CALIBRE
MINING CORP

MANAGEMENT DISCUSSION & ANALYSIS

YEARS ENDED DECEMBER 31, 2021 AND 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") of Calibre Mining Corp. contains information that management believes is relevant to an assessment and understanding of the Company's consolidated financial position and the results of its consolidated operations for years ended December 31, 2021 and 2020. This MD&A should be read in conjunction with the financial statements for the years ended December 31, 2021 and 2020, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A has been prepared as at February 23, 2022.

Additional information including this MD&A, the audited consolidated financial statements for the years ended December 31, 2021 and 2020, press releases, and other corporate filings are available on the SEDAR website, www.sedar.com, and the Company's website, www.calibremining.com.

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

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

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

The following additional abbreviations may be used within this MD&A: General and Administrative Expenses ("G&A"); Property, Plant, and Equipment ("PPE"); Asset Retirement Obligation ("ARO"); Gold ("Au"); Silver ("Ag"); Troy Ounces ("oz"); All-in-Sustaining Costs per ounce sold ("AISC"); Grams per Tonne ("g/t"); Tonnes ("t"); Tonnes per annum ("tpa"); Hectares ("ha"); Square Kilometer ("km^2"); and Metres ("m"). In addition, throughout this MD&A, the reporting periods for the three months ended December 31, 2021 and 2020 are condensed to be Q4 2021 and Q4 2020, respectively, and the years ended December 31, 2021 and 2020 are abbreviated as 2021 and 2020, respectively.

COMPANY OVERVIEW

Calibre Mining Corp. (individually, or collectively with its subsidiaries, as applicable, "Calibre" or the "Company") is a gold mining, mine development, and exploration company. In October 2019, the Company purchased a number of operational open-pit and underground mines, two milling facilities (the El Limon and La Libertad mills), and a portfolio of exploration and development opportunities in Nicaragua, Central America from B2Gold Corp. ("B2Gold"). Calibre continues to actively explore and develop several gold prospects throughout Nicaragua including its 100%-owned Eastern Borosi Gold-Silver Project ("EBP") in northeastern Nicaragua.

In January 2022, Calibre acquired Fiore Gold Ltd. ("Fiore") in Nevada, creating a diversified, Americas-focused, growing mid-tier gold producer. Further details are provided in *Recent Corporate Developments* below.

Calibre is incorporated under the laws of British Columbia, Canada and maintains its corporate head office at Suite 413 – 595 Burrard Street, P.O. Box 49167, Vancouver, British Columbia, Canada, V7X 1J1. The Company's common shares are listed on the Toronto Stock Exchange in Canada under the ticker symbol *CXB* and in the United States on the premium OTCQX Best Market, under the ticker symbol *CXBMF*.

CONSOLIDATED RESULTS SUMMARY AND HIGHLIGHTS

The following is a summary of consolidated financial and operational results for Q4 2021 and 2021, along with their comparative prior periods. Additional information including operational and financial information is provided throughout this MD&A.

Consolidated Financial Results

(in $'000s - except per share and per ounce amounts, as noted)		Q4 2021		Q4 2020		2021		2020
Revenue	**$**	**88,109**	$	79,677	**$**	**328,132**	$	242,748
Cost of sales, including depreciation and amortization	**$**	**(64,850)**	$	(45,086)	**$**	**(223,883)**	$	(133,135)
Mine operating income	**$**	**23,259**	$	34,591	**$**	**104,249**	$	109,613
Net income	**$**	**14,649**	$	23,255	**$**	**58,199**	$	63,413
Net income per share - basic	**$**	**0.04**	$	0.07	**$**	**0.17**	$	0.19
Net income per share - fully diluted	**$**	**0.04**	$	0.06	**$**	**0.16**	$	0.18
Cash provided by operating activities	**$**	**22,389**	$	28,736	**$**	**105,600**	$	81,261
Capital investment in mine development and PPE	**$**	**11,520**	$	12,352	**$**	**63,029**	$	35,576
Capital investment in exploration	**$**	**6,710**	$	5,886	**$**	**21,357**	$	15,472
Captal investment on acquisition of EBP	**$**	**-**	$	-	**$**	**-**	$	4,000
Average realized gold price [(1)] ($/oz)	**$**	**1,791**	$	1,882	**$**	**1,791**	$	1,793
Total Cash Costs [(1)] ($/oz sold)	**$**	**1,026**	$	940	**$**	**1,013**	$	878
AISC [(1)] ($/oz sold)	**$**	**1,139**	$	1,051	**$**	**1,136**	$	1,043

Consolidated Operational Results

	Q4 2021	Q4 2020	2021	2020
Ore Mined *(t)*	**559,953**	528,213	**2,092,598**	1,773,971
Ore Milled *(t)*	**579,891**	501,228	**1,958,580**	1,729,157
Grade *(g/t Au)*	**2.99**	2.81	**3.19**	2.71
Recovery (%)	**90.1**	90.9	**91.7**	91.4
Gold Ounces Produced	**49,218**	42,573	**182,755**	136,009
Gold Ounces Sold	**49,207**	42,335	**183,242**	135,357

Q4 2021 Highlights

- Gold production of 49,218 ounces
  - Limon produced 19,599 ounces from 123,330 tonnes of ore with an average grade of 5.59 g/t Au and average recoveries of 89.8%
  - Libertad produced 29,619 ounces from 456,561 tonnes of ore with an average grade of 2.29 g/t Au and average recoveries of 90.3%
- Gold sales of 49,207 ounces (Q4 2020 – 42,335 ounces) grossing $88.1 million in revenue (Q4 2020 - $79.7 million) which resulted in an average realized gold price [(1)] of $1,791/oz (Q4 2020 - $1,882/oz)
- Net income of $14.6 million (Q4 2020 – $23.3 million); basic net income per share of $0.04 (Q4 2020 – $0.07)
- Consolidated Total Cash Costs [(1)] and AISC [(1)] of $1,026 and $1,139 per ounce, respectively for Q4 2021 ($940 and $1,051 for Q4 2020, respectively)
- Announced the acquisition of Fiore Gold in Nevada, which closed in January 2022, and details are provided in the *Recent Corporate Developments* section below.

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

2021 Milestones and Highlights

- Gold production of 182,755 ounces, exceeding the high-end of 2021 production guidance following a strong fourth quarter
    - Limon produced 67,352 ounces from 495,668 tonnes of ore with an average grade of 4.69 g/t Au and average recoveries of 89.7%
    - Libertad produced 115,403 ounces from 1,462,912 tonnes of ore with an average grade of 2.68 g/t Au and average recoveries of 92.8%
- 2021 gold sales of 183,242 ounces (2020 – 135,357 ounces) grossing $328.1 million in revenue (2020 - $242.7 million), which resulted in an average realized gold price [(1)] of $1,791/oz (2020 - $1,793/oz)
- Cash of $78.5 million as at December 31, 2021; a 47% increase from December 31, 2020.
- Generated $105.6 million in cash from operating activities in YTD 2021 (2020 - $81.3 million)
- Net income of $58.2 million (2020 – $63.4 million), with basic net income per share of $0.17 (2020 – $0.19)
- Consolidated Total Cash Costs [(1)] and AISC [(1)] of $1,013 and $1,136 per ounce, respectively for 2021 ($878 and $1,043 for 2020, respectively)
- Released the Company's inaugural Sustainability Report in 2021, available on the Company's website
- Completed the Pavon Pre-Feasibility Study, demonstrating strong exploration potential, and an after-tax net present value of $106 million using a $1,700 price of gold and a discount of 5% (full technical report is available on the Company's website and on www.sedar.com)
- Commenced low-cost open pit mining at Pavon Norte
- Increased average daily tonnes transported to Libertad over 2021, finishing 2021 with 619,000 tonnes delivered from Limon and Pavon (1,695 tonnes per calendar day)
- Announced a 202% increase in year end 2020 Reserves to 864,000 ounces, representing the largest Mineral Reserve since 2010, with the highest grade on record of 4.49 g/t gold
- Advanced social and environmental work, and extended drilling on the initial resource zones at EBP with submission of permit applications in Q1 2022 for open pit and underground operations, leading to expected H2 2023 production growth
- Consistent 2021 exploration success, which includes:
    - High-grade EBP intercepts of: 25.1 g/t Au over 9.7 metres ETW; 39.2 g/t Au over 3.1 metres ETW; 9.1 g/t Au and 19.9 g/t Ag over 6.5 metres ETW; 25.9 g/t Au and 15.3 g/t Ag over 1.9 metres ETW
    - Discovery of the high-grade Volcan zone located within 5-kms of the Libertad mill, including drill intercepts of: 15.6 g/t Au over 4.9 metres ETW; 7.9 g/t Au over 3.4 metres ETW; 11.4 g/t Au over 5.4 metres ETW; and 9.26 g/t Au over 1.7 metres ETW

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

RECENT CORPORATE DEVELOPMENTS

Acquisition of Fiore Gold Ltd.

On October 25, 2021, the Company announced it had entered into a definitive agreement with Fiore Gold, whereby Calibre planned to acquire all of Fiore's issued and outstanding common shares pursuant to a court-approved plan of arrangement (the "Transaction"). The Transaction was completed prior to market opening on January 12, 2022. Pursuant to the terms of the agreement, Calibre acquired a 100% interest in Fiore's gold producing Pan Mine, the adjacent advanced-stage and permitted Gold Rock Project and the past producing Illipah Gold Project in Nevada, as well as the Golden Eagle project in Washington State. Fiore controls a contiguous 222 km^2 land package on Nevada's prolific Battle Mountain – Eureka trend, which has significant exploration potential.

Highlights of the transaction:

- Builds a diversified, Americas-focused, growing mid-tier gold producer with targeted annual gold production of approximately 245,000 ounces
- Combined mineral resource base of 4.4 million ounces (measured and indicated) and an additional 3.1 mineral ounces of inferred resources
- Strong cashflow from operations, and significant free cash flow to fund organic growth initiatives
- Growth driven by near-term development of the Eastern Borosi Project in Nicaragua, and the federally permitted and fully-funded Gold Rock Project in Nevada
- Multiple near-mine, high impact exploration targets in both Nevada and Nicaragua to support mineral reserve growth and mine life extension
- Long-term optionality from the Golden Eagle project in Washington State

On closing of the Transaction, Calibre issued a total of 101.3 million common shares and $8.0 million in cash to Fiore shareholders for a 100% interest in Fiore Gold Ltd and its subsidiaries. This result in Calibre and former Fiore shareholders owning approximately 77% and 23% respectively of the issued and outstanding Calibre common shares. Pursuant to the terms of the arrangement, the Company also issued a total of 6.5 million replacement options to holders of Fiore options and 0.2 million amended stock appreciation rights ("SARs") to holders of Fiore SARs.

The number and fair value of Calibre securities issued and cash paid on closing are summarized in the table below:

	Number of Equity Awards Issued	Amount (in thousands)
Calibre shares issued on closing to Fiore shareholders	101,321,923	$ **107,205**
Replacement options issued by Calibre	6,458,558	$ **3,244**
Amended SARs issued by Calibre to holders of Fiore SARs	193,148	$ **61**
Cash paid by Calibre on closing	-	$ **8,000**
		$ **118,510**

The replacement options issued have a weighted average exercise price of CAD $0.82 per share and a weighted average life to expiry of 1.09 years. The fair value of the replacement options was calculated using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate of 1.07%; expected option life of 1.09 years; expected stock volatility of 60.07%; and expected dividend yield of 0%. The fair value of the amended SARs issued to replace the Fiore SARs was estimated using a Black-Scholes option pricing model with similar assumptions to that of the replacement options.

Reserves and Resources Update

On March 29, 2021, Calibre announced its updated Mineral Reserves and Resources at the El Limon and La Libertad mining complexes in Nicaragua as of December 31, 2020. Highlights include:

- A 202% increase in Mineral Reserves to 864,000 ounces since December 31, 2019 (net of 2020 depletion) and a strong foundation for a multi-year "hub-and-spoke" production and growth strategy. The newly announced reserves are the largest since 2010 and have the highest grade on record at 4.49 g/t gold
- Libertad Mineral Reserves totalled 296,000 ounces (Libertad had no reserves at December 31, 2019)
- 137% increase in Limon Open Pit Mineral Reserves (net of depletion) to 462,000 ounces at December 31, 2020 from 195,000 ounces at December 31, 2019
- Indicated Resources of 1.5 million ounces and Inferred Resources of 1.3 million ounces (inclusive of EBP)

For further information, refer to the Company's press release dated March 29, 2021 and to the related 43-101 technical reports available on the Company's website at www.calibremining.com and on Calibre's profile on www.sedar.com.

The Company expects to update its Mineral Reserves and Resources for its Nicaraguan operations as at December 31, 2021 during the first quarter of 2022.

Pre-Feasibility and Start-up of Pavon Norte Open-Pit Mine

Calibre announced the commencement of open-pit ore mining from Pavon Norte on January 24, 2021, and subsequently announced achievement of commercial levels of production in March 2021. Pavon Norte provides another source of ore to fill the 2.2 million tonnes per annum capacity at Libertad mill, and it was brought into production ahead of schedule, which exemplifies Calibre's execution against its "hub-and-spoke" operating strategy, resulting in higher profitable gold production.

On March 16, 2021, the Company announced the results of its Pavon Open Pit Gold Mine Pre-Feasibility Study ("Pavon PFS"). The initial Pavon PFS estimated mine life is 4 years, at an average grade of 4.86 g/t Au (and 7.0 g/t Ag), average annual gold production of 47,000 ounces and an after-tax net present value of $106.4 million (using $1,700/oz Au and 5% discount rate). For further details refer to Calibre's press release dated March 16, 2021.

The Pavon mineral reserve estimate, as of December 31, 2020, totalled 1.3 million tonnes grading 4.86 g/t Au and 7.02 g/t Ag for total contained ounces of 200,000 ounces gold and 290,000 ounces silver. The Pavon gold deposit also contained 1.4 million tonnes of indicated mineral resources (inclusive of mineral reserves) grading 5.16 g/t Au and 7.72 g/t Ag for total contained ounces of 231,000 ounces gold and 346,000 ounces silver. Additionally, there was 0.6 million tonnes grading 3.37 g/t Au and 4.90 g/t Ag for total contained ounces of 63,000 ounces gold and 91,000 ounces silver in inferred resources between Pavon Norte, Pavon Central, and Pavon South.

Pavon represents an average of 300,000 tonnes per annum of mill feed to Libertad over the next four years, and there is still a significant opportunity to further utilize Libertad's mill capacity by converting additional mineral resources to reserves through new discoveries and exploration success.

Impact of the Global Coronavirus Pandemic ("COVID-19")

The global response to the COVID-19 pandemic has resulted in, among other things, border closures, travel restrictions, as well as quarantine, and other emergency measures imposed by various governments. Additional government or regulatory actions or inactions around the world in jurisdictions where the Company or its suppliers operate may also have a potential significant economic and social impact. If the Company's business operations are disrupted or suspended because of these or other measures, it may have a material adverse effect on the Company's business, results of operations and financial performance. Factors that may be impacted, among other things, are the Company's operating plan, production, supply chain, construction, and maintenance activities. The extent to which COVID-19 may impact the Company's future business and operations will depend on future developments that are highly uncertain and cannot be accurately estimated at this time, including new information which may emerge concerning the severity of and the actions required to contain COVID-19 or remedy its impact.

On March 25, 2020, the Company announced a temporary suspension of its operations at the Limon and Libertad mines and all exploratory drilling activity due to the COVID-19 pandemic. During the suspension period, the Company enhanced its health and safety protocols and updated operational and exploratory planning programs to manage the business through the pandemic. In July 2020, the Company was able to re-establish a steady state of operation, and since then, the Company has not experienced any significant operational setbacks related to the COVID-19 pandemic.

Measures remain in place to manage the impact of the COVID-19 pandemic across all Calibre offices and sites. The Company's mines remain fully operational and isolated cases of COVID-19 have been successfully managed. Preventing the spread of COVID-19, ensuring safe working environments across Calibre's sites, and preparedness should an outbreak occur, remain priorities. The Company health and safety protocols include social distancing, use of masks, encouraging employees to get vaccinated, and preventative communication campaigns, while working closely with our local communities, the Ministry of Health in Nicaragua, employees and contractors to minimize the spread of the virus. These actions have minimized the impacts of the pandemic at our operations and facilitated the continued delivery of strong operating cash flow since the onset of the pandemic.

COMPANY OUTLOOK

Since acquiring the Nicaraguan assets from B2Gold in October 2019, the Company has re-invested into the business with demonstrated results of significant reserve growth, discovery of new deposits, and identification of new targets, all of which positions Calibre to unlock additional mill feed sources and grow production in Nicaragua. For 2021, Calibre exceeded the high-end of its 2021 production guidance, driven by continued successful production growth, and operational execution. Calibre generated strong operating cash flows and self-funded significant exploration and mine development while building cash year over year.

Calibre will continue to reinvest in exploration activities across all its assets given the demonstrated success in realizing the prospective and under-explored potential its portfolio has to offer. Calibre's goal of becoming a growth-oriented, Americas-focused, mid-tier gold producer continues to advance with the recent agreement to acquire Fiore, which provides a logical step to building a robust and jurisdictionally diversified gold producer with significant exploration potential and a path to future growth.

The following table outlines the full-year 2022 production and cost guidance:

	Consolidated 2022 Guidance	Nicaragua 2022 Guidance	Nevada 2022 Guidance
Gold Production *(oz)*	**220,000 - 235,000**	**180,000 - 190,000**	**40,000 - 45,000**
Total Cash Costs *($/oz)* [1]	**$1,075 - $1,150**	**$1,000 - $1,100**	**$1,400 - $1,500**
AISC *($/oz)* [1]	**$1,200 - $1,275**	**$1,100 - $1,200**	**$1,450 - $1,550**
Growth Capital *($ millions)*	**$55 - $60**	**$45 - $50**	**$5 - $10**
Exploration *($ millions)*	**$40 - $42**	**$20 - $22**	**$18 - $20**

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

Nicaragua 2022 gold production is forecast to increase year over year with a significant production increase during the second half of 2022. Production is expected to be approximately 20% higher than that of the first half due to change in deposit grade profiles and mine sequencing. As a result, the Company expects lower Total Cash Costs (1) and AISC (1) over the course of the year.

Total Cash Costs (1) for 2022 are forecast to be slightly higher than 2021 mainly due to higher forecasted fuel, steel, chemical, and consumables prices, and higher labour and ore transport costs. Growth capital is anticipated to be relatively consistent throughout the year to unlock value at new deposits, which including the high-grade Pavon Central and EBP.

Growth capital for 2022 includes underground development at Panteon Norte and Atravesada, a new open pit mine development at Pavon Central, Limon Norte and Tigra waste stripping, land acquisition, and early construction activity at the EBP, which is expected to be the next "spoke" for the Libertad complex.

EXTERNAL PERFORMANCE DRIVERS AND TRENDS

Price of Gold

The price of gold is a significant factor in determining the Company's profitability, financial performance, and cash flow from operations. The price of gold is subject to volatile price fluctuations and can be affected by numerous macroeconomic conditions, including supply and demand, the value of the US dollar, interest rates, and global economic and geopolitical issues. Despite the volatility, management considers the gold price outlook for the remainder of 2022 and longer-term to be favourable and is committed to being an unhedged seller of gold. Key drivers of the price of gold continue to be historically low global interest rates, growing inflation concerns, and the uncertainties surrounding the ongoing COVID–19 global pandemic.

As at December 31, 2021, the price of gold closed at $1,806/oz, down 4.3% from the closing price on December 31, 2020. The average spot gold price for the year ended December 31, 2021 was $1,799 (2020: $1,770). The average spot gold price for Q4 2021 was $1,796 (Q4 2020 - $1,874), down 4.2% over the comparative quarter in the prior year. Gold prices across all periods have remained at historically high levels and the Company expects gold price to remain strong as interest rates remain at historical lows and governments continue various economic stimulus efforts.

Foreign Exchange Volatility

The Company's reporting currency is the U.S. dollar. The Company's functional currency for its parent company with its head office in Vancouver is the Canadian dollar and the U.S. dollar is the functional currency for the subsidiaries in Nicaragua, although some costs in Nicaragua are paid in Nicaraguan Córdoba. The exchange rate between the Córdoba and the U.S. dollar has historically been managed by the Nicaraguan Central Bank. The Córdoba has been annually devalued against the U.S. dollar by means of a "crawling peg" mechanism currently set at 2% per year. As such, the Company holds most of its cash and cash equivalents in either U.S. or Canadian dollars and holds minimal balances in Córdoba.

As at December 31, 2021, the Canadian dollar closed at $1.27 (December 31, 2020: $1.27) and the Nicaraguan Córdoba closed at $35.52 (December 31, 2020: $34.82) for each U.S. dollar, respectively. The average rates in Q4 2021 for the Canadian dollar and the Nicaraguan Córdoba were $1.26 and $35.43, respectively (Q4 2020: $1.30 and $34.72, respectively). For the year ended December 31, 2021, the average rates for the Canadian dollar and the Nicaragua Córdoba were $1.25 and $35.17, respectively (2020: $1.34 and $34.34, respectively).

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

ENVIRONMENT, SOCIAL AND GOVERNANCE ("ESG")

Health, safety, environment, and communities are all integral parts of Calibre's sustainable and responsible business approach. Our long-term success relies strongly on our efforts towards zero harm, both with regards to our people and the surrounding environment. At the same time, our positive contributions to host communities and other relevant stakeholders allow us to maintain our social license to operate and grow in Nicaragua and beyond.

In 2021, Calibre continued building upon the achievements that were highlighted in its inaugural 2020 Sustainability Report (available on the Company's website at www.calibremining.com). Some important milestones and highlights of 2021 were:

- World Gold Council's ("WGC") Responsible Gold Mining Principles Year 1 Progress Report published (available on the Company's website) and self-assessment process externally assured with no findings reported
- A Five-Year Sustainability Strategy (ESG+) was completed, and will be deployed during 2022
- There was significant progress on high-impact social investment projects:
  - Master Plan for Integrated Urban Development – Limon District:
    - Potable Water Project - Phase I: 17,000 m of pipeline; new well and pumping system and rehabilitation and construction of water storage tanks benefiting 6,681 people
    - Sanitary Sewage System for 120 households in the San Gil and Nuevo Santa Pancha urbanization
  - Community Resilience – Rancho Grande:
    - Improved stoves installed in 120 households in neighboring communities of Pavon Mine, reducing indoor smoke and improving family health
    - 20,664 plants donated to government institutions and local authorities for the National Reforestation Campaign
    - Infrastructure improved for three local schools
    - 2.5-kms of community road improved
    - Anti-epidemic campaign supported, benefiting 2,463 households
    - 38 microcredits provided to local women entrepreneurs
  - Jabalí Central Pit Reclamation and Sustainable Livelihoods – Santo Domingo & La Libertad:
    - 26 training workshops provided to 11 women on bamboo craftsmanship, as part of the Trade School partnership with La Libertad Municipality.
    - 5.55-hectares of pitahaya planted at the Jabalí Central waste dump to avoid erosion and improve soil quality.
    - Technical assistance provided to 9 local producers on beekeeping and pitahaya plantation care and maintenance.

During 2022, Calibre aims to strengthen its sustainability methodology by communicating its importance from a top-down management approach to all of Calibre's employees and partners, focusing on risk analysis, opportunities for improvement and critical issues in the sustainability area as we continue to improve our strategic sustainability framework.

MINING OPERATIONS

	Q4 2021	Q4 2020	2021	2020
Operating Information				
Ore Mined - open pit *(t)*	**442,560**	457,183	**1,683,666**	1,624,541
Ore Mined - open pit - average grade *(g/t Au)*	**2.85**	3.09	**2.73**	2.91
Waste Mined - open pit *(t)*	**2,591,783**	3,767,127	**14,854,381**	15,672,471
Ore Mined - underground *(t)*	**117,393**	71,029	**408,932**	149,430
Ore Mined - underground - average grade *(g/t Au)*	**5.08**	3.57	**4.42**	3.73
Total Ore Mined *(t)*	**559,953**	528,213	**2,092,598**	1,773,971
Total Ore Mined - average grade *(g/t Au)*	**3.32**	3.16	**3.06**	2.98

Open Pit Mining Operations

During Q4 2021, the Limon Central open pit continued to supply a significant percentage of ore to both Limon and Libertad mills, while the Pavon Norte, Jabalí, and spent ore provided the remaining ores for Libertad. Limon Central produced 193,077 tonnes at an average grade of 4.46 g/t, with material from Pavon Norte contributing 70,440 tonnes at a grade of 2.52 g/t, 174,461 tonnes at 0.96 g/t of previously processed "spent ore" and 4,582 tonnes at 11.85 g/t from artisanal small miners ("ASM"). In comparison, during Q4 2020, Limon Central supplied 173,651 tonnes at an average grade of 4.51 g/t , Jabalí open pit supplied 100,434 tonnes at 3.31 g/t , there was 172,159 tonnes of spent ore grading 0.68 g/t, and 10,939 tonnes at 16.97 g/t from ASM and other sources.

For 2021, Limon Central open pit mine production totaled 787,096 ore tonnes at an average grade of 3.46 g/t, Pavon Norte totaled 304,911 tonnes at a grade of 3.34 g/t, 573,040 tonnes of spent ore at a grade of 0.96 g/t, and 18,619 tonnes at 15.86 g/t from Artisanal Miners ("ASM"). In comparison, 2020 open pit production came from Limon Central totalling 522,962 tonnes at a grade of 4.63 g/t, 367,543 tonnes from the Jabalí Antena open pit grading 3.27 g/t, 697,169 tonnes grading 0.75 g/t from previously processed "spent ore", and 36,867 tonnes from ASM grading 15.85.

Underground Mining Operations

Underground mine production increased year over year as the Veta Nueva underground mine reached commercial production in January 2021, and Panteon South underground mine reached commercial production in July 2021, while the Jabalí West underground mine was suspended during Q2 2020 until August 2020, which resulted in higher comparative Jabalí production year over year.

Q4 2021 ore production was 56,406 tonnes at a grade of 3.31 g/t from Jabalí West, 11,132 tonnes at a grade of 5.13 g/t from Santa Pancha, 33,049 tonnes at a grade of 8.66 g/t from Panteon South, and 16,806 tonnes grading 3.95 g/t from Veta Nueva. During Q4 2020, the Company mined 29,641 tonnes at a grade of 3.11 g/t from Santa Pancha, 16,136 tonnes grading 3.59 g/t from Veta Nueva, and 25,252 tonnes grading 3.85 g/t from Jabalí West.

Full year ore production was 200,271 tonnes at a grade of 3.42 g/t from Jabalí West, 60,176 tonnes at a grade of 3.73 g/t from Santa Pancha, 82,957 tonnes at a grade of 7.60 g/t from Panteon South, and 65,528 tonnes grading 4.08 g/t from Veta Nueva. In comparison, during 2020, the Company mined 90,572 tonnes at a grade of 3.59 g/t from Santa Pancha, 30,958 tonnes grading 4.08 g/t from Veta Nueva, and 27,900 tonnes grading 3.75 g/t from Jabalí West.

PROCESSING OPERATIONS

Processing at Limon

	Q4 2021	Q4 2020	2021	2020
Ore Milled *(t)*	**123,330**	120,109	**495,668**	428,081
Grade *(g/t Au)*	**5.59**	5.48	**4.69**	5.25
Recovery *(%)*	**89.8**	89.5	**89.7**	89.8
Gold produced	**19,599**	19,006	**67,352**	64,558
Gold sold	**19,578**	18,872	**67,620**	64,255

In Q4 2021, the Company benefited from higher mined grades at Limon Central and Panteon South underground as compared to Q4 2020. Of note, the favourable mining sequence at Limon Central and the mining of higher-grade ore at Santa Pancha, Panteon South, and Veta Nueva in Q4 2021 were significant factors in driving Limon's mill grade during the quarter.

Tonnes milled for full year 2021 was 67,587 tonnes higher than 2020 due to the temporary pandemic suspension in Q2 of 2020, while the lower grade year over year was due to mine sequencing at the Limon Central ore body, which is the primary source of ore milled at Limon.

Processing at Libertad

	Q4 2021	Q4 2020	2021	2020
Ore Milled *(t)*	**456,561**	381,118	**1,462,912**	1,301,076
Grade *(g/t Au)*	**2.29**	1.97	**2.68**	1.88
Recovery *(%)*	**90.3**	92.2	**92.8**	92.9
Gold produced	**29,619**	23,567	**115,403**	71,451
Gold sold	**29,629**	23,462	**115,622**	71,102

During Q4 2021, the Libertad mill produced 29,619 ounces of gold from 456,561 tonnes at an average grade of 2.29 g/t. Tonnes milled increased 75,443 versus Q4 2020 due to the success of the Company's hub and spoke strategy to transport ore from Limon and Pavon to the Libertad mill, and due to the consumption of spent ore. Processed grade increased due to higher-grade ores delivered from Limon and from 123% more tonnes from Jabalí West.

Libertad mill produced 115,403 ounces during 2021, which was 43,952 ounces higher than 2020, due to significantly higher ore deliveries from Limon, with 372,898 tonnes of ore delivered in 2021 at an average grade of 3.09 g/t, compared to 220,623 tonnes at an average grade of 2.80 g/t in 2020. Ore delivery from Pavon Norte to Libertad totalled 245,594 tonnes in 2021.

GROWTH AND DISCOVERY

Calibre exploration activities during Q4 2021 included 24,075 metres of drilling, and the full year 2021 program totaled 104,560 metres of diamond drilling. There were 15 drill rigs operating continuously through the course of the year. During 2021, 30% of the year's drilling was directed toward early-stage discovery and emerging resource opportunities, 60% toward resource expansion and infill conversion, and 10% toward technical development in support of reserves growth and replacement of mined production. The results of the year's drilling programs are being incorporated into the Company's 2021 year-end mineral resource and reserve updates, along with integrated data analysis to expand and prioritize the Company's exploration pipeline, expected in Q1 2022.

Calibre has maintained an aggressive exploration strategy that combines resource expansion and reserve conversion around current and past producing deposits, and generative exploration aimed at discovering new gold trends. This strategy has resulted in four new discoveries at Panteon, Atravesada, Tranca and Volcan, and multiple new gold prospects to the Company's exploration pipeline within its portfolio of 100% owned mineral concessions.

Looking forward to 2022, Calibre's exploration program will re-balance to 70% of drilling directed toward generative discovery and emerging resources, and 30% infill drilling for conversion to reserves.

Discovery and Emerging Resources

During 2021 Calibre completed 33,640 metres of first pass reconnaissance and follow-up confirmation drilling on early-stage targets at Limon, Libertad and EBP, including 13,555 meters of drilling completed during Q4 2021. Approximately two-thirds of the 2021 discovery and emerging resources drill program was directed toward testing new vein systems and extensions to known vein trends at all four sites. The remaining one-third involved follow-up drilling to further explore and delineate new resource opportunities at the Tranca, Nancite and Volcán vein systems at Libertad.

The Company completed a total of 4,096 metres of drilling at the Volcán prospect in the southwestern Libertad district during the year. On June 8, 2021 and subsequently on November 16, 2021 Calibre announced the results of initial first pass and follow up drilling at Volcán which confirmed the discovery of a new resource growth opportunity located approximately 5 kilometres from the Libertad mill. Gold mineralization with good continuity has been traced for 1.5 kilometres along strike and to a vertical depth of 100 to 150 metres from surface. The Volcán vein system has been mapped at surface for 5 kilometres with gold mineralization occurring over estimated true widths ranging from 1.5 to 10 metres.

At the Tranca and neighboring Nancite prospects, located 500 metres south of the operating Jabalí mine and 10 kilometres east of the Libertad mill, 6,812 meters of exploration and initial resource delineation drilling was completed during 2021. At Tranca, 7,790 metres of drilling was completed to confirm the continuity of near-surface gold mineralization over a 1.5-kilometre strike length that extends to a vertical depth of 100 metres from surface. Gold mineralization along the Tranca vein system remains open for an additional 2.5 kilometres along strike to the east. At Nancite, located approximately 300 metres west of the Tranca, 1,747 metres of drilling has confirmed a zone of near-surface gold mineralization over a 600 metres strike length and extending to a vertical depth of 200 metres, with the vein trend remaining open in both directions along strike and vertically at depth.

Results from the 2021 drilling campaigns at Volcán, Tranca and Nancite will be incorporated into maiden resource estimates for the Company's consolidated year-end 2021 mineral resource statement, which will be reported in the Company's Annual Information Form at the end of Q1 2022.

A total of 22,731 metres of first pass reconnaissance drilling was completed during 2021, focusing on the less explored gold vein trends in the Limon, Libertad, Pavon and Eastern Borosi districts. Interpretation of results from these drilling campaigns is ongoing to finalize priorities and plans for the Company's 2022 exploration program.

Resource Expansion and Reserve Conversion

Calibre completed a total of 70,921 metres of drilling directed toward resource expansion, classification upgrades, and reserves conversion and development, including 9,054 meters of drilling completed during Q4 for technical development studies to support conversion of mineral resources to reserves at Limon, Libertad and EBP.

At Limon, Calibre completed a total of 19,091 metres of underground resource expansion and infill drilling during 2021.

Calibre completed 8,401 metres of resource expansion and infill drilling at Libertad during 2021, with most of this drilling focused on expanding and upgrading classification of the Rosario open pit resource.

At Pavon, the Company completed a total of 13,479 meters of step-out and infill drilling to expand the Pavon Norte and Pavon Central open pit reserves. Results of this drilling will be incorporated into Calibre's consolidated year-end 2021 mineral resource statement which will be reported in the Company's Annual Information Form at the end of Q1 2022.

As part of its hub-and-spoke operating strategy, a major focus of Calibre's 2021 exploration program was to add new ore sources through development of new mineral reserves. During 2021, a total of 23,223 meters of step-out and infill drilling and 6,727 meters of geotechnical, metallurgical and condemnation drilling were completed to convert inferred resources to reserves at the Guapinol-Vancouver and Riscos de Oro deposits. Results of the 2021 program are being incorporated into maiden reserve estimates that will be included in the Company's consolidated year-end 2021 mineral resource statement which will be reported in the Company's Annual Information Form at the end of Q1 2022.

Borosi Option with Rio Tinto Exploration

Calibre is the operating partner in two separate exploration agreements with Rio Tinto Exploration ("RTX"). The agreements are referred to as the Borosi Option and the Strategic Exploration Alliance ("Exploration Alliance"). The Borosi Option includes a portfolio of Calibre-owned exploration concessions located in the Mining Triangle in northeastern Nicaragua. The Exploration Alliance is a strategic partnership between Calibre and RTX that provides both companies with the opportunity to jointly acquire and explore additional mineral concessions within the broader region surrounding the Borosi properties. For details of these agreements, refer to the Company's Annual Information Form and audited consolidated financial statements for the year ended December 31, 2020, and its related MD&A.

During 2021, exploration conducted under the Borosi Option primarily involved a reconnaissance drilling campaign to test the potential of five prospective porphyry and related skarn style copper-gold and copper-molybdenum targets identified in the historic Rosita and Siuna mining districts. Eighteen holes totaling 4,961 metres were completed, representing 90% of the originally planned 5,500 metre campaign. The drilling campaign was suspended in mid-September as a precautionary response to a rising number of Covid-19 cases in the region. At year-end, integrated data analysis and interpretation of results from this program was in progress for adoption into RTX' exploration plans for 2022.

The Exploration Alliance received approvals for fifteen new mineral concession applications submitted on behalf of the Alliance partnership and the commencement of regional scale stream sediment sampling aimed at identifying new areas with the potential to host productive porphyry copper style mineralized centers. This initial reconnaissance level work is planned to continue through 2022 with the aim of achieving uniform sampling coverage over the full portfolio of Alliance concessions.

CONSOLIDATED FINANCIAL RESULTS

(in thousands of dollars, except per share amounts)	Q4 2021	Q4 2020	2021	2020
Revenue	**$ 88,109**	$ 79,677	**$ 328,132**	$ 242,748
Cost of Sales				
Production costs	**(47,045)**	(35,973)	**(171,971)**	(107,896)
Royalty, production taxes, refinery and transport	**(3,464)**	(3,811)	**(13,622)**	(10,916)
Depreciation and amortization	**(14,341)**	(5,302)	**(38,290)**	(14,323)
Total Cost of Sales	**(64,850)**	(45,086)	**(223,883)**	(133,135)
Income from mining operations	**23,259**	34,591	**104,249**	109,613
Expenses, Taxes and Other Items				
General and administrative	**(2,149)**	(1,601)	**(7,588)**	(7,707)
Share-based compensation	**(354)**	(1,073)	**(2,824)**	(5,534)
Due diligence and transaction costs	**(807)**	(471)	**(1,643)**	(471)
Care and maintenance	**-**	(29)	**-**	(7,313)
Finance expense	**(284)**	(938)	**(1,150)**	(3,003)
Other income	**464**	(1,260)	**860**	586
Current and deferred income tax expense	**(5,480)**	(5,964)	**(33,705)**	(22,758)
Net Income	**$ 14,649**	$ 23,255	**$ 58,199**	$ 63,413
Income per share - basic	**$ 0.04**	$ 0.07	**$ 0.17**	$ 0.19
Income per share - diluted	**$ 0.04**	$ 0.06	**$ 0.16**	$ 0.18

Income from Mining Operations

During Q4 2021, the Company generated $88.1 million of revenue on sales of 49,207 gold ounces, at an average realized price[1] of $1,791/oz, compared to Q4 2020 revenue of $79.7 million from the sale of 42,335 ounces at an average realized price[1] of $1,882/oz. The increased sales volume generated an extra $12.9 million over Q4 2020, which was partially offset by a $4.5 million decrease due to a $91/oz lower price.

For the full year 2021, the Company generated $328.1 million on 183,242 gold ounces, at an average realized price[1] of $1,791/oz, compared to 2020 revenue of $242.7 million from 135,357 gold ounces at an average realized price [1] of $1,793/oz. Significantly higher revenue in 2021 over 2020 was a result of the pandemic-related suspension of operations in Q2 2020 that was previously noted.

Total Cash Costs[1] for Q4 2021 were $1,026/oz, and AISC[1] of $1,139/oz compared to $940/oz and $1,051/oz respectively for Q4 2020. The $86/oz increase in Cash Costs[1] was primarily a result of price escalations for diesel, grinding media, and chemicals, followed by additional tonnes transported from Limon and Pavon to Libertad (Q4 2021 - 176,000 tonnes vs. Q4 2020 - 101,000 tonnes). The $88/oz increase in AISC[1] is a result of the $86/oz higher Cash Costs[1] noted above, and slightly higher expenditures in Q4 2021 for sustaining capital, reclamation, and corporate administration.

Total cost of sales for Q4 2021 was $64.9 million which included production costs of $47.0 million, royalties and production taxes of $3.5 million, and depreciation of $14.3 million. Q4 2020 total cost of sales was $45.1 million was comprised of $36.0 million in production costs, royalties and production taxes of $3.8 million, and depreciation of $5.3 million. Production costs rose by $11.0 million due to price escalations for diesel, grinding media, and chemicals, a 74% increase in tonnes transported to Libertad from Pavon and Limon under the hub and spoke strategy (176,000 tonnes vs. 101,000 tonnes), and processing 20% more ore at Libertad (456,561 tonnes vs. 381,118 tonnes). Depreciation costs rose $9.0 million due to amortization of underground development costs at each of Panteon & Veta Nueva, and amortizing deferred/capitalized stripping at Limon during 2020 and 2021.

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

Total Cash Costs [1] for 2021 were $1,013/oz and AISC [1] were $1,136/oz compared to $878/oz and $1,043/oz respectively for 2020. The $135/oz increase in Cash Costs[1] was result of a suspension of operations in Q2 2020, transporting an additional 398,000 tonnes from Limon and Pavon to Libertad under the hub and spoke strategy (619,000 tonnes in 2021 vs. 221,000 tonnes in 2020), commodity price inflation for diesel, grinding media, and chemicals, and processing an extra 161,836 tonnes of material at Libertad. AISC[1] increased by $93/oz, despite the $135/oz increase in Cash Costs[1], as total expenditures for sustaining capital, sustaining exploration, and corporate administration were similar year over year, while 2021 had substantially higher gold sales as a denominator. Total Cash Costs and AISC per Ounce of Gold Sold Reconciliations are detailed under Non-IFRS Measures.

Total cost of sales for 2021 were $223.9 million which included production costs of $172.0 million, royalties and production taxes of $13.6 million, and depreciation of $38.3 million. In comparison, 2020 cost of sales were $133.1 million, driven by production costs of $107.9 million, royalty and production taxes of $10.9 million, and depreciation of $14.3 million. The $64.1 million increase in production costs was a result of the suspension of operations due to Covid in Q2 2020, transporting 619,000 tonnes of material from Limon and Pavon to Libertad in 2021 (221,000 tonnes in 2020), processing an additional 161,836 tonnes at Libertad mill, and commodity price inflation. Depreciation and amortization in 2021 of $38.3 million was $24.0 million higher than that of 2020 related to suspension of operations for the majority of Q2 2020, higher mine production and associated depletion and depreciation rates, production as it relates to the updated reserve and resource estimate as of December 31, 2020, amortizing deferred stripping at Limon, and the commencement of production achieved at Panteon South and Veta Nueva in 2021.

Expenses and Net Income

For Q4 2021 and the year 2021, corporate G&A was $2.1 million and $7.6 million compared to $1.6 million and $7.7 million for the same periods in 2020. Corporate administration for full year 2021 was slightly lower due to lower administrative staff levels, and reduced travel & marketing, partially offset by lower 2020 labour costs due to the COVID-19 pandemic. Share-based compensation for Q4 2021 and 2021 was $0.4 million and $2.8 million (Q4 2020 - $1.1 million, 2020 - $5.5 million). The reduction in expense over the prior year quarter is related to the vesting of options and RSUs granted in prior years, specifically a portion of options and RSUs granted in October 2019 that have now vested, net of a recovery realized from the decrease in share-based payment liabilities related to the RSUs and PSUs which, effective during the three months ended September 30, 2021 will be settled in cash.

Total finance expense for Q4 2021 and 2021 was $0.3 million and $1.2 million respectively, compared to $0.9 million and $3.0 million for the same periods in 2020. 2020 included $1.2 million of accretion on the deferred acquisition payment to B2Gold which was settled in full in Q4 2020.

Current and deferred income tax expense was $5.5 million and $33.7 million during Q4 2021 and 2021, respectively, compared to the same periods of 2020 of $6.0 million and $22.8 million from recognition of previously unrecognized loss carry forwards in year 2020.

As a result of the above, net income per share in 2021 was $0.17 for basic and $0.16 for diluted (2020: $0.19 for basic and $0.18 for diluted).

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

Growth and Sustaining Capital

A summary of the Company's significant additions to capital during the years ended December 31, 2021 and 2020 is presented below (on an accrual basis).

(in thousands)	2021	2020
Growth Capital		
Veta Nueva development	$ -	$ 3,329
Limon Central stripping	**12,531**	13,190
Panteon development	**8,580**	3,152
Limon Norte & Tigra development	**6,896**	1,522
Pavon development	**8,523**	4,671
Crimea tailings storage	**3,625**	299
Atravesada development	**1,555**	-
EBP land acquisition and studies	**6,019**	-
Other growth capital projects	**2,072**	425
Total Growth Capital	**$ 49,801**	$ 26,588
Sustaining Capital		
Jabali underground development	**$ 3,620**	$ 2,057
Veta Nueva development	**1,488**	-
Santa Pancha tailings facility upgrade	**456**	1,733
Other sustaining capital	**7,664**	5,198
Total Sustaining Capital	**$ 13,228**	$ 8,988
Total Growth and Sustaining Capital	**$ 63,029**	$ 35,576

A summary of significant growth and sustaining capital expenditures and projects is provided below:

- Veta Nueva costs were incurred for the development of the underground mine near Limon that commenced production in January 2021.
- Pre-stripping at Limon Central through May 31, 2020 and operational waste stripping deferrals related to waste tonnes removed from Limon Central Phase 2 pit in excess of the life of pit strip ratio from June 2020 to October 2021.
- Capital expenditures for Panteon mine, with first development ore deliveries in Q2 2021; leading to operational production from Panteon South in July 2021.
- Limon Norte and Tigra development costs related to an open pit mining area where pre-stripping will commence in Q1 2022.
- Pavon development related to an open pit mine where initial ore deliveries from Pavon Norte occurred in January 2021 and operational production was achieved in March 2021. In addition, land rights for Pavon Central were acquired this year.
- EBP spend in 2021 was for the acquisition of land rights and study work.
- Jabalí underground development relates to development of main ramps at the underground mine.
- Other sustaining capital relates to several projects for the mines and processing facilities.

Exploration

Calibre spent $6.7 million and $21.4 million for exploration in Q4 2021 and YTD 2021 respectively, compared to $5.9 million and $15.5 million respectively for the comparable periods in 2020. In addition, in Q3 2020, Calibre acquired 70% of EBP for a cost of $4 million. The higher exploration costs are reflective of 30% more metres drilled in 2021 (104,500 metres) versus 2020 (80,000 metres) related to the suspension of drilling during most of Q2 2020 because of the COVID pandemic. See the *Growth and Discovery* section for details on the 2021 exploration program.

LIQUIDITY AND CAPITAL RESOURCES

The table provides a summary of the Company's financial position and liquidity as at December 31, 2021 and December 31, 2020:

(in thousands of dollars)		December 31, 2021		December 31, 2020
Current Assets				
Cash and cash equivalents	**$**	**78,454**	$	53,175
Receivables, prepaids and other		**8,249**		5,873
Inventories		**54,407**		46,398
Total Current Assets	**$**	**141,110**	$	105,446
Current Liabilities				
Accounts payable and accruals	**$**	**21,042**	$	24,272
Income and other taxes payable		**13,502**		6,270
Other current provisions		**5,391**		4,827
Current portion of share based liablities		**3,440**		-
Current portion of lease liabilities		**43**		121
Total Current Liabilities	**$**	**43,418**	$	35,490
Working Capital *(current assets less current liabilities)*	**$**	**97,692**	$	69,956

As at December 31, 2021, the Company had cash and receivables of $86.7 million and current liabilities of $43.4 million compared to $59.0 million and $35.5 million respectively at December 31, 2020. Working capital (current assets less current liabilities) increased by $27.7 million or 40% during 2021 due to a $24.3 million increase year over year in cash provided by operating activities and higher supplies inventories, partially offset by higher taxes payable and higher share-based compensation liability. The share-based compensation liability was a result of a change in the accounting for share-based compensation units to be settled in cash in future periods.

Total inventories increased $8.0 million during 2021 mainly from an $9.6 million increase in materials and supply inventory partly offset by a $2.4 million drawdown of stockpiles. The Company increased its holdings of materials and critical supplies to safeguard against any potential supply chain disruptions associated with the COVID-19 pandemic. Income and other taxes payable increased by $7.2 million in 2021 tied to taxes payable in 2022. The increase from the prior year is mainly a result of the Company utilizing net operating loss carry-forwards for tax purposes in 2020 to reduce taxes payable. At the same time, accounts payable and accruals remained comparable as at December 31, 2021 to December 31, 2020.

In September 2021, the Board agreed to settle future RSU and PSU exercises through the payment of cash. Prior to September 2021, the Company had solely settled all RSU and PSU exercises in common shares of the Company. As a result, the Company reclassified share unit awards from equity classification to liability classification recording a reduction in contributed surplus and an increase in share-based payment liabilities of $4.8 million at the time of the change. Subsequently, share-based payment liabilities will be adjusted to fair value at the end of each reporting period, with changes in fair value recorded as a component of share-based compensation expense. As at December 31, 2021, the fair value of the current portion of RSU and PSU-related share-based liabilities was $3.4 million.

The Company's increase in cash and robust working capital position during 2021 helps reduce liquidity risk, strengthen its financial flexibility, and provide alternative avenues to grow the business. Calibre continues to be unencumbered by any long-term debt, guarantees, derivative or stream agreements, and has not hedged any of its future gold production.

Cash Flow Analysis

(in thousands)		2021		2020
Net Cash Provided by Operating Activities	**$**	**105,600**	$	81,261
Net Cash Used in Investing Activities		**(83,386)**		(46,356)
Net Cash Provided by Financing Activities		**3,031**		(14,485)
Effect of Exchange Rate Changes on Cash		**34**		(106)
Change in Cash and Cash Equivalents		**25,279**		20,314
Cash and Cash Equivalents, Beginning of Period		**53,175**		32,861
Cash and Cash Equivalents, End of Period	**$**	**78,454**	$	53,175

For Q4 2021 and full year 2021, the Company generated cash flows from operations of $22.4 million and $105.6 million respectively, versus cash generation of $28.7 million and $81.3 million for 2020. The higher yearly cash flow was driven by the suspension of operations in Q2 2020, and growth in ore transport to Libertad from 2020 to 2021.

During Q4 2021 and for the full year 2021, the Company invested $19.9 million and $86.9 million in its exploration projects, property, plant and equipment (“PPE”), and mine development, compared to $17.0 million and $46.6 million during the comparable periods in 2020. Further details of capital investments for our mining operations are outlined in the sections *Growth and Sustaining Capital* and *Growth and Discovery*.

In 2020, Calibre paid the final obligation to B2Gold for the purchase of the Nicaraguan assets in the amount of $15.5 million.

OFF-BALANCE SHEET ITEMS

As at December 31, 2021, the Company did not have any off-balance sheet items.

OUTSTANDING SHARE INFORMATION

The Company is authorized to issue an unlimited number of common shares. The following table outlines the outstanding common shares and convertible instruments of the Company as at February 23, 2022, December 31, 2021 and 2020. For further information and details concerning outstanding shares, options, restricted share units, and share purchase warrants, refer to the audited consolidated financial statements for the years ended December 31, 2021 and 2020.

	Issued and Outstanding		
(In thousands)	As at February 23, 2022	As at December 31, 2021	As at December 31, 2020
Common shares	443,892	340,269	333,821
Options on common shares	31,346	27,836	30,943
Restricted share units	4,464	5,110	7,232
Share purchase warrants	9,178	9,178	11,178
Performance share units	1,350	1,350	-
Stock appreciation rights	193	-	-

Subsequent to year end, pursuant to the terms of the acquisition of Fiore, Calibre issued a total of 101.3 million common shares, 6.5 million replacement options to holders of Fiore options and 0.2 million amended SARs to holders of Fiore SARs.

QUARTERLY INFORMATION

(in thousands - except ounces and per share amounts)	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Gold Ounces Produced	**49,218**	**44,579**	**43,506**	**45,452**	42,573	45,341	6,010	42,085
Gold Ounces Sold	**49,207**	**44,471**	**43,682**	**45,882**	42,335	44,842	9,426	38,755
Average realized gold price *($/oz)* [1]	**$ 1,791**	**$ 1,781**	**$ 1,804**	**$ 1,788**	$ 1,882	$ 1,913	$ 1,688	$ 1,584
Total Cash Costs *($/oz)* [1]	**$ 1,026**	**$ 980**	**$ 1,066**	**$ 979**	$ 940	$ 786	$ 955	$ 897
AISC *($/oz)* [1]	**$ 1,139**	**$ 1,097**	**$ 1,216**	**$ 1,095**	$ 1,051	$ 963	$ 1,426	$ 1,038
Revenue	**$ 88,109**	**$ 79,204**	**$ 78,785**	**$ 82,034**	$ 79,677	$ 85,791	$ 15,910	$ 61,370
Income from mining operations	**$ 23,259**	**$ 26,727**	**$ 24,304**	**$ 29,960**	$ 34,591	$ 45,876	$ 5,793	$ 23,353
Net income (loss)	**$ 14,649**	**$ 15,021**	**$ 11,885**	**$ 16,645**	$ 23,255	$ 32,930	$ (5,412)	$ 12,640
Net income (loss) per share - basic [2]	**$ 0.04**	**$ 0.04**	**$ 0.04**	**$ 0.05**	$ 0.07	$ 0.10	$ (0.02)	$ 0.04

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

(2) In Q2 2021 net income per share – diluted was $0.03, in Q4 2020 net income per share - diluted was $0.06 and in Q3 2020 net income per share - diluted was $0.09. All other periods, basic and diluted net income (loss) per share were the same.

The financial results are most directly impacted by the level of gold production and gold price. Apart from Q2 2020, Calibre has consistently produced between 42,000 to 50,000 ounces of gold in each of the last eight quarters, with a high point of 49,218 ounces in Q4 2021. The results of all operations for Q2 2020 were significantly impacted by the 10-week suspension of operations due to the COVID-19 pandemic and as such the operational and financial results should be considered anomalous.

Costs and net income are impacted when the Company extracts ore in areas with lower overall grade due to mine sequencing, or due to waste movement requirements, or due to the particular stage of mine life for an asset. Over the course of 2021, there was significantly more depreciation and amortization expense as a result of higher gold sales, mining more reserves, an updated interpretation of the Limon Central pit, and the result of commencement of operations at new mines in 2021, such as Pavon Norte and Panteon South. The year 2021 also saw an increase in current and deferred tax expense when compared to quarters in 2020 as a result of higher revenues during the year and from utilization of previously unrecognized tax assets in 2020.

NON-IFRS MEASURES

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

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

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

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

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

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

Total Cash Costs and AISC per Ounce of Gold Sold Reconciliations

The table below reconciles Total Cash Costs and AISC for the three and twelve months ended December 31, 2021 and 2020:

(in thousands - except per ounce amounts)	Q4 2021	Q4 2020	2021	2020
Production costs	**$ 47,044**	$ 35,973	**$ 171,971**	$ 107,896
Royalties and production taxes	**3,186**	3,560	**12,619**	10,124
Refinery, transportation and other	**278**	251	**1,003**	792
Total cash costs	**50,508**	39,784	**185,593**	118,812
Corporate administration	**2,149**	1,601	**7,588**	7,707
Reclamation accretion and amortization of ARO	**645**	538	**1,792**	958
Sustaining capital [(1)]	**2,737**	2,253	**13,228**	8,988
Sustaining exploration [(1)]	**-**	303	**-**	4,658
Total AISC	**$ 56,039**	$ 44,479	**$ 208,201**	$ 141,123
Gold ounces sold	**49,207**	42,335	**183,242**	135,357
Total Cash Costs	**$ 1,026**	$ 940	**$ 1,013**	$ 878
AISC	**$ 1,139**	$ 1,051	**$ 1,136**	$ 1,043

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

The table below shows a reconciliation of sustaining capital expenditures to operating mine capital expenditures for the three and twelve months ended December 31, 2021 and 2020:

(in thousands)	Q4 2021	Q4 2020	2021	2020
Operating mine capital expenditures on an accrual basis	**$ 11,520**	$ 12,352	**$ 63,029**	$ 35,576
Less:				
Veta Nueva	**$ -**	(1,639)	**-**	(3,329)
Pavon development	**$ (846)**	(2,478)	**(8,523)**	(4,671)
Deferred stripping at Limon Central	**$ (496)**	(1,732)	**(12,531)**	(13,190)
Limon Norte and Tigra development	**$ (2,836)**	-	**(6,896)**	-
Crimea TSF	**$ (1,757)**	-	**(3,625)**	-
EBP	**$ (813)**	-	**(6,019)**	-
Atravesada	**$ (900)**	-	**(1,555)**	-
Panteon development	**$ (1,277)**	(3,152)	**(8,580)**	(3,152)
Other	**$ 142**	(1,098)	**(2,072)**	(2,246)
Sustaining capital	**$ 2,737**	$ 2,253	**$ 13,228**	$ 8,988

The table below shows a reconciliation of sustaining exploration expenditures to total exploration for the three and twelve months ended December 31, 2021 and 2020:

(in thousands)	Q4 2021	Q4 2020	2021	2020
Total exploration expenditure on an accrual basis	**$ 6,710**	$ 4,308	$ 21,357	$ 13,031
Less:				
Growth exploration	**(6,710)**	(4,005)	(21,357)	(8,373)
Sustaining exploration	**$ -**	$ 303	**$ -**	$ 4,658

Average Realized Price per Ounce Sold

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

(in thousands - except ounces and per ounce amounts)	Q4 2021	Q4 2020	2021	2020
Revenue	**$ 88,109**	$ 79,677	**$ 328,132**	$ 242,748
Ounces of gold sold	**49,207**	42,335	**183,242**	135,357
Average realized price per ounce sold	**$ 1,791**	$ 1,882	**$ 1,791**	$ 1,793

COMMITMENTS AND CONTINGENCIES

Commitments

The Company is committed to $8.2 million for obligations under the normal course of operations including capital expenditure commitments and contractual commitments. The following table provides a summary of the upcoming commitments by year (not discussed elsewhere in the consolidated financial statements) – noted in thousands of dollars.

	2022	2023	2024	2025	2026 and Later	Total
Payables and non-capital orders	$ 2,872	$ -	$ -	$ -	$ -	$ 2,872
Capital expenditure commitments	5,370	-	-	-	-	5,370
	$ 8,242	$ -	$ -	$ -	$ -	$ 8,242

Royalties

Calibre's projects, mines and associated gold production are subject to the following royalties:

- International Royalty Corporation, a subsidiary of Royal Gold, Inc., holds a 3% net smelter return ("NSR") royalty on gold production from Limon and certain other concessions.
- Centerra Gold Inc. holds a 2% NSR royalty on any future production from the La Luz Project in Eastern Borosi (not currently in production). Calibre has the right to (i) purchase 1.0% of the NSR Royalty for CAD $2 million; and (ii) has a right of first refusal on the remaining 1.0% NSR Royalty.
- Inversiones Mineras, Sociedad Anonima holds a 2% NSR royalty on gold and silver production from the Libertad and Buenaventura Mining Concessions - currently only the Libertad concession is in production.
- B2Gold retains a 1.5% NSR on production from certain concessions pertaining to a portion of the ground that is included in the Rio Tinto option agreement.
- Triple Flag Precious Metals Corp holds a 2% NSR royalty on future production related to certain concessions in EBP (not currently in production). Calibre has the right to purchase 1.0% of the NSR Royalty for $2.0 million.

Contingencies

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

The Nicaraguan subsidiaries of Calibre Mining Corp., received observation letters from the Nicaraguan Tax Authority for the fiscal years 2016 and 2017 relating to the tax deductibility of certain expenditures.

RELATED PARTY TRANSACTIONS

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

Compensation of Key Management and Board of Directors

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

The director's fees, consulting fees and other compensation of directors and key management personnel were as follows for the three and nine months ended December 31, 2021 and 2020:

	2021	2020
Short-term salaries and benefits	**$ 2,175**	$ 2,526
Director fees	**712**	545
Share-based compensation	**1,270**	3,545
Severance charges	**434**	-

Management Contracts

As at December 31, 2021, minimum commitments upon termination of the existing contracts were approximately $1.5 million and minimum commitments due within one year under the terms of these contracts total $2.1 million. In addition, the Company is party to various executive and employee contracts that would require payments totalling $1.4 million to be made upon the occurrence of a “change of control”.

Other Related Party Transactions

B2Gold is considered a related party by virtue of its equity interest in Calibre, as it owns approximately 33% of the Company as at December 31, 2021. Pursuant to an agreement with B2Gold in November 2016, B2Gold retains a 1.5% NSR on production from certain concessions pertaining to a portion of the ground that is included in the Rio Tinto option agreement.

RISK FACTORS

The following list details existing and future risks to the business of the Company. The risks described below are not listed in any particular order and are not exhaustive. Additional risks and uncertainties not currently known to the Company, or those that it currently deems to be immaterial, may become material and adversely affect the Company’s business. The realization of any of these risks may materially and adversely affect the Company’s business, financial condition, results of operations and/or the market price of the Company’s securities.

Development and Integration of Assets

Calibre acquired the Limon and Libertad mines on October 15, 2019 and completed the purchase of Fiore Gold and its associated US assets on January 12, 2022. Management completed the Fiore acquisition with the expectation that the successful completion of the deal would result in enhanced growth opportunities for Calibre. Management has rapidly advanced the integration of the Fiore management team and business processes, with the intent of full integration within the first half of 2022.

As part of its strategy, the Company will continue its efforts to develop new precious metal projects and will have an expanded portfolio of such projects because of these acquisitions. Several risks and uncertainties are associated with the development of these types of projects, including political, regulatory, design, construction, labour, operating, technical and technological risks, uncertainties relating to capital and other costs and financing risks. The level of production and capital and operating cost estimates relating to the expanded portfolio of growth projects, which are used in establishing Mineral Reserve estimates for determining and obtaining financing and other purposes, are based on certain assumptions and are inherently subject to significant uncertainties. It is very likely that actual results for Calibre’s projects will differ from its current estimates and assumptions, and these differences may be material. In addition, experience from actual mining or processing operations may identify new or unexpected conditions which could reduce production below, or increase capital or operating costs above, Calibre’s current estimates. If actual results are less favourable than Calibre currently estimates, the Company’s business, results of operations, financial condition and liquidity could be materially adversely impacted.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The significant judgements and estimates used in the preparation of the audited consolidated financial statements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities and earnings within the next financial year include:

Impairment of Non-Current Assets

Non-current assets are tested for impairment at the end of each reporting period if, in management's judgement, there is an indicator of impairment. Management applies significant judgment in assessing whether indicators of impairment exist that would necessitate impairment testing. Internal and external factors, such as (i) changes in quantity of the recoverable resources and reserves; (ii) changes in metal prices, capital and operating costs and interest rates; and (ii) market capitalization of the Company compared to its net assets, are evaluated by management in determining whether there are any indicators of impairment. If there are indicators, management performs an impairment test on the major assets within this balance.

In the case of mineral property assets, recoverability is dependent on a number of factors common to the natural resource sector. These include the extent to which the Company can continue to renew its exploration and future development licenses with local or other authorities, establish economically recoverable reserves on its properties, the availability of the Company to obtain necessary financing to complete the development of such reserves and future profitable production or proceeds from the disposition thereof. The Company will use the evaluation work of professional geologists, geophysicists and engineers for estimates in determining whether to commence or continue mining and processing. These estimates generally rely on scientific and economic assumptions, which in some instances may not be correct, and could result in the expenditure of substantial amounts of money on a deposit before it can be determined whether or not the deposit contains economically recoverable mineralization. In addition, the application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is probable that future economic benefits are likely, either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable mine can be established. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of operations in the period when the new information becomes available.

Mineral Reserves and Resources

The Company estimates its Mineral Reserves and Mineral Resources based on information compiled by qualified persons as defined in accordance with NI 43-101, *Standards of Disclosure for Mineral Projects*, issued by the Canadian Securities Administrators. Mineral Reserves are estimates of the amount of ore that can be economically and legally extracted from the Company's mining properties.

There are numerous estimates in determining Mineral Reserves and Mineral Resources. Such estimation is a subjective process, and accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgements used in engineering and geological interpretation. Changes to management's assumptions and judgements made in estimating the size and grade of the ore body, metallurgical assumptions made in estimating recovery of the ore body, including economic estimates of commodity prices, production costs, future capital requirements, and exchange rates, will impact Mineral Reserve and Mineral Resources estimates.

These estimates and assumptions valid at the time of estimation may change significantly when new information becomes available. This may result in a change of the economic status of the Mineral Reserve and may ultimately result in Mineral Reserves being revised.

Changes in the Mineral Reserve or Mineral Resource estimates may impact the carrying value of mineral properties, plant and equipment, the calculation of depreciation expense, asset retirement obligations, and the recognition of deferred tax amounts. In addition, mineral reserve and mineral resource estimates are used in depreciation and deferred stripping computations which requires judgement.

Value-Added Tax Receivables

The Company incurs indirect taxes, including value-added tax, on purchases of goods and services at its operating mines and development projects. Indirect tax balances are recorded at their estimated recoverable amounts within current or long-term assets, net of provisions, and reflect the Company's best estimate of their recoverability under existing tax rules in the respective jurisdictions in which they arise. Management's assessment of recoverability considers the probable outcomes of claimed deductions and/or disputes. The provisions and balance sheet classifications made to date may be subject to change and such change may be material.

Mine Restoration Provision

Management assesses the asset retirement obligations on an annual basis or when new information becomes available. This assessment includes the estimation of the future rehabilitation costs required based on the existing laws and regulations in the jurisdiction the Company operates in, the timing of these expenditures, and the impact of changes in the discount rate. The actual future expenditures may differ from the amounts currently provided if the estimates made are significantly different than actual results or if there are significant changes in environmental and / or regulatory requirements in the future.

Contingent Liabilities

On an ongoing basis, the Company is subject to various tax, legal and other disputes, the outcomes of which cannot be assessed with a high degree of certainty. A liability is recognized where, based on the Company's legal views and advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. By their nature, these provisions will only be resolved when one or more future events occur or fail to occur, which will bring resolution to their underlying cases. The assessment of such provisions inherently involves the exercise of significant judgment of the potential outcome of future events.

Employee Benefits Obligation

The Company provides benefits to employees, including severance and other post-retirement benefits. The cost of these post-retirement benefits received by employees is estimated based on actuarial valuation methods that require professional judgment. Estimates typically used in determining these amounts include, as applicable, rates of employee turnover, future claim costs, discount rates, future salary and benefit levels, mortality rates and future medical costs. Changes to these estimates may have a material impact on the amounts presented.

ACCOUNTING POLICIES AND CHANGES

The Company's accounting policies are outlined in the audited consolidated financial statements for the year ended December 31, 2021 and 2020 in Note 4.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

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

Fair Values

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

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

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

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

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

Capital Risk Management

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

Credit Risk

Credit risk is the risk of financial loss to the Company if a third party to financial instrument fails to meet its contractual obligations. As at December 31, 2021, the Company's maximum exposure to credit risk was the book value of cash and cash equivalents, accounts receivable, value added and other taxes receivable, and current and long-term loan receivable. The Company limits its credit exposure on cash and cash equivalents by holding its deposits mainly with high credit quality financial institutions as determined by credit agencies in Canada.

Liquidity Risk

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

As at December 31, 2021, the Company had cash and cash equivalents of $78.5 million (December 31, 2020: $53.2 million) and current liabilities of $43.4 million (December 31, 2020: $35.5 million). Cash provided by operating activities totaled $105.6 million for the year ended December 31, 2021 (2020: $81.3 million). The cash provided from activities related to the operating mines acquired by the Company on October 15, 2019. In addition, the Company's working capital improved from $70.0 million for the year ended December 31, 2020 to $97.7 million in the comparative period in 2021 from Limon and Libertad generating significant cashflow from operations.

Currency Risk

Currency risk is the risk that the fair value of, or cash flow from, the Company's financial instruments will fluctuate because of changes in foreign currency rates. The Company's functional currency at the location of its operations is the U.S. dollar and the major purchases are transacted in the U.S. dollars as well. Details of various currencies held by the Company as of December 31, 2021 and December 31, 2020 are included in the Company's financial statements.

The Company is subject to gains and losses due to fluctuations in the Canadian dollar and Nicaraguan Córdoba against the U.S. dollar. Sensitivity to a plus or minus 5% change in all foreign currencies (Canadian dollar and Nicaraguan Córdoba) against the U.S. dollar with all over variables held constant at December 31, 2021, would affect the statements of operations and comprehensive income by approximately $4.4 million.

The Córdoba has been annually devalued against the U.S. dollar by means of a crawling peg mechanism which during Q4 2020 was changed from 3% to approximately 2%. All the Company's gold production for 2021 and 2020 is in Nicaragua.

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

CONTROLS AND PROCEDURES

In compliance with the Canadian Securities Administrators' Regulation, the Company has filed certificates signed by the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") that, among other things, report on the design of disclosure controls and procedures and the design of internal controls over financial reporting.

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate and recorded, processed, summarized and reported to allow timely decisions with respect to required disclosure, including in its annual filings, interim filings or other reports filed or submitted by it under securities legislation.

Management, including the CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting. Management believes that any system of internal control over financial reporting, no matter how well conceived and operated, has inherent limitations. As a result, even those systems designed to be effective can provide only reasonable, not absolute, assurance that the objectives of the control system are met. There have been no changes in Calibre's internal control over financial reporting during the three months ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

FORWARD-LOOKING STATEMENTS

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

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

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

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

Calibre's forward-looking statements are based on the opinions and estimates of management and reflect their current expectations regarding future events and operating performance and speak only as of the date hereof.

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

NOTE TO U.S. INVESTORS

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

TECHNICAL INFORMATION

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