower limit of the currently defined inferred mineral resource. The resource remains open along strike and down plunge to the west. Following the completion of the infill program at the end of August 2020, Calibre initiated step-out drilling to test the potential to extend the resource down plunge to the west. Results of the combined infill and step-out exploration drilling will be integrated into the Company’s 2020 year-end mineral reserve and resource update, to be reported in Q1 2021.

As the infill drilling program completed, the Company shifted its focus to resource growth opportunities, including:

- Near-mine extensions to open pit resources along the Limon trend and the high-grade Panteon and Jabali West underground deposits;
- Resource expansion at partially explored prospects such as the Rosario deposit at Libertad, the Atravesada deposit at Limon and the Pavon Norte and Central deposits; and
- Follow up drilling at the early stage Tranca, Nancite and Amalia prospects at Libertad.

In addition, new targets are being readied for first pass drill testing during the fourth quarter at the Cosmotillo, Escandalo-Carmen and San Juan-Los Angeles vein trends at Libertad.

Rosario Prospect

The Rosario deposit is located approximately six kilometres southwest of the Libertad mill and currently hosts an inferred resource of 260,000 tonnes grading 2.08 g/t gold containing 17,000 ounces of gold. Step out drilling to expand the resource laterally and at depth has intercepted significant gold mineralization in three of the five holes received to date. Results for nine additional step-out holes completed in August will be reported in Q4 2020, once assay results have been received.

The Rosario deposit is localized along a major northeasterly trending structure that marks the northern margin of the Cosmotillo vein system. During the first quarter of 2020, Calibre initiated a comprehensive field and data review of all available surface and drill hole information to better understand the relationship between structural controls to gold mineralization and related hydrothermal alteration. This work resulted in the recognition of the Cosmotillo area as an 8^+ square kilometer zone of barren silica-clay lithocap style alteration that characteristically overlies unexposed bonanza style epithermal gold mineralization such as the high-grade vein systems at Jabali and Panteon.

To test the potential for higher grade gold-silver mineralization concealed below surface cover in the Cosmotillo area, Calibre recently commenced drilling a series of deeper holes, approximately 150 metres below the current Rosario mineral resource. Results of this work will be available following the completion of drilling in late Q4. The Company also identified several additional blind, bonanza style vein targets which are likewise being readied for drill testing during the fourth quarter.

Tranca Prospect

The Tranca prospect is located approximately five hundred meters south of the Jabali underground mine, striking east-west and parallel to the main Jabali vein trend. Gold mineralization in the area occurs in multiple vein sets exposed over a four-kilometre trend that had not previously been drill tested prior to Calibre's acquisition of Libertad in October 2019. Calibre holds an option to acquire an 85% interest in the Tranca property, subject to meeting certain terms and conditions as set forth in the option agreement with a third-party. The terms of the option agreement provide that the Company can earn its 85% interest in the Tranca property by spending $2.0 million in exploration by Q1 2022.

Calibre commenced exploration drilling at Tranca in February 2020 and completed nine holes for a total of 1,056 meters along an 850-meter section of the four-kilometre vein trend. Early drilling focused on the upper 125 meters of the Tranca vein structure to locate higher grade ore shoots along the structure. All nine holes intercepted mineralization ranging from 1.2 to 3.9 g/t gold over ETW's ranging from 1.0 to 8.3 meters.

Since the restart of drilling in the third quarter, Calibre has drilled an additional 19 holes totaling 5,584 metres of exploration drilling focused on the upper 125 metres of a one kilometre section of the Tranca structure. The drilling results reported in the Company's news release dated September 15, 2020, in combination with previously reported results (see Calibre news release dated May 20, 2020), will be evaluated to determine whether additional exploration work at Tranca is warranted.

Jabali Central Prospect

During the first half of 2020, eight holes were completed for a total of 2,390 meters at Jabali Central, located approximately one kilometer east of the Jabali Antenna open pit. Five of the eight holes intercepted mineralization grading between 1.1 to 10.6 g/t Au over ETW's ranging from 0.9 to 6.1 meters. Drill hole JB20-490 intercepted 10.6 g/t Au over 0.9 meters in the western area of Jabali Central, approximately 130 meters below the inactive Jabali Central open pit. From 2014 to 2017, B2Gold produced approximately 219,000 ounces of gold averaging 2.3 g/t of gold.

Amalia Prospect

The Amalia prospect is located approximately 35 kilometers northeast of the Libertad mill. The concession encompasses approximately 84 km^2 of near-surface gold mineralization exposed along a steeply dipping north-easterly vein trend. Calibre reported results from the first seven holes drilled in Q4 2019 which included 17.84 g/t over 7.4 meters in hole EZ19-001 (see news release dated February 11, 2020).

Since resuming drilling in January 2020, an additional 15 holes were completed for a total of 2,471 meters during Q1 2020. Results to date show that the Espinoza structure hosts one, and possibly two, shallow north-easterly plunging zones of gold mineralization warranting further follow-up drilling.

Agreements with Rio Tinto Exploration ("Rio Tinto")

On February 24, 2020 Calibre announced it had 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 prospects that include copper-gold porphyries, low-sulphidation epithermal gold-silver vein systems and bulk tonnage copper-gold porphyry skarns. A summary of the significant terms of the earn-in 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 have entered into a separate exploration alliance ("Alliance Agreement") to acquire and earn-in to selected exploration concessions in Nicaragua, with a focus on skarn, copper and copper-gold porphyry and skarn style targets (the "Alliance"). This exploration alliance is a five-year generative exploration and concession acquisition partnership 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 qualifying expenditures for acting as the operator under the Alliance Agreement.

As a result of the issues involving the COVID-19 pandemic, the Company and Rio Tinto have not yet commenced exploration work on either the Borosi projects or the Exploration Alliance, however discussion, data analysis, and planning are on-going with exploration activities anticipated to commence in early 2021.

Other Projects

As previously discussed, on August 20, 2020, the Company agreed to acquire IAMGOLD's 70% interest in the EBP located in northeastern Nicaragua. On closing, Calibre once again owns a 100%-interest in the EBP that hosts a NI 43-101 Inferred Mineral Resources (prepared by Roscoe Postle Associates Inc. dated May 11, 2018) totaling 4.4 million tonnes averaging 4.93 g/t Au and 80 g/t Ag, containing 700,500 ounces of gold and 11.3 million ounces of silver, including the high-grade Guapinol resource totaling 0.6 million tonnes averaging 12.7 g/t Au and 12 g/t Ag and containing 250,500 ounces of gold and 243,000 ounces of silver.

With multiple mineralized trends and numerous high-grade drill results previously reported at the EBP following the release of the above noted NI 43-101 report, the Company considers EBP as having excellent potential for further discovery and resource growth. Technical studies to better understand how and when resources from the EBP could potentially be developed for processing at our Libertad Complex commenced in the fourth quarter.

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 Q3 and YTD 2020. There were no comparable mining related figures for the prior year as the Company had not yet commenced gold production activities.

During Q3 2020, the Company sold 44,842 ounces of gold, at an average realized price of $1,913/oz, for revenue of $85.8 million. The average spot gold price for the same period was $1,909/oz. The Company started its phased resumption of operations and accumulating in-circuit inventory prior to the end of Q2 2020 and was able to achieve successful steady-state production in July 2020.

During YTD 2020, the Company sold 93,023 ounces of gold, at an average realized price of $1,753/oz, for revenue of $163.1 million. The average spot gold price for the same period was $1,735/oz.

Total cost of sales for Q3 2020 included production costs of $31.8 million, royalties and production taxes of $3.2 million, refinery and transportation of $0.2 million, and depreciation of $4.7 million.

For YTD 2020, total cost of sales included $71.9 million of production costs, $6.6 million in royalties and production taxes, $0.5 million in refinery and transportation costs, and $9.0 million in depreciation. The expenditures for the nine months ended September 30, 2020, represent the costs incurred for nearly a full quarter of operations in Q1 2020, very limited Q2 2020 operations and nearly a full quarter for Q3 2020.

Mine operating income for Q3 2020 was $45.9 million, with $21.4 million from Limon and $24.5 million from Libertad. For YTD 2020, mine operating income was $75.0 million, with $35.0 million from Limon and $40.0 million from Libertad.

Total Cash Costs (1) for Q3 2020 were $786 per ounce and AISC (1) were $963 per ounce. For YTD 2020, Total Cash Costs (1) were $850 and AISC (1) were $1,041 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 this MD&A.

Expenses and Net Income

G&A totalled $2.0 million in Q3 2020 compared to $1.4 million in Q3 2019. The increase is the result of increased salaries and wages associated with higher staffing levels including enhancements to the senior management team and compensation plans 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. G&A expenses for YTD 2020 totaled $6.1 million compared to $2.1 million for YTD 2019 for the same reasons as those identified above.

Share-based compensation for Q3 2020 was $1.6 million compared to a nominal amount in Q3 2019. For the YTD 2020, stock-based compensation was $4.5 million compared to $0.2 million for the same period in 2019. The increase in all periods in 2020 compared to 2019 relates to the 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 Nicaragua Assets from B2Gold.

During Q3 2020 and YTD 2020, the Company incurred $0.2 million and $7.3 million, respectively in care and maintenance expenditures (Q3 2019 and YTD 2019 for both periods was $Nil). The total reflects the costs to maintain the operations in a state of readiness during the time of the temporary suspension during the second quarter. The costs include the costs of retaining non-essential and idle staffing, security, and contractor standby costs.

Total finance expense for Q3 2020 includes 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). Total finance expense for YTD 2020 includes mine restoration provision ($0.6 million), accretion on the deferred payment to B2Gold ($1.2 million) and accretion of employee benefits obligations ($0.3 million). There were no significant financing expenses for any of the periods in 2019.

Other income (expense) for Q3 2020 was a loss of $0.6 million and $1.3 million of income for YTD 2020 (other income (expense) for both periods in 2019 were nominal). During the nine months ended September 30, 2020, pursuant to the terms of an inherited agreement with one of the Company's suppliers in Nicaragua, Calibre relinquished title to certain aged property and equipment with no carrying value assigned. Upon assignment, the

Company was released from a total of $1.5 million of accounts payable owed to the supplier, resulting in a gain on disposal of property and equipment of the same amount. The Company also incurred a gain on a modification of the deferred payment to B2Gold totaling $0.5 million in the nine months ended September 30, 2020. In Q3 2020, the Company wrote off $0.6 million of receivables.

Current and deferred income tax expense was $8.2 million during Q3 2020 and $16.8 million for the YTD 2020 (there was no such expense during the periods for 2019). Current and deferred tax expense includes alternative minimum taxes and ad valorem taxes paid by the Company.

As a result of the above, net income (loss) per share was $0.10 (basic) and $0.09 (diluted) for Q3 2020 (Q3 2019: $(0.03)) and income (loss) of $0.12 (basic) and $0.11 (diluted) for YTD 2020 (YTD 2019 : $(0.05)).

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 any future operational impact arising from the on-going 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 September 30, 2020, the Company had cash and cash equivalents of $55.7 million (December 31, 2019 - $32.9 million) and current liabilities of $42.1 million (December 31, 2019 - $34.8 million). Cash provided by operating activities totaled $52.5 million for the nine months ended September 30, 2020 (cash used in operations - September 30, 2019 – $1.5 million). The improved cash position and working capital is from cash generated from operating activities at Limon and Libertad.

The Company took significant steps to manage its liquidity and optimize capital management during the temporary suspension, including stopping all mining and processing activities, reducing on-site workforce and related site costs, eliminating non-essential travel, delaying non-essential capital expenditures and exploration activities, and deferring senior management salaries by 20% during the suspension period. In July 2020, the Company was able to re-establish a steady-state of its operations which resulted in the ability to generate significant cash flow and liquidity not available during the temporary suspension.

Cash flow Analysis

For the nine months ended September 30, 2020, the Company generated cash flows from operations of $52.5 million compared to the utilization of $1.5 million for the comparable period in 2019. The difference highlights the impact of the acquisition of the mines in Q4 2019.

The Company invested cash of $29.3 million in its exploration projects, PPE, and mine development, over the nine months ended September 30, 2020. The breakdown of the expenditures were as follows: mine development of

$12.0 million (YTD 2019 : $Nil), PPE of $9.7 million (YTD 2019 : was nominal), and exploration expenditures of $7.9 million (YTD 2019: $1.2 million). Further details of capital investments for each mining operation is outlined in the sections *Limon*, *Libertad*, and *Growth and Discovery*. During YTD 2020, the Company received $0.3 million in proceeds from the exercise of share options and warrants (YTD 2019 : $Nil).

Following a successful Q3, on October 15, 2020, the Company paid the final amount owed under the terms of the Nicaragua Asset acquisition of $15.5 million to B2Gold, on the original due date. As a result of the obligation being satisfied, Calibre avoided any interest charges that would have been required if the deferred payment obligation were repaid after October 15, 2020. The Company elected to make this final payment on the heels of a strong third quarter which generated significant cash flow from operations ($45.6 million), as the Company reported $55.7 million in cash as at September 30, 2020.

OFF-BALANCE SHEET ITEMS

As at September 30, 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 September 30, 2020 and December 31, 2019. For further information and details concerning outstanding shares, options, restricted share units, and share purchase warrants, refer to the Condensed Interim Consolidated Statements of Changes in Shareholders' Equity, and Note 13 in the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2020.

	Issued and Outstanding	
(In thousands)	As at September 30, 2020	As at December 31, 2019
Common shares	330,897	328,021
Options on common shares	32,193	30,250
Restricted share units	8,184	5,275
Share purchase warrants	11,433	13,764

Subsequent to September 30, 2020, the Company issued a total of 462,394 common shares, pursuant to the exercise of 105,727 share purchase warrants and 356,667 options were exercised for gross proceeds of $0.2 million.

QUARTERLY INFORMATION

(in thousands - except ounces and per share amounts)	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Gold Ounces Produced	45,341	6,010	42,085	33,506	-	-	-	-
Gold Ounces Sold	44,842	9,426	38,755	38,993	-	-	-	-
Average realized gold price *($/oz)* [(1)]	$ 1,913	$ 1,688	$ 1,584	$ 1,481	$ -	$ -	$ -	$ -
Total Cash Costs *($/oz)* [(1)]	$ 786	$ 955	$ 897	$ 866	$ -	$ -	$ -	$ -
AISC *($/oz)* [(1)]	$ 963	$ 1,426	$ 1,038	$ 959	$ -	$ -	$ -	$ -
Revenue	$ 85,791	$ 15,910	$ 61,370	$ 57,763	$ -	$ -	$ -	$ -
Mine operating income	$ 45,876	$ 5,793	$ 23,353	$ 13,344	$ -	$ -	$ -	$ -
Net income (loss)	$ 32,930	$ (5,412)	$ 12,640	$ 3,130	$ (1,381)	$ (468)	$ (356)	$ (281)
Net income (loss) per share - basic [(2)]	$ 0.10	$ (0.02)	$ 0.04	$ 0.01	$ (0.03)	$ (0.01)	$ (0.01)	$ (0.01)

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

(2) In Q3 2020 EPS - diluted was $0.09. All other periods, basic and diluted had the same net income (loss) per share.

The information for Q4 2019 and onward includes the financial and operational results of Limon and 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 Q4 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 results of operations for Q2 2020 was significantly impacted by the 10-week suspension of operations discussed throughout this MD&A.

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 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 (per above), sustaining capital (capital required to maintain current operations at existing production levels), capital lease repayments, corporate general and administrative expenses, exploration expenditures designed to increase resource confidence at producing mines, 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 resource growth, 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 for the three months ended September 30, 2020:

	Q3 2020			
(in thousands - except per ounce amounts)	El Limon	La Libertad	G&A	Consolidated
Production costs	$ 14,196	$ 17,624	$ -	$ 31,820
Royalties and production taxes	2,511	713	-	3,224
Refinery, transportation and other	50	157	-	207
Total cash costs	16,757	18,494	-	35,251
Corporate administration	-	-	2,038	2,038
Reclamation accretion and amortization of ARO	105	121	-	226
Sustaining capital [1]	2,253	1,323	-	3,576
Sustaining exploration [1]	1,297	792	-	2,089
Total AISC	$ 20,412	$ 20,730	$ 2,038	$ 43,180
Gold ounces sold	21,855	22,987	-	44,842
Total Cash Costs	$ 767	$ 805		$ 786
AISC	$ 934	$ 902		$ 963

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

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 September 30, 2020:

	Q3 2020		
(in thousands)	El Limon	La Libertad	Consolidated
Operating mine capital expenditures on an accrual basis	$ 9,521	$ 3,248	$ 12,769
Less:			
Veta Nueva development	(977)	-	(977)
Pavon development	-	(1,742)	(1,742)
Deferred stripping at Limon Central	(5,590)	-	(5,590)
Other	(701)	(183)	(884)
Sustaining capital	$ 2,253	$ 1,323	$ 3,576

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 September 30, 2020:

	Q3 2020		
(in thousands)	El Limon	La Libertad	Consolidated
Total mine exploration expenditure on an accrual basis	$ 1,663	$ 3,302	$ 4,965
Less:			
Growth exploration	(366)	(2,510)	(2,876)
Sustaining exploration	$ 1,297	$ 792	$ 2,089

The table below reconciles Total Cash Costs and AISC per ounce of gold sold for the nine months ended September 30, 2020:

(in thousands - except per ounce amounts)	YTD 2020 El Limon	La Libertad	G&A	Consolidated
Production costs	$ 32,586	$ 39,337	$ -	$ 71,923
Royalties and production taxes	5,176	1,388	-	6,564
Refinery, transportion and other	147	394	-	541
Total cash costs	37,909	41,119	-	79,028
Corporate administration	-	-	6,106	6,106
Reclamation accretion and amortization of ARO	284	362	-	646
Sustaining capital [(1)]	4,028	2,707	-	6,735
Sustaining exploration [(1)]	2,495	1,860	-	4,355
Total AISC	$ 44,716	$ 46,048	$ 6,106	$ 96,870
Gold ounces sold	45,383	47,640	-	93,023
Total Cash Costs	$ 835	$ 863		$ 850
AISC	$ 985	$ 967		$ 1,041

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

The table below shows a reconciliation of sustaining capital expenditures to operating mine capital expenditures from the condensed interim consolidated financial statements for the nine months ended September 30, 2020:

(in thousands)	YTD 2020 El Limon	La Libertad	Consolidated
Operating mine capital expenditures on an accrual basis	$ 17,931	$ 5,278	$ 23,209
Less:			
Veta Nueva development	(1,690)	-	(1,690)
Pavon development	-	(2,193)	(2,193)
Deferred stripping at Limon Central	(11,458)	-	(11,458)
Other	(755)	(378)	(1,133)
Sustaining capital	$ 4,028	$ 2,707	$ 6,735

The table below shows a reconciliation of sustaining exploration expenditures to total exploration expenditures from the condensed interim consolidated financial statements for the nine months ended September 30, 2020:

(in thousands)	YTD 2020 El Limon	La Libertad	Consolidated
Total mine exploration expenditure on an accrual basis	$ 2,861	$ 5,862	$ 8,723
Less:			
Growth exploration	(366)	(4,002)	(4,368)
Sustaining exploration	$ 2,495	$ 1,860	$ 4,355

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:

(in thousands - except per ounce amounts)	Q3 2020 El Limon		Q3 2020 La Libertad		Q3 2020 Consolidated	
Revenue	$	41,760	$	44,031	$	85,791
Ounces of gold sold		21,855		22,987		44,842
Average realized price per ounce sold	$	1,911	$	1,915	$	1,913

(in thousands - except per ounce amounts)	YTD 2020 El Limon		YTD 2020 La Libertad		YTD 2020 Consolidated	
Revenue	$	79,478	$	83,593	$	163,071
Ounces of gold sold		45,383		47,640		93,023
Average realized price per ounce sold	$	1,751	$	1,755	$	1,753

COMMITMENTS AND CONTINGENCIES

Commitments

The Company is committed to $6.9 million 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 (not discussed elsewhere in the condensed interim consolidated financial statements for the three and nine months ended September 30, 2020 and for the audited consolidated financial statements for the year ended December 31, 2019):

	Remaining 2020	2021	2022	2023	2024	2025 and later years	Total
Payables and non-capital orders	$ 4,588	$ 1,593	$ -	$ -	$ -	$ -	$ 6,181
Capital expenditure commitments	284	425	-	-	-	-	709
	$ 4,872	$ 2,018	$ -	$ -	$ -	$ -	$ 6,890

Royalties

- International Royalty Corporation, a subsidiary of Royal Gold, Inc., holds a 3% net smelter return (“NSR”) royalty on gold production from 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) has a right of first refusal on the remaining 1.0% NSR Royalty;
- Inversiones Mineras, Sociedad Anonima holds a 2% NSR royalty on gold and silver production from Libertad and Buenaventura Mining Concessions - currently only the Libertad concession is in production; and
- B2Gold retains a 1.5% NSR on production from certain concessions within the 100% Calibre-owned Borosi project (unrelated to Limon and Libertad).
- IAMGOLD holds a 2% NSR royalty on future production related to certain concessions in the EBP (not currently in production). Calibre has the right to purchase 1.0% of the NSR Royalty for $2.0 million and a right of first refusal on the remaining 1.0% NSR Royalty.

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 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 is vigorously contesting 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 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, Chief Financial Officer, and Chief Operating 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, 2020 and 2019:

	Q3 2020	Q3 2019	**YTD 2020**	YTD 2019
Short-term salaries and benefits	**$ 160**	$ 198	**$ 488**	$ 288
Director fees	**139**	-	**405**	-
Share-based compensation	**1,016**	26	**2,938**	117
Consulting and advisory fees paid to key management	**$ -**	$ 8	**$ -**	$ 140

Management Contracts

As at September 30, 2020, minimum commitments upon termination of the existing contracts was approximately $1.6 million and minimum commitments due within one year under the terms of these contracts is $2.2 million. In addition, the Company is party to various executive and employee contracts that would require payments totalling $1.5 million 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 significant equity interest in Calibre following the completion of the Nicaraguan Asset transaction. B2Gold owns approximately 34% of the Company as at September 30, 2020. Related party transactions with B2Gold are discussed in Note 11 of those condensed interim consolidated financial statements for the three and nine months ended September 30, 2020 and 2019. 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).

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 had commenced the legal process with the Nicaraguan Ministry of Labour to obtain authorization for the temporary suspension of its Limon and Libertad mines. While the Company has successfully restarted its operations in June 2020, there can be no assurances that operations and/or financial results will not be negatively impacted as a result of further outbreaks of COVID-19 that affect the Company's overall business as discussed above.

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 and nine months ended September 30, 2020 are consistent with those applied and disclosed in the Company's audited annual consolidated financial statements for the year ended December 31, 2019 and condensed interim consolidated financial statements for the three and six months ended June 30, 2020.

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, short and long-term receivables 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.

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

Credit risk is the risk of financial loss to the Company if a third party to financial instrument fails to meet its contractual obligations. As at September 30, 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 current and long-term loan 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 in Canada.

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, 2020, the Company had cash and cash equivalents of $55.7 million (December 31, 2019 : $32.9 million) and current liabilities of $42.1 million (December 31, 2019 : $34.8 million). Cash provided by operating activities totaled $52.5 million for the nine months ended September 30, 2020 (cash used in operations - YTD 2019 : $1.5 million). The cash provided from activities related to the operating mines acquired by the Company on October 15, 2019. In addition, the Company's working capital improved from $30.9 million at December 31, 2019 to $58.7 million from Limon and Libertad generating significant cashflow from operations.

The Company's operations and liquidity were adversely impacted by the temporary suspension and the recent resumption of operations. Following the successful phased in restart, the Company has achieved a normalized state of production in July 2020 and generated $45.6 million from operating cashflow in Q3 2020.

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 September 30, 2020 and December 31, 2019 are included in the Company's financial statements.

The Company is subject to gains and losses due to fluctuations in the Canadian dollar and Nicaraguan Córdoba against the U.S. dollar. Sensitivity to a plus or minus 5% change in all foreign currencies (Canadian dollar and Nicaraguan Córdoba) against the U.S. dollar with all over variables held constant at September 30, 2020, would affect the statements of operations and comprehensive income by approximately $2.3 million.

The Córdoba 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 Córdoba bank accounts in Nicaragua. The Company's foreign exchange exposure to fluctuations in the Córdoba is not significant as its annual expenditures in the local Nicaraguan currency and Córdoba 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 September 30, 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 nine months ended June 30, 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.