CALIBRE
MINING CORP

(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Years Ended December 31, 2017 and 2016

(Expressed in Canadian Dollars)

Introduction and Date

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements of Calibre Mining Corp. ("Calibre" or the "Company") for the year ended December 31, 2017. The Company reports its balance sheet, results of operations, statement of changes in equity, and cash flows in accordance with International Financial Reporting Standards ("IRFS"). Additional information relating to the Company, including the most recent Company filings, can be located on the Company's website, www.calibremining.com, or on the SEDAR website, www.sedar.com.

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Yamana Nicaragua Ltd. ("Yamana"), a holding company incorporated in 2006 in Belize. Yamana owns 100% of CXB Nicaragua S.A. (formerly known as Yamana Nicaragua S.A.), a company incorporated in Nicaragua in 2006.

The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars (unless otherwise indicated). Additional information relating to the Company, including the most recent Company filings, can be located on the Company's website, www.calibremining.com, or on the SEDAR website, www.sedar.com.

This MD&A reflects information available as at April 19, 2018.

This discussion includes certain statements that may be deemed "forward-looking statements." All statements in this discussion, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

Business Overview and Overall Performance

Business overview

The Company is incorporated under the laws of British Columbia, Canada and maintains its corporate head office in Vancouver, British Columbia, Canada. The Company engages principally in the acquisition, advancement and development of precious and base metals assets and mineral properties in Nicaragua. The Company's common shares are listed in Canada on the TSX Venture Exchange under the trading symbol CXB.

The Company is currently focusing on the exploration of an impressive and strategic land position in a highly prospective, but underexplored region of the historic "Mining Triangle" in northeast Nicaragua, named the Borosi Concessions. The Borosi Concessions are named for the three historical producing regions of Bonanza, Rosita, and Siuna. The area is highly prospective for gold, silver and copper mineralization.

As discussed in the notes to the consolidated financial statements, the recovery of the Company's investment in resource properties and the attainment of profitable operations are dependent upon the discovery and development of economic precious and base metal reserves and the ability to arrange sufficient financing to bring these reserves into production. The ultimate outcome of these matters cannot presently be determined.

(Expressed in Canadian Dollars)

Overall Performance

During 2017, the Company recorded a net loss of $1,872,892 or $0.01 per share, as compared to a net loss of $775,537 or $0.00 per share during 2016.

As at December 31, 2017, the Company had total assets of $28,834,155 compared to $28,018,087 as at December 31, 2016. The majority of these assets for both periods are the carrying values of the Company's cash and cash equivalents and its exploration and evaluation assets.

As at December 31, 2017, the Company had working capital of $2,291,396 compared to working capital of $3,128,142 as at December 31, 2016.

As at December 31, 2017, the total carrying value of the Company's exploration and evaluation assets was $25,267,258 compared to $24,003,509 as at December 31, 2016. The net increase reflects the Company's expenditures on the Borosi Project, net of cost recoveries from its partners.

During 2017, the Company completed a private placement for 19,575,000 units of the Company's common shares at a price of $0.10 per unit for gross proceeds of $1,957,500. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share for $0.15 until January 12, 2020. Calibre issued 120,000 finder's units in connection with the private placement. Each finder's unit consisted of one common share and one common share purchase warrant. Each warrant entitles the finder to acquire an additional common share for $0.15 until January 12, 2020.

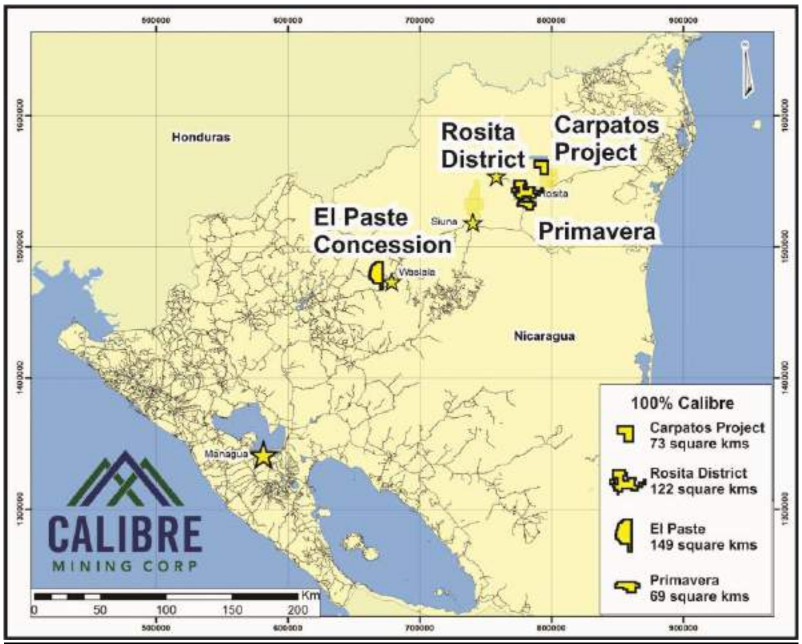
During 2017, a total of 4,115,500 share purchase warrants with an exercise price of $0.16 per share were exercised into common shares of the Company for gross proceeds of $658,480.

Borosi, Nicaragua, Central America

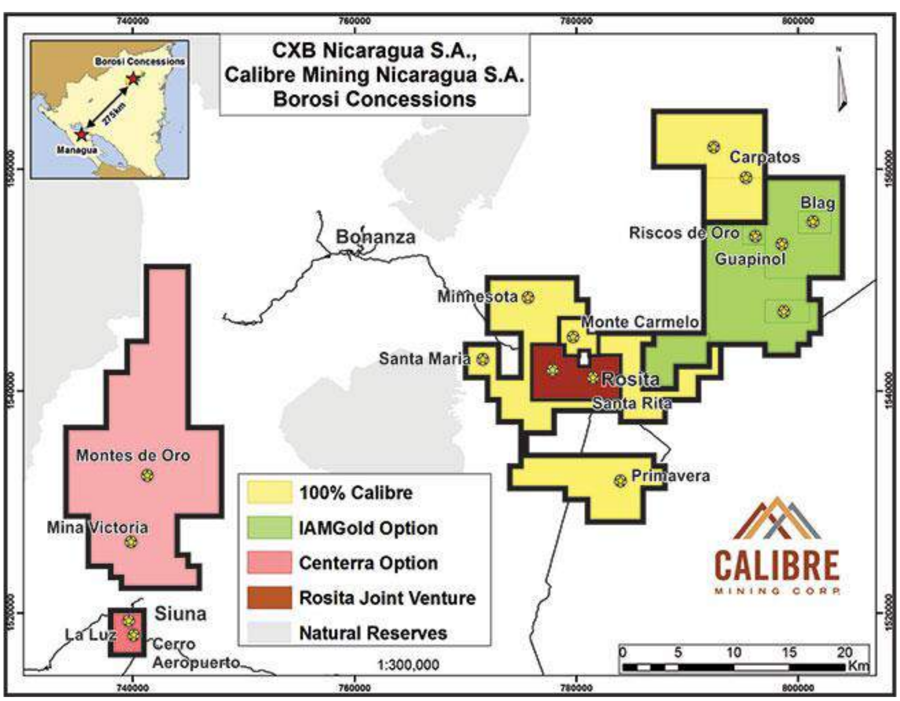
The following provides a breakdown of the costs incurred at Borosi during the year ended December 31, 2017:

	Joint Venture with Rosita	Option Property to IAMGOLD	Option Property to Centerra	Calibre 100% Owned Property	Total
Cost, December 31, 2016	$ 505,760	$ 6,710,144	$ 363,624	$ 16,423,982	$ 24,003,509
Administration and maintenance	-	234,250	234,250	241,349	709,849
Amortization	-	8,084	8,084	8,329	24,498
Assaying	-	70,007	217,660	113,792	401,459
Camp, supplies and logistics	-	153,581	161,763	32,256	347,601
Drilling and related	-	1,310,925	888,806	818,890	3,018,621
Foreign exchange	(31,181)	(413,696)	(22,418)	(1,012,577)	(1,479,873)
Geological consulting	-	-	490,695	35,235	525,930
Professional fees	-	-	-	25,598	25,598
Property maintenance	34,947	447,830	221,124	235,584	939,485
Resource estimates	-	-	-	24,163	24,163
Salary and wages	2,750	317,886	489,323	680,490	1,490,450
Share-based compensation	-	56,517	56,517	58,229	171,263
Travel	-	12,799	12,621	143,626	166,945
Recovery of costs and option payments	-	(2,349,545)	(2,752,694)	-	(5,102,239)
Total expenditures during the year	6,516	(151,363)	5,731	1,402,864	1,263,748
Cost, December 31, 2017	$ 512,276	$ 6,558,781	$ 369,355	$ 17,826,846	$ 25,267,257

The Company interest in the Borosi Gold-Silver-Copper Concessions (the "Borosi Concessions"), consisting of a number of mining and exploration concessions totaling over located in the North Coastal Caribbean Autonomous Region of Nicaragua, Central America. All of the Concessions, with the exception of El Paste, are located in the historic Mining Triangle District defined by the mining towns of Bonanza, Rosita, and Siuna (Borosi).



In additional to 413 square kilometres of 100% owned Concessions the Company has entered into separate partnership agreements over portions of the Borosi Concessions with Iamgold (covering an area of 176 $km^{2)}$, Centerra Gold (covering an area of 251 $km^{2)}$, and Rosita Mining (covering an area of 33 $km^{2)}$,as shown in the following location map and detailed in the following sections.



(Expressed in Canadian Dollars)

Calibre 100% Owned Projects

Calibre controls 100% of 413 km^2 of mineral concessions in the Mining Triangle of Northeast Nicaragua including the Santa Maria Project, Primavera Gold-Copper Project and Monte Carmelo Gold Project.

Primavera Gold-Copper Porphyry Project
The Primavera Project zone consists of classic porphyry style gold-copper mineralization. Porphyry style mineralization is hosted within the volcanic and intrusive rocks and associated with both potassic and propylitic alteration. The chalcopyrite +/- bornite copper mineralization is primarily hosted by a quartz veinlet stockwork and overall sulphide content is quite low. Drilling encountered intense zone of potassic alteration dominated by potassium feldspar, biotite, and magnetite. In additional the presence of sheeted and banded quartz-magnetite veins along with the alteration and mineralization textures further confirmed the potential for a gold-copper porphyry system.

An airborne geophysical survey outlined a five kilometre by four kilometre area interpreted to outline an intrusive/volcanic complex and which highlights the potential for additional gold-copper porphyry discoveries. Additional ground surveys were completed in 2015 and 2016 and additional targets have been outlined but not tested by drilling. . The target was further defined in regional sampling and mapping and defined by detailed soil sampling and trenching, with the discovery drill holes including 261.70m grading 0.78g/t gold and 0.30% copper, and 247.35m grading 0.43g/t gold and 0.21% copper.

In the first phase a total of 32 holes totaling 13,400 meters were drilled at the Primavera Project Drilling and outlined a higher-grade core to the gold-copper porphyry mineralization over an area 400 metres long, 250 metres wide and to a depth of 300 metres with mineralized intervals averaging 0.4 -- 0.6 g/t Au and 0.2 -- 0.3 %Cu. Drill Highlights:

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)
PR-11-001	0.00	262.00	262.00	0.40	0.22
PR-11-002	1.50	263.20	261.70	0.73	0.29
PR-11-003	4.00	327.20	323.20	0.41	0.18
PR-12-005	207.00	380.85	173.85	0.31	0.16
PR-12-008	107.00	355.00	248.00	0.43	0.21
PR-12-011	6.95	164.00	157.05	0.47	0.20
PR-12-016	0.00	201.35	201.35	0.77	0.36

Notes:
- Intervals are core lengths / true width is estimated to be 70-90% of lengths
- Length weighted averages from uncut assays.

Primavera was the first porphyry gold-copper project discovered in Nicaragua and the mineralization remains open for expansion.

In December 2016, the Company announced a maiden National Instrument 43-101 ("NI 43-101") Inferred Resource Estimate for the 100% owned Primavera Gold-Copper Porphyry Project, Nicaragua of 45.0 million tonnes grading 0.54 g/t Au, 1.15 g/t Ag and 0.22 % Cu (0.84 g/t AuEq) containing 782,000 ounces of gold, 1.7 million ounces of silver and 219 million pounds of copper (1.2 million AuEq ounces).

Key Highlights:

- The Primavera Gold-Copper Porphyry Deposit contains a maiden Inferred Resource at a 0.5 g/t Au cutoff of 45.0 million tonnes grading 0.54 g/t Au, 1.15 g/t Ag and 0.22 % Cu (0.84 g/t AuEq) containing 782,000 ounces of gold, 1.7 million ounces of silver and 219 million pounds of copper (1.2 million AuEq ounces);

- The gold-copper deposit resource is open to depth and to further expansion with additional targets in immediate proximity to the existing drilled deposit;

(Expressed in Canadian Dollars)

- WSP also completed a Whittle analysis to estimate an initial open pit-constrained Inferred Resource at a 0.5 g/t Au cutoff of 27.8 million tonnes grading 0.60 g/t Au, 1.23 g/t Ag and 0.23% Cu (0.91 g/t AuEq) containing 535,000 ounces of gold, 1.1 million ounces of silver and 140 million pounds copper (811,000 AuEq ounces). The open pit has a strip ratio of 1.2/1.0; and

- Numerous high priority drill targets prospective for further gold-copper porphyry mineralization exist within the 5.0 kilometre by 4.0 kilometre Primavera target area as defined by anomalous gold and copper in rock and soil samples, magnetic and radiometric geophysical anomalies, and targets where geological mapping has identified porphyry style mineralization or alteration

<u>Inferred Resource at a cutoff of 0.5 g/t Au for the Primavera Au-Cu Porphyry Deposit</u>

tonnes	Au g/t	Ag g/t	Cu %	Au Eq	Au ozs	Ag ozs	Cu Lbs.	Au Eq ozs
44,974,000	**0.54**	**1.15**	**0.22**	**0.84**	**782,000**	**1,661,000**	**218,670,000**	**1,200,000**

Notes:

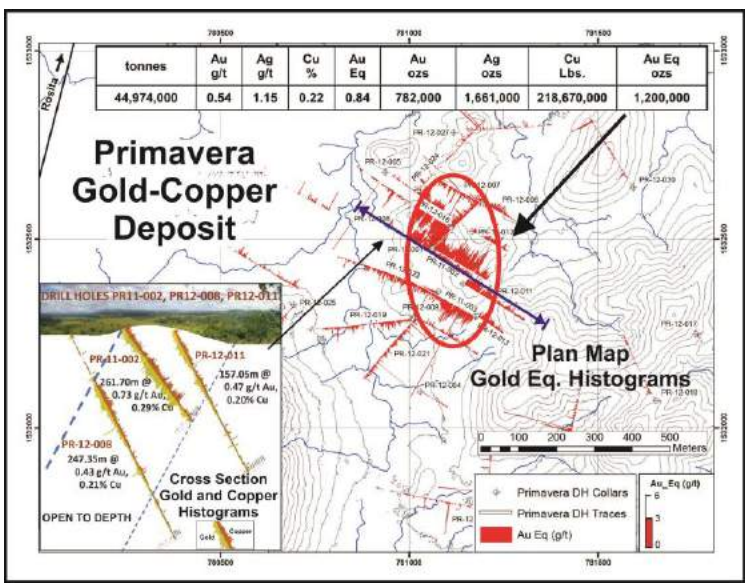
1. CIM definition standards were followed for the resource estimate.
2. The 2016 resource models used Ordinary Krig grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids (HG=high grade, LG= low grade, sap=saprolite).
3. A base cutoff grade of 0.5 % g/t Au was used for reporting resources.
4. Densities varied by material type and ranged from 2.4 for saprolite to 2.71 for diorite and the volcanics have variable estimated densities using inverse distance.
5. Numbers may not add exactly due to rounding.
6. Gold Equivalent (AuEq) calculated using $1300/oz Au for gold, $2.40/lb. for Copper, and $20.00/oz Ag for silver and metallurgical recoveries are assumed to be 90% for both gold and copper.
7. Mineral Resources that are not mineral reserves do not have economic viability
8. The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

In February 2017, a site visit was completed by one of the world's foremost porphyry experts Dr. Richard Sillitoe. Dr. Sillitoe's extensive experience and insights have advanced the understanding of the Primavera Gold-Copper deposit and additional follow-up work is on-going. Several of Dr. Sillitoe's conclusions will have a significant positive impact on the exploration programs going forward and have been incorporated into the planned drill program including:

- *The (Primavera) prospect has many similarities to other gold-rich porphyry deposits, including a good Au/Cu correlation, presence of abundant hydrothermal magnetite and a molybdenum-rich halo to the gold-copper zone.*

- *In view of the widespread occurrence of porphyry copper deposits in district-scale clusters and alignments, exploration needs to be focused on assessment of nearby, untested areas.*

- *The proposed programme of scout drilling of geochemical targets is considered the best means of further appraising the district potential.*



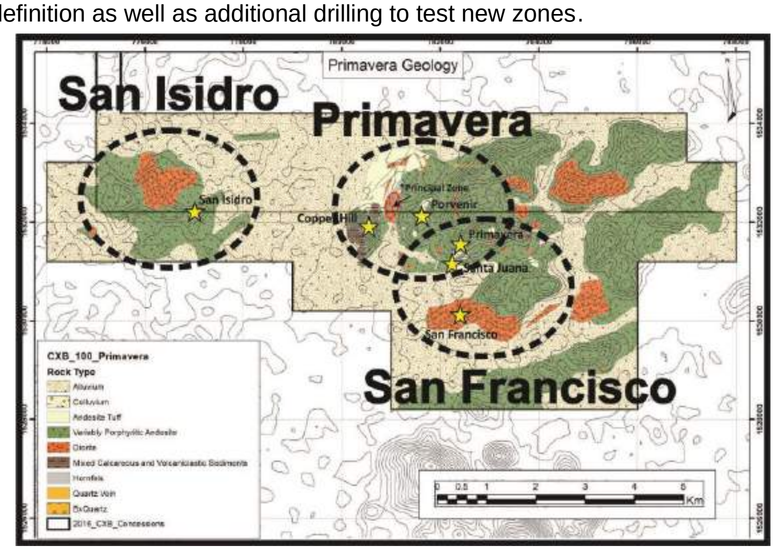
The 2017 drill program was the first drilling program at Primavera since 2012 and consisted of 19 Reverse Circulation drill holes totaling 2758.5 metres completed between July and December 2017. The widespread and shallow program was designed as a prospecting initiative testing the broad anomalous gold and copper targets defined by soil and rock sampling which are the most reliable exploration tools in this area of sparse outcrop. 2017 drilling on the Primavera Gold-Copper Porphyry District has intersected widespread porphyry style alteration and mineralization. These drilling results confirm the potential for further gold-copper porphyry discoveries within the Primavera district. The 2018 Primavera exploration program will include drill testing of additional gold-copper porphyry targets.

The primary goal was to test a series of geochemical, geophysical, and geological targets outboard from the existing Primavera Deposit. The high priority targets include; 1) the NE Trend which covers an area 2km x 1km extending northeast from the existing deposit which was tested by six holes, and 2) the Santa Juana / San Francisco Target with an extent of 2km x 2km centered three kilometres southeast of the Primavera Deposit which was tested by 12 drill holes.

Additionally one RC drill hole in the 2017 drilling program was completed within the Primavera Deposit with hole PRC17-001 intersecting; 234.0 metres grading 0.82 g/t Au and 0.26 % Cu (1.15 AuEq g/t) including 129.0 metres grading 1.06 g/t Au and 0.28 % Cu (1.42 AuEq g/t). Hole PRC17-001 was drilled in proximity to diamond drill hole PR-11-001 which intersected 262.0 metres grading 0.49 g/t Au and 0.22 % Cu and diamond drill hole PR-11-002 which intersected 261.7 metres grading 0.73 g/t Au and 0.29 % Cu confirming the grade and continuity to the gold-copper mineralization. Six holes (PRC17-002, -003, -004, -017, -018, and -019) were completed between 250 and 1000 metres east of the known deposit and intersected variably altered and mineralized volcanic and intrusive rock with intervals including; 10.5m grading 0.38 g/t Au and 0.03 % Cu, 36.0m grading 0.27 g/t Au and 0.05 % Cu, and 160.5m grading 0.11 g/t Au. The drill holes in this area are generally anomalous in molybdenum with individual samples ranging up to 73 ppm Mo over 1.5m (PRC17-003 162.0 – 163.5m). A total of twelve holes were drilled in the Santa Juana Target (PRC17-005 to 016) intersecting; 9.0m grading 1.76 g/t Au and 0.02 % Cu, 76.5m grading 0.11 g/t Au and 0.02 % Cu, and 45.0m grading 0.16 g/t Au and 0.13 % Cu. The geology of the area is dominantly andesitic volcanics with variable amount of diorite. Additionally drill hole PRC17-016 intersected a quartz rich breccia which returned 6.0m (105 to 111m) grading 0.85g/t Au and 0.34 % Cu with individual samples including 2.38 g/t Au and 0.49 % Cu.

In both areas tested during 2017 the geology consists largely of andesitic volcanic flows and tuffs with narrow to moderate sections of diorite intrusions. Alteration is widespread and includes propylitic (epidote-chlorite-pyrite), potassic (biotite and magnetite) as well as common silicification and quartz +/-carbonate) veining. Sulphides occur as disseminations and within the quartz veining and consist of variable amounts of pyrite and chalcopyrite. Rare molybdenite was also noted.

The 2018 exploration program has commenced with rock and soil geochemistry and geological mapping. Exploration in H1 2018 will also include additional target definition as well as additional drilling to test new zones.



Principal targets in the Primavera area include;

1) expansion of the Primavera Deposit to depth and along strike,

2) the NE Trend covers an area 2km x 1km extending northeast from the existing deposit,

3) the Santa Juana / San Francisco Target with an extent of 2km x 2km centered three kilometres southeast of the Primavera Deposit and

4) .San Isidro a 2.0 kilometre by 3.0 kilometre anomaly has been defined using rock and soil geochemistry ad where the geology appears similar to Primavera dominated by andesitic volcanics and diorite intrusions. The geochemical signature varies slightly with significantly elevated lead, zinc, and antimony occurring with the copper and gold. Additional target definition exploration is on-going and the first drilling program at San Isidro is planned for 2018.

Drilling to date has tested less than 5% of the surface geochemical, geophysical, and geological anomaly associated with the Project.

(Expressed in Canadian Dollars)

Santa Maria Project
The Santa Maria Project is located in the western portion of the Rosita District approximately 15 kilometres northwest of Primavera. Previous work has included soil and rock sampling and trenching. Diamond drilling during 2017 (13 holes for 2,100 metres) on the Santa Maria Project has discovered significant gold and base metal mineralization in structurally controlled quartz veins and breccias. 2017 Drilling results include;

Hole ID	From m	To m	Length (m)	AuEq g/t	Au g/t	Ag g/t	Cu %	Zn %
SM17-012	121.15	127.00	**5.85**	**7.50**	2.02	58.6	3.46	-
Including	121.15	121.90	**0.75**	**24.73**	8.40	144.0	10.69	-
SM17-001	70.00	74.95	**4.95**	**4.16**	1.51	24.7	1.72	-
SM17-003	99.90	102.00	**2.10**	**7.84**	7.21	10.9	0.33	-
SM17-008	57.70	60.35	**2.65**	**5.26**	3.58	16.4	0.29	1.65
Including	57.70	58.65	**0.95**	**11.74**	9.14	33.9	0.57	2.08
SM17-012	129.62	133.00	**3.38**	**2.78**	0.54	20.6	1.42	-
SM17-013	61.80	66.10	**4.30**	**2.55**	0.12	13.8	1.68	-

Notes:
- Intervals are core lengths / true width are estimated to be 70-80% of lengths.
- Length weighted averages from uncut assays.
- AuEq calculated using; $1300 Au, $20 Ag, $2.50 Cu, and $1.25 Zn with 100% recoveries

Results define a northern segment 300 metres in strike length with gold-silver mineralization associated with high copper values transitioning in the central portion which contains variable amounts of both copper and zinc and 200 metres further to the south where it is characterized by low copper and high zinc. The overall Santa Maria geochemical anomaly has been traced for more than three kilometres. Existing targets with potential for further gold-silver-copper-zinc discoveries on the Santa Maria Project include both the northern and southern structural extensions to the drill tested area (where additional multi-element anomalies have been defined), additional sub-parallel structures which have been identified based on rock and soil anomalies, intrusive related mineralization associated with the mapped granodiorite centered two kilometres north of the current drilling, as well as skarn zones hosted in previously recognized altered limestone and sedimentary rocks.

Additional 100% Owned Rosita District Targets
The 2014 reconnaissance diamond drilling program at the Minnesota Gold Project consisted of seven widely spaced drill holes totaling 992 metres which tested three areas along the 3.5 kilometre by 1.0 kilometre trend defined by a strong auger and gold-in soil anomaly and surface rock sampling Drilling results include: 31.35 metres grading 0.63 g/t Au (including 12.40 metres grading 1.07 g/t Au) and 47.00 metres grading 0.63 g/t Au and 3,703 ppm Zn (including 4.50 metres grading 3.43 g/t Au and 5,699 ppm Zn). Three drill holes (MN14-001, MN14-002 and MN14-003) were completed in the Northern Area in the vicinity of contiguous Trenches MINTR14-006 to 011 and MINTR14-016 which intersected 109.6 metres grading 1.58 g/t Au with drill hole MN14-001 returning 31.35 metres grading 0.63 g/t Au (including 12.4 metres grading 1.07 g/t Au). Additional drilling (MN14-004 and MN14-007) tested the Central Area (one kilometre to the south-west of the Northern Area) where previous channel samples returned; 9.20 metres grading 4.17 g/t Au (MNTR13-02) with drill hole MN14-004 intersecting 47.00 metres grading 0.63 g/t Au and 3,703 ppm Zn (including 4.50 metres grading 3.43 g/t Au and 5,699 ppm Zn. A further two holes (MN14-005 and MN14-006) tested the Southern Area (3 km Southwest from the Northern Area) where channel samples returned; 12.80 metres grading 1.27 g/t Au (BRTR11-057). This reconnaissance drilling intersected oxidized, sheared and sericitized granite with mineralization consisting of variable amounts of disseminated pyrite, sphalerite, galena and chalcopyrite with minor pyrrhotite and magnetite. The geochemical signature for the portion of the Minnesota system drill tested to date is consistent with an intrusive association for the mineralization with gold and silver values being associated with elevated zinc, lead and molybdenum

Five kilometres southeast of Minnesota additional mineralization has been outlined at the Monte Carmelo Project. The Monte Carmelo Project was discovered in 2015 through prospecting and rock sampling and the target was further defined by detailed soil sampling, auger drilling and ground magnetics. Exploration has outlined zones of magnetite skarn with massive, semi-massive, bands (lamina) of magnetite in irregular NW-trending bodies that alternate with zones of garnet skarn. A detailed ground magnetic survey completed in 2016 has identified up to 12 additional targets. During 2017, the Company completed a maiden drilling program on the Monte Carmelo Gold

(Expressed in Canadian Dollars)

Skarn Project consisting of 8 diamond drill holes for 2,100 metres. All drill holes intersected skarn mineralization consisting of garnet and magnetite skarn developed in calcareous sediments, limestone, and intrusives. Mineralization consist of massive and veined zones with anomalous levels of gold and silver with variable copper associated with iron and lesser amounts of zinc, lead, and arsenic. Drill hole MD17-006 intersected a broad iron rich zone from surface with 29.5 m grading 0.58 g/t Au, 4.9 g/t Ag and 0.22 % Cu from surface including 10.5 metres grading 1.43 g/t Au and 7.5 g/t Ag and 0.32 % Cu (0 -- 10.5m). Drill hole MD17-007 intersected a highly mineralized iron rich zone consisting of magnetite skarn averaging 0.28 g/t Au, 6.34 g/t Ag, 0.33 % Cu, and 0.20 % Zn over 14.5 metres (83.8 -- 98.3 m), 0.36 g/t Au, 65.8 g/t Ag, and 3.51% Cu over 1.53 m (74.72 -- 76.25m) and a third intercept from surface of 7.0m grading 0.45 g/t Au, 1.9 g/t Ag, and 0.11% Cu.

Additional Targets within the 100% owned Rosita District include Terciopelo, Fruta de Pan, and others.

The 100% owned Carpatos District is located 25 kilometres east of the Minnesota project. The 73 km^2 Carpatos District has been the subject of surface mapping and rock and soil sampling. The area includes the Hemco II concession, previously part of the B2Gold joint venture. Exploration in 2015 included soil and rock sampling. Existing target include a series of kilometre-scale anomalous zones with variable concentrations of precious and base metals. The largest anomaly is the Central Carpatos Target which is a circular topographic feature with a central diorite intrusion hosted within altered andesite volcanics. Mineralization consists of centimetre-scale massive bands of oxidized magnetite that are accompanied of thin banded veins and veinlets of granular quartz and magnetite with minor sphalerite and scarce veinlets of oxidized sulphides.

The 100% owned El Paste Concession covers a 115 km^2 area of highly prospective geology 75 km SW of Siuna. An initial stream sediment sampling program in 2015 generated significant gold anomalies requiring follow-up work. A total of 81 samples were collected and analysed for gold and 31 elements. Two kilometre-scale anomalies were generated including; 1) a broad western area defined by 17 samples anomalous in gold and several pathfinder elements outlining a target area 6.0km by 1.0-1.5 km and 2) a second anomaly estimated to be approximately 4.0km by 3.0km on the eastern edge of the sampled area highlighted by the highest gold value (680 ppb Au) returned in the survey.

Eastern Borosi Project Joint Venture - IAMGOLD 51% / Calibre 49%

The Eastern Borosi Project consist of 176 km^2 of mineral titles in the eastern area of the Borosi District. Exploration to date on the Eastern Borosi Project has outlined several tens of kilometres of highly prospective mineralized structures located in an historic gold-silver mining district. Low sulphidation epithermal gold-silver mineralization intersected on the Eastern Borosi Project is hosted within porphyritic andesite and consists of structurally controlled, high-energy quartz-carbonate vein breccias, vein-stockworks and discrete smokey quartz veins containing fine grained sulphide minerals. Targets have been defined by surface soil and rock sampling, trenching and drilling.

During 2014, the Company executed an option agreement with IAMGOLD Corporation ("IAMGOLD") whereby IAMGOLD can earn a 51% interest ("First Option") and subsequently an additional 19% interest ("Second Option") (for a total of 70%) in the Eastern Borosi Project ("Eastern"). IAMGOLD has completed the First Option having made US$450,000 in payments to Calibre and completed US$5 million in expenditures and in 2017 vested a 51% interest in the Eastern Borosi Project. IAMGOLD has entered the Second Option with the right to earn a further 19% in the Project (by paying an additional $450,000 and further exploration expenditures of $5 million) having paid the first installment of $150,000 and the 2018 work program has begun. The total potential investment by IAMGOLD to earn a 70% interest in the Project is US$10.9 million.

Exploration under the option agreement has been largely diamond drilling with Calibre/IAMGOLD completing 138 drill holes totaling 26,000 metres between 2014 and mid-2017. Drilling highlights 2014 – 2017 include;

Hole ID	Target	Au g/t	Ag g/t	Length (m)	From m	To m
GP15-034	Guapinol	**98.72**	**49.1**	**1.39**	332.23	333.62
GP14-003	Guapinol	**25.66**	**35.2**	**4.81**	69.75	74.56
GP14-010	Vancouver	**8.73**	**11.5**	**12.90**	91.60	104.50
BL15-011	Main Blag	**3.08**	**381.3**	**10.74**	21.86	32.60
GP14-002	Guapinol	**14.39**	**14.5**	**6.03**	112.53	118.56

(Expressed in Canadian Dollars)

BL15-017	East Dome	**1.11**	**223.4**	**19.16**	120.50	139.66
BL15-009	Main Blag	**5.36**	**194.6**	**9.92**	135.33	145.25
BL15-010	Main Blag	**2.52**	**246.4**	**12.82**	64.38	77.20
BL15-018	East Dome	**0.69**	**488.6**	**9.44**	91.44	100.88
GP14-030	Guapinol	**17.70**	**16.5**	**4.15**	158.92	163.07
BL16-044	East Dome	**2.27**	**127.9**	**16.50**	194.00	210.50
GP14-028	Guapinol	**13.44**	**14.5**	**5.07**	191.53	196.60
GP16-046	Veta Loca	**10.15**	**6.9**	**6.31**	88.00	94.31
BL16-038	Main Blag	**11.13**	**13.7**	**5.61**	179.82	185.43
BL16-044	East Dome	**9.64**	**404.4**	**3.38**	206.17	209.55
BL14-005	Main Blag	**2.18**	**133.8**	**12.47**	77.45	89.92
GP15-037	Vancouver	**6.26**	**41.4**	**7.08**	102.40	109.48
BL16-043	East Dome	**1.21**	**120.9**	**15.35**	97.65	113.00
GP14-001	Guapinol	**39.90**	**132.0**	**1.00**	76.97	77.97
LS15-008	Cadillac	**8.93**	**57.4**	**4.10**	65.60	69.70
BL15-006	Main Blag	**5.97**	**56.1**	**5.85**	149.83	155.68
BL15-023	Santos Trend	**5.74**	**4.8**	**6.44**	60.96	67.40
GP14-027	Guapinol	**14.49**	**8.9**	**1.90**	146.20	148.10
BL16-048	East Dome	**0.84**	**73.5**	**13.72**	97.00	110.72
BL16-043	East Dome	**3.61**	**348.7**	**3.00**	110.00	113.00
GP14-027	Guapinol	**33.40**	**18.5**	**0.78**	146.54	147.32
BL16-040	East Dome	**2.69**	**431.6**	**2.78**	162.84	165.62
GP16-040	Vancouver	**1.45**	**4.3**	**15.34**	175.00	190.34
BL17-058	East Dome	**0.38**	**328.3**	**4.05**	296.00	300.05
GP14-031	Guapinol	**4.06**	**4.5**	**5.03**	187.97	193.00
BL16-046	Main Blag	**1.57**	**7.8**	**12.10**	271.45	283.55
BL17-060	East Dome	**2.74**	**42.5**	**6.00**	315.67	321.67

Notes:
- Intervals are core lengths / true width is estimated to be 70-90% of lengths
- Length weighted averages from uncut assays.

Drilling in Q4 2017 consisted of step out holes following up on previous high grade intercepts on structures not currently part of the resource estimate. Step Out drilling during Q4 2017 was successful in extending high grade discoveries at the Cadillac and Veta Loca gold-silver vein systems on the Eastern Borosi Gold-Silver Project. Drill holes on the Cadillac vein-structure successfully expanded on discovery drill hole LS15-008 which intersected 4.10 metres grading 9.81 g/t AuEq with new drill hole LS17-018 intersecting 4.10 metres grading 10.52 g/t AuEq and LS17-020 intersecting 3.49 metres grading 9.28 g/t AuEq. The Cadillac vein system has been tested over a strike length of 200 metres and a depth of 100 metres and remains open along strike and down dip. On the Veta Loca gold-silver vein structure new results include a high grade intercept on the Veta Loca "B" structure with GP17-046 intersecting 7.45 metres grading 9.73 g/t AuEq. The Veta Loca vein system has been tested over a strike length of 350 metres and a depth of 200 metres and remains open along strike and down dip.

The Q4 2017 drilling program consisted of 16 holes (9 at Veta Loca and 7 at Cadillac) totaling 2,519.4 metres. The central portion of the Cadillac Zone as currently tested by the drilling has returned consistently high grade results along strike across 50 metres near surface expanding to 200 metres wide at the deepest tested level of 100 metres below surface with intervals as follows;

Hole ID	Target	From m	To m	Length (m)	AuEq (g/t)	Au (g/t)	Ag (g/t)
LS15-008	Cadillac	65.60	69.70	**4.10**	**9.81**	8.93	57.4
LS15-007	Cadillac	65.60	69.70	**1.40**	**11.21**	9.70	98.0
LS17-018	Cadillac	121.70	125.80	**4.10**	**10.52**	7.76	179.3
incl	Cadillac	121.70	124.00	**2.30**	**18.38**	13.57	317.3
LS17-020	Cadillac	118.55	122.04	**3.49**	**9.25**	7.48	116.7
incl	Cadillac	119.80	120.86	**1.06**	**25.67**	20.20	361.0
LS17-022	Cadillac	135.58	137.25	**1.67**	**20.78**	16.66	271.6
incl	Cadillac	135.58	136.55	**0.97**	**35.48**	28.60	454.0

Notes:
- Q4 2017 Drilling Highlights / Length weighted averages from uncut assays.
- Intervals are core lengths / true width are estimated to be 80-90% of lengths
- g/t AuEq calculated using $1300/oz gold and $20.0/oz silver

In April 2018, IAMGOLD reported updated and maiden inferred mineral resources for the Eastern Borosi Project. A total of four deposits are located in an approximately 8 by 10 kilometre area and observed to display different lens orientations and grades. The various veins are generally open along strike and locally at depth. The potential for adding additional resources will continue to be evaluated in future exploration programs.

SUMMARY OF INFERRED MINERAL RESOURCES – AS OF MARCH 15, 2018

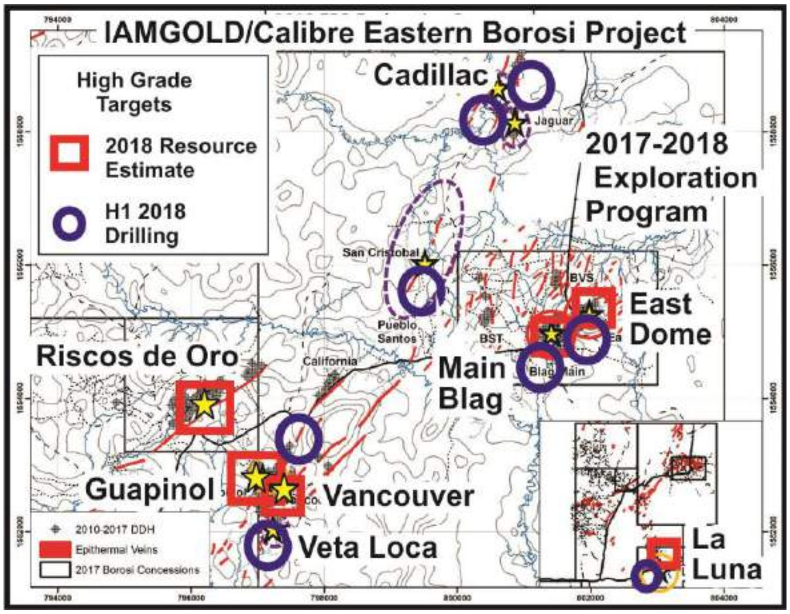
IAMGOLD Corporation / Calibre Mining Corp. – Eastern Borosi Project

Category	Method / Vein	Tonnage (000 t)	Grade Au g/t	Contained Ounces Au (oz)	Grade Ag g/t	Contained Ounces Ag (oz)	Grade AuEq g/t	Contained Ounces AuEq (oz)
Inferred	**Underground**							
	Total Underground	3,219	6.03	624,000	104	10,758,500	7.05	729,500
Inferred	**Open Pit**							
	La Luna	1,199	1.98	76,500	16	601,000	2.13	82,000
Inferred	**Total Underground and Open Pit**	**4,418**	**4.93**	**700,500**	**80**	**11,359,500**	**5.72**	**812,000**

Notes:
1. CIM (2014) definitions were followed for classification of Mineral Resources.
2. Mineral Resources are estimated at a cut-off grade of 2.0 g/t AuEq for resources potentially mined by underground methods and 0.42 g/t AuEq for resources potentially mined by open pit methods.
3. Gold equivalent values were calculated using the formula: AuEq (g/t) = Au (g/t) + Ag (g/t) / (101.8)
4. Mineral Resources are estimated using a long-term gold price of US$1,500 per ounce of gold, US$23 per ounce of silver.
5. A minimum mining width of 2.4 m was used for underground and 3 m for open pit.
6. Bulk density is 2.65 t/m^3 for Blag, East Dome, Riscos De Oro, and La Luna, and 2.60 t/m^3 for Guapinol and Vancouver.
7. East Dome is included in the Blag resource model and Vancouver is included in the Guapinol resource model.
8. Numbers may not add due to rounding.
9. Mineral Resources that are not Mineral Reserves do not have economic viability

(Expressed in Canadian Dollars)

On behalf of the joint venture, Roscoe Postle Associates Inc. ("RPA") has completed initial resource estimates for the Blag, East Dome, Guapinol, and Vancouver veins, as well as updated Mineral Resource estimates for the Riscos de Oro and La Luna veins, which are part of the Eastern Borosi joint venture. The resource models assumed open pit extraction for the La Luna veins, and underground mining extraction for the other veins.



The underground resource estimate comprises Inferred Resources totaling 3,219,000 tonnes grading 6.03 g/t Au and 104 g/t Ag for 624,000 ounces of contained gold and 10,758,500 ounces of contained silver. The open pit resource comprises inferred resources totaling 1,199,000 tonnes grading 1.98 g/t Au and 16 g/t Ag, for 76,500 ounces of contained gold and 601,000 ounces of contained silver.

This Mineral Resource estimate was based on four block models, corresponding to Blag, Riscos de Oro, Guapinol, and La Luna deposits. The Blag deposit includes Blag and East Dome veins, while the Guapinol deposit includes the Guapinol and Vancouver veins. Resource 3D wireframes were built for each mineralized vein. Underground wireframes were modelled at a nominal 2.0 g/t AuEq over 2.4 m true thickness. The open pit veins were modelled at a nominal 0.4 g/t AuEq over 3 m true thickness. The wireframes were used to constrain and populate the resource block models. The block grade estimate used the inverse distance squared (ID^2) interpolation method. The Mineral Resource is reported at a cut-off grade of 2.0 g/t gold equivalent (AuEq) for the underground and at a cut-off grade of 0.42 g/t AuEq for the open-pit, at a gold price of US$1,500 per ounce and a silver price of US$23 per ounce. High-grade gold assays were capped at values ranging from 8 g/t to 40 g/t and high grade silver assays were capped at values ranging from 40 g/t to 800 g/t depending on domain. The open pit component of the Mineral Resource estimate was constrained by a preliminary pit optimization shell. The effective date of this resource estimate is March 15, 2018.

Calibre, currently the project operator, has initiated the 2018 exploration and drilling program funded by IAMGOLD. Current work consists of detailed surface geochemistry, rock sampling, and mapping to evaluate a series of emerging targets and potential extensions to certain known zones. A diamond drilling program has started with an initial program of 6,000 metres to further test targeted zones and defined targets, as well as complete first pass testing of new targets to expand the current resources. Results will be reviewed as they are received in order to prioritize developing targets with a view to ultimately complete up to 10,000 metres of drilling in 2018 should results warrant.

Centerra Gold Inc. – Siuna Project

The Siuna Project is located in the south-west portion of the Borosi Concessions and contains the past producing open pit and underground La Luz Mine that produced 17.1 million tonnes of ore grading 4.14 g/t gold (2.3 million ozs gold) One kilometre south of the La Luz Mine, Calibre has defined an NI 43-101 Inferred Mineral Resource, at the Cerro Aeropuerto gold-silver deposit containing 707,750 ozs gold and 3.1 million ozs silver (see Calibre News Release dated February 28, 2011).

Siuna Gold-Silver Project - Cerro Aeropuerto Deposit NI 43-101Inferred Resource;

Tonnes	Grade (Au g/t)	Grade (Ag g/t)	Grade (Aueq g/t)	Contained Au (ounces)	Contained Ag (ounces)	Contained AuEq (ounces)
6,052,000	**3.64**	**16.16**	**3.89**	**707,750**	**3,144,500**	**757,000**

1. Resource models used Inverse Distance grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids and a base cutoff grade of 0.6 g/t.

(Expressed in Canadian Dollars)

2. Resource Estimate for Cerro Aeropuerto detailed in Technical Report titled NI 43-101 Technical Report and Resource Estimation of the Cerro Aeropuerto and La Luna Deposits, Borosi Concessions, Nicaragua by Todd McCracken, dated April 11, 2011.
3. Numbers may not add exactly due to rounding.
4. Gold Equivalent (AuEq) for Cerro Aeropuerto was calculated using $1058/oz Au for gold and $16.75/oz Ag for silver, and metallurgical recoveries and net smelter returns are assumed to be 100%.
5. Mineral Resources that are not mineral reserves do not have economic viability
6. The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

Immediately adjacent to the La Luz Mine is the Cerro Potosi Target which hosts near-surface, gold-bearing garnet-epidote skarn mineralization parallel to and in the footwall of the historic mine. In 2008, Yamana Gold Inc. completed a drill program that highlighted several near surface intercepts including; 16.2 metre grading 4.18 g/t gold (39.3m – 55.5m), 32.0 metre grading 2.50 g/t gold (56.0m – 88.0m), and 15.0 metre grading 1.78 g/t gold (39.0m – 54.0m)*. Calibre completed sampling in 2015 at Cerro Potosi and continuous chip sampling of outcrop returned 10.2 metres grading 2.05 g/t Au and 178.1 g/t Ag.

On September 8, 2015, and subsequently modified on May 24th 2016, the Company signed an option agreement with Centerra Gold Inc. ("Centerra") whereby Centerra can earn a 51% interest and subsequently an additional 19% for a total of 70% interest in the Siuna Gold-Copper-Silver Project (the "Siuna Project"). The Siuna Project includes the La Luz Project in the southern portion, hosting the past producing La Luz Gold-Silver Mine and the Cerro Aeropuerto Deposit, and the larger Montes de Oro (MDO) Project in the north. To earn a 51% interest in the La Luz Project, Centerra must spend $3.0 million in exploration on the property from signing to December 31, 2017 (completed) and commence a drilling program in 2015 (completed). La Luz Second Option: Once vested at 51% (completed), Centerra can elect to earn an additional 19% in the La Luz Project for a total of 70% by spending a further $4.0 million in exploration on the Project over a subsequent two year term; and

In addition to the historic trend highlighted by the La Luz Mine, Cerro Potosi Target, and Cerro Aeropuerto Deposit, the results from the Concession-wide La Luz soil grid show additional gold anomalous trends. A 2015/2016 diamond drilling program on the Cerro Aeropuerto Project, funded by Centerra, included 1,421 metres completed in 5 drill holes. Results include

Hole_ID	Length (m)	Au (g/t)	from (m)	to (m)
CA16-023	**36.60**	**1.59**	**134.20**	**170.80**
CA16-022	**53.70**	**10.47**	**212.65**	**266.35**
Including	**2.70**	**120.60**	**212.65**	**215.35**
With	0.54	592.10	214.18	214.72
And	8.12	22.47	219.10	227.22
CA16-020*	**71.05**	**2.89**	**190.45**	**261.50**
Including	**26.03**	**6.39**	**211.97**	**238.00**

Notes: - Intervals are core lengths / true width are estimated to be 80-90% of lengths
- Length weighted averages from uncut assays.

Geologic interpretation of drill holes to date has identified a gold-bearing hornblende diorite porphyry body bounded by shear zones containing serpentinized basic to ultrabasic rock and calcareous metasediments. The strongest mineralization is located near the serpentinite-diorite contacts where sulphide bearing quartz-carbonate veins and silicified hydrothermal breccias correlate well with high grade gold values.

During Q1 2016, Zonge Geophysics completed 25 line kilometres of Dipole-Dipole Induced Polarization ("D-D IP Survey") and 137 line kilometres of ground magnetic surveys. D-D IP Survey data for the Cerro El Coyol-Tiburon trend shows a number of chargeability and resistivity highs coincident with the gold anomalous soil samples. The D-D IP Survey data from the Cerro Aeropuerto and Cerro Potosi targets show a correlation between the gold zones and chargeability highs and "breaks" in resistivity where the contours are closely spaced (high rate of change).

The 2016 exploration program had an approved budget of US $1.35 million. Drilling on the Siuna Project in the

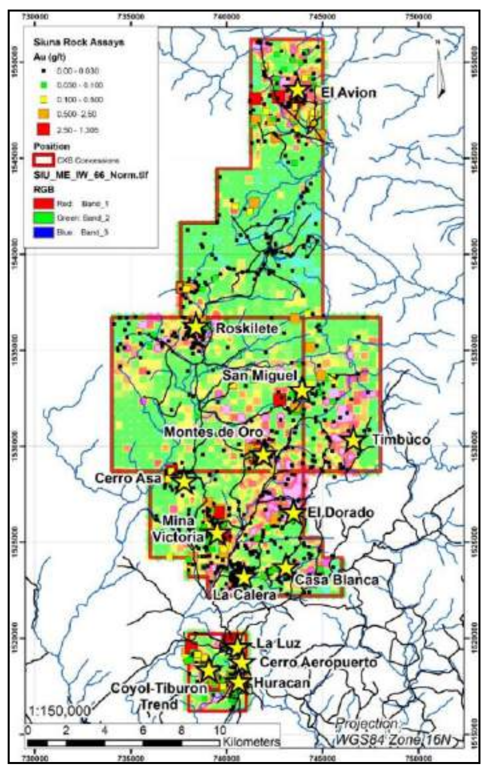
(Expressed in Canadian Dollars)

Huracan area, south of the Cerro Aeropuerto Gold Deposit consisted of a total of 19 diamond drill holes (8 Huracan, 4 Coyol and 7 Tiburon) with a total meterage of 4927 metres (2,439.8 m Huracan, 1,003.4 m Coyol and 1,483.8 m Tiburon). Results include:

Hole	ID	From m	To m	Length (m)	Au (g/t)	Ag (g/t)	Cu (ppm)	Zn (ppm)
HU16-031		9.15	10.67	**1.52**	**48.80**	43.9	171	228
HU16-031	and	32.08	173.35	**141.27**	**0.19**	0.6	663	286
HU16-037		109.27	298.90	**189.63**	**0.22**	0.2	537	50
HU16-042		260.77	501.73	**240.96**	**0.15**	0.3	348	72
CY16-041		6.10	185.00	**178.90**	**0.13**	0.2	79	56
HU16-027		56.80	165.17	**108.37**	**0.20**	1.0	481	88
HU16-027	and	197.60	269.70	**72.10**	**0.28**	0.9	525	192
CY16-040		115.90	172.50	**56.60**	**0.18**	0.3	63	307
TB16-032		91.00	131.02	**40.02**	**0.21**	2.1	114	4,312
TB16-032	incl	127.90	131.02	**3.12**	**1.33**	22.7	308	53,330
TB16-032	and	15.25	32.55	**17.30**	**0.20**	10.8	222	11,560

Notes: - Intervals are core lengths / true width are estimated to be 70-80% of lengths
- Length weighted averages from uncut assays.

This exploration and drilling greatly enhanced the understanding of gold mineralization within the district. Conclusions include; gold mineralization is potentially related to intrusive systems as indicated by mineralized diorites intersected in diamond drilling; and Low grade Cu-Au "porphyry" style mineralization intersected in diamond drilling in volcanics and diorites is promising for locating greater density, higher grade quartz -- sulphide -- copper - molybdenum veinlets and stockwork style mineralization. Using these characteristics as a guideline, gold mineralization in the Siuna district was grouped into at least two intrusive related trends (1) Huracan -- Aeropuerto -- La Luz trend and further north, (2) Mina Victoria -- Montes de Oro trend. Deeper Dipole -- Diploe Induced Polarization surveys are designed to strengthen the understanding of the main mineralized zones. On the Siuna Project potential exploration parameters for intrusion hosted (porphyry-style) mineralization includes chalcopyrite / pyrite ratios, quartz-dominant vein density, magnetite alteration of the groundmass and proximity to shear zones.



Work during 2017 concentrated on a project-wide sampling program designed to extend existing anomalous zones and define new anomalous trends. This exploration and sampling was designed to cover the entire 241 sq. km Northern Siuna Area at 400 metre by 400 metre spacing and results have outlined kilometre-scale anomalous areas which remain open. Additionally a total of 982 detailed soils have been collected in areas of previously outlined anomalous results including Mina Victoria, Roskilete, and Montes de Oro. Results have extended the existing anomalies and in some cases have outlined additional gold anomalous zones. Concurrent with the soil sampling a total of 254 grab rock samples have been collected and further work consisted of ground magnetic and dipole-diploe IP geophysical surveying. Within the Northern Siuna area are existing gold targets including; Montes de Oro, Mina Victoria, Cerro Aza, and Roskilete.

The 2017 exploration also included a drilling program at the Cerro Aeropuerto gold deposit which continued to expand the mineralization intersecting both wide zones of gold mineralization and narrower high grade zones. A wide-spaced exploration drilling program also tested new targets in the El Dorado Trend portion of the northern Siuna

(Expressed in Canadian Dollars)

Project. Further detailed soils and rock sampling continued to define the new high-quality gold-copper targets at El Avion.

The 2017 drilling program at Cerro Aeropuerto consisted of 3,526 metres in eight drill holes. Drilling tested the continuity and orientation of the previously identified primary gold-bearing structures as well as step outs to the south and down dip. Results are detailed in the following table;

Hole ID	From m	To m	Length (m)	Au (g/t)	Ag (g/t)	Cu (ppm)	Zn (ppm)
CA17-045	111.15	188.93	**77.78**	**1.09**	**7.6**	161	449
including	179.60	188.93	**9.33**	**5.60**	**29.9**	641	150
2nd Zone	269.92	286.70	**16.78**	**1.09**	**2.2**	51	321
3rd Zone	408.70	413.27	**4.57**	**1.18**	**21.1**	275	7,106
CA17-046	130.00	183.50	**53.50**	**0.35**	**3.2**	244	146
including	130.00	133.60	**3.60**	**3.89**	**39.4**	329	181
2nd Zone	314.46	323.70	**9.24**	**1.13**	**19.2**	3,206	2,326
CA17-052	143.35	160.12	**16.77**	**0.88**	**8.9**	83	337
including	147.92	155.55	**7.63**	**1.77**	**18.1**	54	84
HG Zone	377.18	378.56	**1.38**	**54.80**	**12.6**	202	22,100
CA17-054	57.00	259.64	**202.64**	**0.25**	**4.2**	531	403
including	57.00	59.47	**2.47**	**1.59**	**12.2**	863	3,046
and	124.85	131.87	**7.02**	**0.94**	**9.1**	195	1,155
and	137.25	138.77	**1.52**	**2.79**	**262.0**	2,013	12,900

Notes: - Intervals are core lengths / true width are estimated to be 80-90% of lengths
- Length weighted averages from uncut assays.

The 2017 Cerro Aeropuerto drilling tested the mineralization over approximately 400 metres of strike length and to depth of 350 metres below surface. Drill holes CA17-043 and CA17-044 were drilled in the northern edge of the existing Cerro Aeropuerto deposit testing the along strike extension of the deeper portion of the system. Intercepts included 4.83 metres grading 0.77 g/t Au in CA17-043 and 18.68 metres grading 0.21 g/t Au in CA17-044. Drill holes CA17-045 and CA17-046 tested down dip portion of Cerro Aeropuerto under drill hole CA15-20 which intercepted 71.05m grading 2.89 g/t Au. Intercepts included 77.78 metres grading 1.09 g/t Au, a second zone of 16.78m grading 1.09 g/t Au and a third zone of 4.57m grading 1.18 g/t Au in CA17-045 while CA17-046 intercepts include 53.50 metres grading 0.35 g/t Au and a second zone of 9.24m grading 1.13 g/t Au, 0.32% Cu and 0.23% Zn. Drill holes CA17-047 and CA17-048 were drilled under the southern extension to the deposit testing the down dip extension of the system intercepted in CA16-047 which included 16.77m grading 0.39 g/t Au. Intercepts included 4.83 metres grading 0.77 g/t Au in CA17-043 and 18.68 metres grading 0.21 g/t Au in CA17-048. Drill holes CA17-052 and CA17-054 were drilled 50 and 250 metres respectively south of the Cerro Aeropuerto deposit. Intercepts in CA17-052 include 16.77 metres grading 0.88 g/t Au, a second zone of 27.30m grading 0.39 g/t Au and a third zone 63.50m grading 0.34 g/t Au and 0.05 % Cu. Intercepts in CA17-054 include a broad mineralized zone of 202.64 metres grading 0.25 g/t Au, including higher grade structures of 1.52 metres grading 2.79 g/t Au with 262.0 g/t Ag, 0.20 % Cu and 1.29 % Zn and 10.96 metres grading 0.58 g/t Au.

Geologic interpretation of drill holes at Cerro Aeropuerto confirmed the identity of gold-bearing hornblende diorite porphyry mineralization bounded by shear zones containing serpentinized basic to ultrabasic rock and calcareous metasediments. The strongest mineralization is located near the serpentinite-diorite contacts where sulphide bearing quartz-carbonate veins and silicified hydrothermal breccias correlate well with high grade gold values.

In Q4 2017, drilling also tested newly identified and defined gold anomalies associated with the 8 – 10 kilometre long El Dorado Trend located in the north central portion of the 253 square kilometres Project. Drilling in Northern Siuna intersected widespread moderate to strong phyllic alteration. These zones often contain 1-50mm scale veinlet consisting of variable concentrations of quartz, pyrite, chalcopyrite, sphalerite, and galena which have been shown to carry anomalous gold values at Cerro Aeropuerto and Montes de Oro. The contact zones between diorite and the limestone/volcaniclastic package is also variable mineralized. Better gold values correlate to an overall increase in quartz/sulphide vein density along with an increase in propylitic and argillic alteration. The change in mineralization and alteration may be a result of an increase in vein density, or more likely, is related to a different phase of intrusion. The intrusive contacts are not well defined. Anomalous levels of gold are most often associated with moderately anomalous copper and molybdenum. An additional strong phyllic alteration phase consisting of quartz-sericite-pyrite-tourmaline is not associated with economic grade gold values. The Au-Cu correlation remains high, consistent with other holes within the region, while Pb appears to have a low correlation with gold.

(Expressed in Canadian Dollars)

The third area of active exploration within the Siuna Project is the northernmost target at El Avion. The El Avion Target is located in the northernmost portion of the Siuna Project. Exploration in 2016 and 2017 has defined a series of multi-element anomalous targets over an area of 5km by 4km. Soil sampling at 200m x 200m spacing has been completed over the entire area with the central 2km x 3km portion now covered by 100m x 100m spaced sampling. The strongly anomalous gold and indicator element results continue to highlight the potential of the target area. Geochemical sampling completed in Q2-Q3 2017 included rock samples with values ranging up to 24.2 g/t Au, 9.2 g/t Ag, 6,190 ppm Cu, 197 Mo, 746 ppm Pb and 1,025 ppm Zn. Work completed in December 2017 included ground geophysics completed by Zonge Geophysics consisting of 49.6 line kilometres of Dipole-Dipole Induced Polarization.

Additional exploration on the Siuna Project commenced in January of 2018. Several mineralized zones are being evaluated and advanced by soil and rock sampling, trenching and additional IP geophysics including; the northern half of the ten kilometre long El Dorado Trend (Timbuco), Cerro Asa, Roskilete and continued advancement at El Avion Project with initial drilling of high priority targets expected in the first half of the year.

Joint Venture with Rosita Mining Corporation

The Company is a party to an option agreement with Rosita Mining Corporation ("Rosita") whereby Rosita has earned a 65% interest in an area known as the Rosita D concession, located within the Company's 100%-owned Borosi Project. Under the terms of the option agreement, Rosita earned a 65% interest in the Rosita D concession by expending a total of $4 million on exploration and other work on the Rosita D concession and by issuing to the Company a total of 181,000 common shares of Rosita over a 4 year period ending in October 2015 (both completed). Rosita acted as the project operator for all work conducted on the Rosita D concession during the option period. During 2016, the Company and Rosita signed a joint venture agreement on the Rosita D Concession. The Company and Rosita hold a 35% and 65% interest respectively in the joint venture with each party being responsible for their pro-rata share of all project expenditures. Rosita acts as the manager of the joint venture. The Company elected to not participate in the 2016 program of the joint venture and as a result, its interest in the joint venture decreased from 35% to 33%.

The Rosita D Concession is the location of the historic open pit Santa Rita copper-gold mine, with total historic production from skarn mineralization estimated at 305M pounds of copper, 177,747 ounces of gold and 2.6M ounces of silver from 5.9M tons of ore (*Arengi, 2002)*. The Rosita D concession totals 3,356 hectares, accounting for only 5% of Calibre's concessions in the Mining Triangle.

In May 2012, Calibre announced a copper, gold and silver resource for the stockpiles at Rosita in conjunction with option partner Rosita Mining Corporation. The resource estimate was prepared by Yungang We, Resource Geologist of Toronto-based consulting firm Coffey Mining Pty. Ltd. and an independent Qualified Person under NI 43-101 and is based on 17 vertical channel samples and 55 reverse circulation drill holes completed by Alder over the stockpiles during late 2011 and the first quarter of 2012. A summary of the total resource is outlined below:

Deposit	Tonnes	Grade (Au g/t)	Grade (Ag g/t)	Grade (Cu %)	Contained Au (oz)	Contained Ag (oz)	Contained Cu (lbs.)
Rosita Stock Piles	**7,950,000**	**0.46**	**9.20**	**0.62**	**118,000**	**2.35M**	**108M**

1. Base case is reported at a 0.15% copper equivalent cut-off grade which incorporates consideration of mining and processing cost, recoveries, commodity prices and selling cost.
2. Estimate assumes a long term copper price of US $2.90/lb, a gold price of US $1,200/oz. and a silver price of US $24/oz.
3. Rounding as required by NI 43-101 reporting guidelines may result in apparent summation differences.
4. Tonnage and grade measurements are in metric units. Contained gold and silver ounces are reported as troy ounces, contained copper pounds as imperial pounds.

5. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may by materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
6. The quantity and grade of reported inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred mineral resources as indicated or measured mineral resources and it is uncertain if further exploration will result in upgrading them to indicated or measured mineral resources.
7. part of the Rosita D Project (65% Rosita Mining / 35% Calibre Mining)

On March 9, 2017, Rosita announced the completion of a Preliminary Economic Assessment ("PEA") including a Financial, Economic and Planning Model ("Model") at its 67% owned Santa Rita Project, in Nicaragua. The PEA is preliminary in nature and it includes Indicated and Inferred resources in the Stockpiles and Tailings Resources as disclosed by the Company's February 8, 2016 NI 43-101 Technical Report (filed on SEDAR March 22 2016). The Resources estimated and the results of the test work and engineering previously disclosed, allowed the following Project to be defined for the PEA:

- Anticipated Life of Mine of 10 years, utilizing 4.67 million tonnes of the material included in the resource tabulation categorized as Indicated Mineral Resources grading at 0.51 grams per tonne gold, 8.2 grams per tonne silver and 0.59% copper and 1.53 million tonnes categorized as Inferred Mineral Resources grading at 0.61 grams per tonne gold, 11.3 grams per tonne silver and 0.65% copper; and

- Anticipated capacity of the Treatment plant (milling plus heap leach) of 1,000 tonnes per day for the first 3 years, expanding to 2,000 tonnes per day for the subsequent 7 years.

The metal prices assumed for the economic Model are: Gold: at USD$1,250 per ounce; Silver: at USD$18 per ounce; and Copper: at USD$2.50 per pound. Other criteria, assumptions and conclusions from the PEA include; Pre-production capital costs including 30% contingencies, $11.4 Million; Total capital over life of mine including 30% contingencies, $26.1 Million; Operating costs over the life of mine per tonne of throughput, $ 18.5 per tonne; The Nicaraguan royalty rate of 3% NSR and 0.5% to an independent 3rd party applied to all saleable products; The Nicaraguan income tax rate of 30% after depreciation of fixed assets at 10%; IRR after all government taxes 41%; NPV at 7%, after all government taxes $33.9 million; and Pay back of initial pre-production capital after all taxes 2.6 years.

Rosita has commenced environmental base line work to prepare the project for Mine Permit Application. Social Responsibility work has been undertaken positively with the Municipality.

Market trends

The price of the Company's common shares, and the consolidated financial results and exploration, development and other activities of the Company, may in the future be significantly and adversely affected by declines in the prices of gold and other metals or minerals. The Company's business is directly impacted on the prices of gold, silver, copper, and other metals being adequate to continue to develop and explore the properties in which it has an interest.

In addition, the Company incurs costs in Canadian and U.S. dollars and the Nicaraguan Cordoba which could result in additional fluctuations in operational costs to the Company. Significant fluctuations in foreign exchanges rates in countries where the Company operates are difficult to predict and could have a significant variance on the operations of the Company.

Segmented information

The Company currently operates in one reportable operating segment, being the acquisition, exploration, and development of natural resource properties, which is conducted in Nicaragua. The Company is in the exploration stage and, accordingly, has no reportable segment revenues for any of the periods presented in the Company's consolidated financial statements. For further information regarding geographical data including assets based on location, please refer to Note 11 of the consolidated financial statements for the year ended December 31, 2017.

Selected Annual Information

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, and are expressed in Canadian dollars. The information below has been extracted from the Company's audited consolidated financial statements for the years noted. The accompanying discussion and analysis of financial conditions and results of operations should be read in conjunction with the Company's audited consolidated financial statements and related notes and disclosures in this MD&A for the years ended December 31, 2014 to 2016:

	December 31, 2017	December 31, 2016	December 31, 2015
Total revenues	$Nil	$Nil	$Nil
Loss for the year	$1,872,892	$775,537	$1,129,064
Basic and diluted loss per share for the year	$0.00	$0.00	$0.01
Total assets	$28,834,155	$28,018,087	$22,062,521
Total long-term financial liabilities	$Nil	$Nil	$Nil
Cash dividends declared	$Nil	$Nil	$Nil

Results of Operations

The following discussion and analysis of the Company's financial results of its operations should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2017:

The Company's general and administrative costs were higher in 2017 totalling $2,148,520 compared to $926,568 in 2016. The key factors contributing to this increase are as follows:

During 2017, consulting fees increased to $319,077 compared to $184,000 in 2016. The increase in consulting fees was mainly due to the Company hiring a mining consulting firm to provide advice on a potential business transaction.

During 2017, share-based compensation was $1,056,413 compared to $147,303 during 2016. The increase in expense in 2017 is due to the 7,000,000 stock options granted by the Company to various employees, officers, consultants and directors of the Company. The stock options are exercisable at a price of $0.27 per share for a period of five years.

During 2017, trade shows and conferences increased to $165,636 compared to $84,721 in 2016. The increase in trade shows and conferences in 2017 was due to costs associated with marketing trips in Europe and Nicaragua and mining conferences in Toronto, Vancouver, and Colorado.

Summary of Quarterly Results

The following information is derived from the Company's unaudited quarterly consolidated financial statements or results for the past eight quarters.

	December 2017	**September 2017**	**June 2017**	**March 2017**
Total revenues	$Nil	$Nil	$Nil	$Nil
Net loss for the period	$(286,899)	$(532,112)	$(482,308)	$(571,573)
Basic and diluted loss per share for the period	($0.00)	($0.00)	($0.00)	($0.01)

(Expressed in Canadian Dollars)

	December 2016	September 2016	June 2016	March 2016
Total revenues	$Nil	$Nil	$Nil	$Nil
Net loss for the period	$(49,757)	$(158,039)	$(201,847)	$(365,894)
Basic and diluted loss per share for the period	($0.00)	($0.00)	($0.00)	($0.00)

The variation seen over the above quarters is primarily dependent upon the success of the Company's ongoing property evaluations and acquisition program and the timing and results of the Company's exploration activities on its current properties, none of which is possible to predict with any accuracy. The Company will continue to incur losses until such time as the commercial development of a discovery or an acquisition results in positive earnings. The above losses are also impacted by options granted in any given period, which give rise to share-based compensation expenses.

Liquidity

The Company currently has no operating revenues and relies primarily on equity financing as well as the exercise of warrants and options to fund its exploration and administrative costs. This situation is unlikely to change until such time as the Company can develop a bankable feasibility study on one of its properties.

Other than those obligations disclosed in the notes to its consolidated financial statements and discussed in this MD&A, the Company has no other long-term debt, capital lease obligations, or any other long-term obligations. As at December 31, 2017, the Company had working capital of $2,291,396 compared to working capital of $3,128,142 as at December 31, 2016.

As the Company is in the exploration stage, no mineral producing revenue has been generated to date. The ability of the Company to meet its obligations and continue the exploration and development of its mineral properties is dependent upon its ability to continue to raise adequate financing. Historically, operating capital and exploration requirements have been funded primarily from equity financing, joint ventures, disposition of mineral properties and investments. There can be no assurance that such financing will be available to the Company in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. Based on the amount of funding raised, the Company's exploration program may be tailored accordingly.

The Company's cash is invested in business accounts with a major Canadian financial institution, and is available on demand for the Company's programs.

Capital Resources

Historically, the Company's only source of funding has been the issuance of equity securities for cash. The Company has issued common share capital the past few years, pursuant to private placement financings, and the exercise of warrants and options. The Company's access to exploration financing when the financing is not transaction specific is always uncertain. There can be no assurance of continued access to significant equity funding. The Company's ability to raise additional funds may be impacted by future exploration results and changes in metal prices or market conditions. Management believes it will be able to raise equity capital as required in the long term, but recognize there will be risks involved that may be beyond their control. The Company intends to continue to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate and maintenance of existing capital by means of cost saving measures. The Company has no outstanding debt facility upon which to draw.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

(Expressed in Canadian Dollars)

Transactions with Related Parties

Key management personnel of the Company are members of the Board of Directors, as well as the President and CEO, and the CFO and Corporate Secretary. Key management compensation includes salaries and benefits and various consulting fees as follows:

	December 31, 2017	December 31, 2016
Short-term benefits (i)	$ 236,000	$ 216,000
Share-based payments (ii)	$ 953,868	$ 132,733
Consulting and advisory fees to key persons	$ 175,625	$ 148,000

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

(ii) Share-based payments are the fair value of options granted to key management personnel as at the grant date.

The Company has an employee agreement in place with provisions which would provide a lump sum payment to its CEO and President on a change of control. The total amount accruing on such a change of control would total $500,000. Management consulting and advisory agreements are on a month-to-month basis and can be terminated by either party with short notice.

During 2017, the Company paid or accrued $9,654 (2016 - $33,157) in office rent expense to companies with directors and officers in common. The sharing arrangement with these related companies was on a month-to-month basis which ended in 2017.

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

Fourth Quarter

- Other income during Q4 2017 was $121,486 (2016 - $91,797). Other income reflects management fees earned by the Company for managing its optioned projects. The higher income in Q4 2017 is due to the increased activity in 2017 when compared to 2016.

- Share-based compensation during Q4 2017 was $128,818 (2016 - $20,694). This expense relates to the options that vested during the quarter, which also includes previously granted in prior periods. The higher expense in 2017 is due to the 7,000,000 stock options granted by the Company to various employees, officers, consultants and directors of the Company. The stock options are exercisable at a price of $0.27 per share for a period of five years.

Proposed Transactions

Although the Company may be investigating any number of potential properties or projects at any given time, there are no proposed transactions that the Board of Directors or senior management believe that confirmation of the decision to acquire any specific project by the Board is certain.

Critical Accounting Estimates

The Company's significant accounting policies are presented in Note 3 of the audited consolidated financial statements for the year ended December 31, 2016. The preparation of these consolidated financial statements in accordance with IFRS requires the Company to make assumptions, estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent assets and liabilities. The Company evaluates its estimates on an on-going basis. Such estimates are based on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of revenues and expenses that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Significant areas of estimation uncertainty considered by management in preparing the consolidated financial statements are as follows:

<u>Impairment of exploration and expenditure assets</u>

The Company is required to review the carrying value of its exploration and evaluation properties for potential impairment. Impairment is indicated if the carrying value of the Company's exploration and evaluation is not recoverable. If impairment is indicated, the amount by which the carrying value of exploration and evaluation assets exceeds their estimated fair value is changed to the statement of loss.

Evaluating for recoverability during the exploration and evaluation phase requires judgment in determining whether it is likely that future economic benefits from future exploitation, sale or otherwise are likely. Evaluations may be more complex where activities have not reached a stage which permits a reasonable assessment of the existence of reserves or resources. Management must make certain estimates and assumptions about future events or circumstances including, but not limited to, the interpretation of geological, geophysical and seismic data, the Company's financial ability to continue exploration and evaluation activities, contractual issues with joint venture partners, the impact of government legislation and political stability in the region, and the impact of current and expected future metal prices to potential reserves.

<u>Resource estimates</u>

The Company estimates its ore mineral resources based on information compiled by Qualified Persons as defined in accordance with Canadian Securities Administrators National Instrument 43-101 *"Standards for Disclosure of Mineral Projects"*. Resource estimates may be used in the calculation of depreciation and amortization, impairment assessment, assessment of life of mine stripping ratios and for forecasting the timing of payment of mine closure, reclamation and rehabilitation costs.

There are numerous uncertainties inherent in estimating ore resources, and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of resources and may, ultimately, result in the resources being restated.

Change in Accounting Policies Including Initial Adoption

None.

Standards, amendments and interpretations not yet effective

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

- In May 2014, the IASB issued IRFS 15: *Revenue from Contracts with Customers*, which replaces IAS 18: *Revenues* and covers principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. IFRS 15 is effective for annual periods beginning on or after January 1, 2017. The Company is in the process of reviewing the standard to determine the impact on its consolidated financial statements.

- In May 2014, the IASB issued amendments to IAS 16: *Property, Plant, and Equipment* and IAS 38: *Intangibles*, prohibiting the use of revenue-based deprecation for property, plant and equipment and significantly limiting the use of revenue – based amortization for intangible assets. These amendments are effective for annual periods beginning on or after January 1, 2016. The Company is in the process of reviewing the standard to determine the impact on its consolidated financial statements.

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

  This standard replaces the current multiple classification and measurement models for financial assets liabilities with a single mode that has only three classification categories: amortized cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flows characteristics of the financial asset or liability. The standard introduces a new, expected loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new standard requires entities to account for expected credit losses. The new standard also introduces a substantially – reformed model for hedge accounting with enhanced disclosures about risk management activity and aligns hedge accounting more closely with risk management. The new standard is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Company has adopted the standard and accordingly, the new standard had no impact to the Company's financial statements.

Financial Instruments and Other Instruments

Fair Value and Hierarchy

The fair value of financial instruments that are measured subsequent to initial recognition at their fair value is measured within a "fair value hierarchy" which has the following levels:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Fair values of assets and liabilities approximate amounts at which these items could be exchanged in transactions between knowledgeable parties. Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk. The calculation of estimated fair value is based on market conditions at the specific point in time and in the respective geographic locations and may not be reflective of future fair values.

Marketable securities are recorded at fair value and are measured using Level 1. Receivables, deposits and advances and trade and other payables approximate their fair values due to their short term to maturity.

Credit risk

Credit risk arises from the possibility that a counterparty may experience financial difficulty and be unable to fulfill their commitments to the Company. The Company's credit risk is primarily attributable to its cash and cash equivalents and receivables. The carrying value of these instruments represents the Company's maximum exposure to credit risk. The Company limits exposure to credit risk by maintaining the significant majority of its cash with a large chartered Canadian banking institution. The remaining credit risk in receivables is considered low by management as they consist primarily of amounts owing from government authorities in relation to the refund of goods and services taxes in Canada applying to inputs for qualified expenditures.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's interest rate risk arises primarily from the interest received on its cash balances. The Company manages its interest rate risk by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Based on cash balances held at December 31, 2017, the effect of a one basis point increase or decrease in interest rates on net loss is not considered significant. The Company's other financial assets and liabilities are not subject to interest rate risk, as they do not bear interest.

(Expressed in Canadian Dollars)

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. The Company's functional and reporting currency is the Canadian dollar. The Company incurs foreign currency risk on purchases that are denominated in a currency other than the functional currency of the Company, which will have an impact on the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company's main risks are associated with fluctuations in the Nicaraguan Cordoba ("COR") and the US dollar ("USD"). The Company does not enter into any foreign exchange contracts to mitigate these risks. Based on management's analysis, the effect on these instruments held at December 31, 2017 of a five percent increase or decrease in foreign exchange rates on net loss is not considered significant.

Other MD&A Requirements

Additional information relating to the Company, including the most recent Company filings, can be located on the Company's website at www.calibremining.com or on the SEDAR website at www.sedar.com.

Additional Disclosure for Venture Issuers Without Significant Revenue

For additional disclosures concerning the Calibre's general and administrative expenses and a breakdown of the exploration and evaluation assets, please refer to the Company's consolidated financial statements for the year ended December 31, 2016 that are available on the Company's website at www.calibremining.com or on the SEDAR website at www.sedar.com. The Company discusses the activities at each of the projects above in *Business Overview and Overall Performance*.

The Company does not have any capitalized or expensed research and development costs or any deferred development costs for the year ended December 31, 2017.

Disclosure of Outstanding Share Data

The following describes the outstanding share data of the Company as at April 19, 2018. For further information and details concerning outstanding share data, options, and warrants, refer to the Consolidated Statements of Changes in Shareholders' Equity, included in the consolidated financial statements as at and for the year ended December 31, 2017:

	Number Outstanding
Common shares	312,671,418
Options to purchase common shares	18,975,000
Warrants to purchase common shares	46,773,500

Additional Disclosure for Reporting Issuers with Significant Equity Investees

Not applicable.

Risk Factors

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties, in Central America. Due to the nature of the Company's proposed business and the present stage of exploration of its mineral properties (which are primarily early stage exploration properties with no known resources or reserves), the following risk factors, among others, will apply:

Exploration, Development and Operating Risks

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of the minerals and proximity to infrastructure; mineral prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted but could have a material adverse effect upon the Company's operations.

Mining operations generally involve a high degree of risk. The operations of the Company are subject to all the hazards and risks normally encountered in the exploration, development and production of precious metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

There is no certainty that the expenditures made by the Company toward the search and evaluation of precious metals and other minerals will result in discoveries of mineral resources, Mineral Reserves or any other mineral occurrences.

Political Stability and Government Regulation Risks

The operations of the Company are currently conducted in Nicaragua and Canada, as such, the operations of the Company are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to: terrorism; extreme fluctuations in currency exchange rates; and changing political conditions, currency controls and governmental regulations. Changes, if any, in mining or investment policies or shifts in political attitudes in any of these countries may adversely affect the operations or profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Company.

Reliability of Resource Estimates

There is no certainty that any of the mineral resources identified at any of the Company's properties to date will be realized. Until a deposit is actually mined and processed the quantity of mineral resources and grades must be considered estimates only. In addition, the quantity of mineral resources may vary depending on, among other things, precious metal prices. Any material change in quantity of mineral resources, grade or stripping ratio may affect the economic viability of any project undertaken by the Company. In addition, there can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in a larger scale test under on-site conditions or during production. Fluctuations in the prices of gold and other precious or base metals, results of drilling, metallurgical testing and production and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of mineral resources could have a material adverse effect on the Company's results of operations and financial condition.

Insurance and Uninsured Risks

The business of the Company is subject to a number of risks and hazards in general, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers being reasonable, its insurance may not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Environmental Risks and Hazards

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or require abandonment or delays in development of new mining properties.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage or, government or other interference in the maintenance or provision of such infrastructure could adversely affect the operations, financial condition and results of operations of the Company.

Land Title

There may be undetected title defects affecting the Company's properties. Title insurance generally is not available, and the ability of the Company to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. Furthermore, the Company has conducted only limited surveys of certain of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Company may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Permits

The Company cannot be certain that it will receive, on acceptable terms, the necessary permits to conduct further exploration and to develop its properties. The failure to obtain such permits, or delays in obtaining such permits, could increase the Company's costs and delay its activities, and could adversely affect the operations of the Company.

Competition

The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the revenues, operations and financial condition of the Company could be materially adversely affected.

Hedging

The Company does not have a hedging policy and has no current intention of adopting such a policy. Accordingly, the Company has no protection from declines in mineral prices.

Additional Capital

The development and exploration of the properties in which the Company holds an interest will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all such properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company. In addition, any future financing may be dilutive to existing shareholders of the Company.

Fluctuations in Metal Prices

The price of the common shares, and the consolidated financial results and exploration, development and mining activities of the Company, may in the future be significantly and adversely affected by declines in the prices of gold and other metals or minerals. The prices of gold and other metals or minerals fluctuate widely and are affected by numerous factors beyond the control of the Company such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuations in the value of the United States dollar and other foreign currencies, global and regional supply and demand, the political and economic conditions and production costs of major mineral-producing countries throughout the world, the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market prices of gold or other metals or minerals could cause continued development of and commercial production from the properties in which the Company holds an interest to be impracticable. Depending on the prices of gold and other metals and minerals, cash flow from mining operations could not be sufficient and the Company may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's properties is dependent upon the prices of gold and other metals and minerals being adequate to make these properties economically viable.

In addition to adversely affecting the resource estimates of the Company and its financial condition, declining commodity prices can affect operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or interrupt operations until the reassessment can be completed.

Exchange Rate Fluctuations

Exchange rate fluctuations may affect the costs that the Company incurs in its operations. Precious metals and other minerals are generally priced in U.S. dollars and the costs of the Company are incurred in Canadian dollars, Nicaraguan Cordoba, or U.S. dollars. The appreciation of non-U.S. dollar currencies against the U.S. dollar can increase the cost of exploration and production in U.S. dollar terms, which could materially and adversely affect the Company's profitability, results of operations and financial condition.

Dividend Policy

No dividends on the Common Shares have been paid by the Company to date. The Company currently plans to retain all future earnings and other cash resources, if any, for the future operation and development of its business. Payment of any future dividends, if any, will be at the discretion of the Company's board of directors after taking into account many factors, including the Company's operating results, financial condition and current and anticipated cash needs.

Key Personnel

The Company is dependent upon the services of key executives, including the directors of the Company and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of these persons or the inability of the Company to attract and retain additional highly-skilled employees may adversely affect its business and future operations.

Changes to Exploration Programs

The Company may make changes to planned programs at anytime. This could be done due to a number of factors including results obtained to date changes in regulations, changes in metal prices, identification of new, more important, targets and a number of other possible causes.

Share Price Volatility and Liquidity

Publicly quoted securities are subject to a relatively high degree of price volatility. It may be anticipated that the quoted market for our shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating sales and revenues. In addition, our shareholders may be unable to sell significant quantities of shares into the public trading markets without a significant reduction in the price of their shares, if at all.

Internal Controls and Disclosure Controls over Financial Reporting

On November 23, 2007, the British Columbia Securities Commission in which the Company is registered exempted Venture Issuers from certifying disclosure controls and procedures, as well as, Internal Controls over Financial Reporting as of December 31, 2007, and thereafter. Since the Company is a Venture Issuer, it is now required to file basic certificates, which it has done for the year ended December 31, 2017. The Company makes no assessment relating to establishment and maintenance of disclosure controls and procedures as defined under Multilateral Instrument 52-109 as at December 31, 2017.