CALIBRE MINING CORP.

TSX.V-CXB

(An Exploration Stage Company)

FORM 51-102F1:
INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

Three Months Ended March 31, 2013

(Expressed in Canadian Dollars)

Introduction and Date

This Management Discussion and Analysis ("MD&A") provides a detailed analysis of the business of Calibre Mining Corp. ("Calibre" or the "Company") and compares its financial results for the three months ended March 31, 2013 to prior periods. This MD&A should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three months ended March 31, 2013 and 2012 and the audited consolidated financial statements (the "Financial Statements") for the years ended December 31, 2012 and 2011.

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

This MD&A reflects information available as at May 29, 2013.

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

Business Overview and Overall Performance

Business overview

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

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

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

Overall performance

During the three months ended March 31, 2013, the Company recorded a net loss of $316,515 or $0.00 per share, as compared to a net loss of $1,157,570 or $0.01 per share for the same period in 2012.

As at March 31, 2013, the Company had total assets of $16,804,336 compared to $16,905,018 as at December 31, 2012. The significant majority of these assets for both periods are the carrying values of the Company's cash and cash equivalents and its exploration and evaluation assets.

As at March 31, 2013, the Company had working capital of $2,600,824 compared to working capital of $3,601,426 as at December 31, 2012. The Company's working capital as at March 31, 2013 includes cash of $2,425,049 (December 31, 2012 - $3,583,868). The decrease in cash is attributed to the expenditures on the exploration and evaluation projects in Nicaragua and for general and administrative expenses within the three months ended March 31, 2013.

As at March 31, 2013, the total carrying value of the Company's exploration and evaluation assets was $13,636,038 compared to $12,791,037 as at December 31, 2012. The net increase reflects the Company's expenditures on the Borosi Project, net of recovery on expenditures pursuant to the Company's option agreements with B2Gold Corp. and Alder Resources Ltd. (discussed below).

During the year ended March 31, 2013, through to the date of this report, the Company carried out the following exploration activities:

Borosi, Nicaragua, Central America

On July 21, 2009, the Company completed the acquisition of a 100% interest in the Borosi Gold – Copper Project (the "Borosi Project"), consisting of a number of contiguous mining and exploration concessions located in the North Atlantic Autonomous Region of Nicaragua, Central America. Concurrent with the acquisition, on July 21, 2009 (as amended in October 2010), the Company and B2Gold Corp. ("B2Gold") (TSX: BTO), executed an option agreement whereby B2Gold is entitled to acquire a 51% interest over a portion of the Borosi Project by expending $8 million on exploration expenditures by July 1, 2014 (Calibre was provided notice that the expenditure limit was reached during the three months ended March 31, 2013). In accordance with the option agreement, once the initial 51% earn-in is complete (which has been completed), B2Gold may elect to carry an individual prospect within the concession area (designated under the agreement) through to a completed Preliminary Feasibility Study within 2 years for an additional 14% interest in the prospect.

Subsequent to the three months ended March 31, 2013, the Company signed a letter agreement (the "Letter Agreement") with B2Gold Corp. ("B2Gold") granting B2Gold an option to acquire a further 19% interest in a total of 322 km^2 of mineral concessions (the "Option Property") in north-east Nicaragua. At present, B2Gold currently controls a 51% interest in the Option Property and is the project operator, while Calibre controls the remaining 49%. In addition to the Option Property, the Company still controls a 100% interest in 463 km^2 of mineral concessions in the Mining Triangle of northeast Nicaragua.

The Letter Agreement dated April 24, 2013 confirms the agreement between Calibre and B2Gold to enter into a definitive Joint Venture Agreement ("JV Agreement") with respect to the Option Property, which will contain the option for B2Gold to earn an additional 19% interest in and to the Option Property for a total interest of 70% by spending $6 million in additional project expenditures over 3 years. In each 12-month period B2Gold must incur a minimum of $1.5 million of exploration and development expenditures on the Option Property. Upon entering into the JV Agreement, the original Option Agreement between Calibre and B2Gold (entered into in June 2009 and amended in July 2010 and October 2010) will terminate and be superseded by the JV Agreement.

The Company is also party to an option agreement with Alder Resources Ltd. ("Alder") (TSX.V: ALR), whereby Alder can earn a 65% interest in the 3,356 hectare Rosita D concession located within the Company's 100%-owned Borosi Project. Under the terms of the option agreement, Alder can earn a 65% interest in the Rosita D concession by expending a total of $4.0 million on exploration and other work on the concession and by issuing to the Company a total of 1,000,000 common shares of Alder over a 4 year period (of which 400,000 shares of Alder has been received by the Company). Alder will be acting as the project operator for all work conducted on the concession during the option period. Upon Alder earning a 65% interest in the Property a joint venture will be formed with the Company and Alder being responsible for their pro-rata share of all subsequent project expenditures.

Exploration Activities and Outlook for Significant Areas of Interest

During the three months ended March 31, 2013 and prior periods, the Company has focused its exploration of the Borosi Project on a number of key target areas summarized as follows:

Highlights from the Company's Exploration Activities to Date:

- *Primavera Gold-Copper Discovery – Under Option with B2Gold*

  The Primavera porphyry gold-copper discovery is located ten kilometres south of the historic Santa Rita copper-gold skarn mine in the Borosi Concessions of Northeast Nicaragua. The prospect is subject to the option agreement with B2Gold Corp. (as described above).

  Since 2011, the Company, along with B2Gold, has been systematically exploring the Primavera area including surveying and mapping, reconnaissance rock sampling, soil sampling, trenching and diamond drilling. The assay results from the initial phase I program confirmed the presence of wide spread gold and copper values. The area of interest covers a gold-copper soil anomaly of over 800 metres in length by 300 metres wide. The results received are consistent with "porphyry style" mineralization within volcanic and intrusive rocks. Highlights from the initial program included 276.80 metres grading 0.50 grams per tonne ("g/t") gold and 2146 parts per million ("ppm") copper (PR11-001); 261.70m grading 0.78 g/t gold and 2966 ppm copper (PR11-002); 172.35m at 0.48 g/t gold and 2401 ppm copper (PR-12-008) and 159.53m at 0.46 g/t gold and 2008 ppm copper (PR12-011).

  A phase II drilling program was completed in 2012 at the Primavera Gold and Copper Porphyry Project. The phase II program totaled 9,475 metres of drilling (for a total overall drilling program of 13,414 metres over 32 drill holes since the start of exploration at Primavera). The bulk of the phase II program was focused on the nearby soil geochemical anomalies at Copper Hill and a prominent structural target to the south of the main Primavera zone. In addition, two drill holes tested a prominent geophysical anomaly at Santa Juana, approximately 1.4km southeast of Primavera. Several drill holes south and west of the main Primavera zone show anomalous gold-copper values associated with porphyry style mineralization at depths exceeding 500 metres. Most importantly, the drilling indicates that the porphyry system continues to the north beneath alluvial cover. A comprehensive geophysical program was completed during 2012, with both air magnetic and radiometric surveys flown over the claim area.

  Highlights of the phase II program include drill hole PR12-016 which confirmed shallow continuity of porphyry style mineralization on the west side of the main Primavera Zone with 201.35m of 0.77 g/t gold and 0.36% copper. This indicates that copper grades may be increasing to the north and northwest. PR12-024 and several other holes crossed two major post mineral faults to the west and north of the main Primavera Zone and intersected anomalous zones also associated with porphyry style mineralization. Mineralization extends to the two faults and further work, needs to be carried out to determine the degree of fault offset. Results from drill hole PR12-024 indicate that the system continues to the north beneath alluvial cover. Hole 24 yielded several deep intervals including 17 metres of 0.39 g/t gold from 595 to 612 metres, 1.1 metres at 18.28 g/t gold, and 1.5 metres 11.95 g/t gold. These intervals were all associated with vein and stockwork mineralization in intrusion breccias and diorite although the high grades for gold are unusual. More drilling will be required in this area under the alluvium where the geophysical data indicate the presence of a large magnetic low.

(Expressed in Canadian Dollars)

Drilling to the south at Copper Hill has intersected zones of skarn and hornfels similar to the style of mineralization and alteration at the Santa Rita deposit in nearby Rosita which produced over 3 million pounds of copper, 177,737 ounces of gold, and 2,629,720 ounces of silver. Additional drilling may be needed to test for possible skarn deposits which are commonly associated with porphyry systems. The skarn mineralization lies about 1.5km to the southwest. Additional soil sampling is underway in this area.

B2Gold continues to advance the Primavera Gold-Copper porphyry discovery. The current work program is designed to identify the faulted off extensions to the high grade gold-copper mineralization intersected in the central portion of the Primavera zone. B2Gold has completed a series of pits to the north and northwest of the existing drilling and assays results are pending. In addition, B2Gold has announced a planned exploration program for Primavera that includes a budget of $2 million. This will fund a 1,500 metre drilling program, a geophysical interpretation, a detailed mapping and geological interpretation, as well as, a surface mapping and trenching program to help locate the potential continuation of the main zone beyond the faults.

- *Riscos de Oro Project and Trend – 100% Calibre Owned (not currently under any option agreement)*

The 100% Calibre owned Riscos de Oro ("Riscos") project is located 20 km northeast of the historic mining town of Rosita. Riscos is a southwest trending, low sulphidation epithermal gold-quartz vein system. The project is the site of a small scale open pit and underground mine in the 1970's which is reported to have produced 40,826 ounces of gold and 2,567,808 ounces of silver (Lehman, 1981).

On September 5, 2012, the Company announced its initial National Instrument 43-101 Inferred Resource Estimate at the 100% owned Riscos de Oro Deposit at the Borosi Project, northeast Nicaragua. The Inferred Resource is estimated at a cut off grade of 0.6 g/t Gold Equivalent ("AuEq") is 2,159,000 tonnes grading 3.20 g/t Au and 59.67 g/t Ag (4.14 g/t AuEq) containing 222,300 oz Au and 4,142,000 oz Ag (287,100 oz AuEq). AuEq is calculated using $1,264 oz Au for gold and $19.78 oz Ag for silver and metallurgical recoveries and net smelter returns are assumed to be 100%. The Riscos resource estimate is based on 9,494m in 37 diamond drill holes completed by Calibre in 2010 and 2011 as well as 22 existing drill holes totalling 3,126.8m. The drilling is generally spaced at 25m to 50m intervals along strike and down dip. Additional data related to historical drilling, underground development and past production was used to aid in the geological interpretation. Details of the inferred resource estimate are outlined below:

Zone	Tonnes	Grade (Au g/t)	Grade (Ag g/t)	Grade (AuEq g/t)	Contained Au (ounces)	Contained Ag (ounces)	Contained (ounces AuEq)
Upper	1,539,000	2.45	64.42	3.46	121,200	3,188,000	
Lower	620,000	5.07	47.87	5.82	101,100	954,000	
Total	2,159,000	3.20	59.67	4.14	222,300	4,142,000	287,100

1. CIM definition standards were followed for the resource estimate.

(Expressed in Canadian Dollars)

2. The 2012 resource models used Inverse Distance grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids.
3. A base cutoff grade of 0.6 g/t AuEq was used for reporting resources with capping of silver grades at 591 g/t.
4. A density of 2.65 g/cm^3 was applied.
5. Numbers may not add exactly due to rounding.
6. Gold Equivalent (AuEq) calculated using $1264 /oz Au for gold and $19.78/oz Ag for silver and metallurgical recoveries and net smelter returns are assumed to be 100%.
7. Mineral Resources that are not mineral reserves do not have economic viability
8. The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

The Company continues to advance the Riscos de Oro – El Paraiso trend. Additional work is planned including, trenching of the best soil and rock geochemical anomalies and follow-up diamond drilling testing the along-strike extension of the system. Initial results have been received for a step out trench completed on the Riscos trend, 500m northeast of the existing resource area. The trench returned 13.5m grading 3.26 g/t Au and 14.7 g/t Ag from two epithermal quartz veins. The results extend the Riscos structure 500m towards the northeast.

➢ *Inferred Resources – 100% Calibre Owned (not currently under any option agreement)*

The Riscos de Oro resource estimate complements the existing 100% Calibre owned gold and silver resources on the Borosi Project located at the La Luna deposit (10 km south of Riscos) and Cerro Aeropuerto deposit located 60 km southwest of Riscos. As outlined in the table below the 100% Calibre owned Inferred Resources on the Borosi Project total 1,057,750 ozs Au and 8,430,070 ozs Ag (1,190,000 oz AuEq):

Zone	Tonnes	Grade (Au g/t)	Grade (Ag g/t)	Grade (Aueq g/t)	Contained Au (ounces)	Contained Ag (ounces)	Contained Aueq (ounces)
La Luna	2,539,000	1.56	14.01	1.78	127,700	1,143,570	146,000
C. Aeropuerto	6,052,000	3.64	16.16	3.89	707,750	3,144,500	757,000
Riscos de Oro	2,159,000	3.20	59.67	4.14	222,300	4,142,000	287,000
Total					1,057,750	8,430,070	1,190,000

1. Resource models used Inverse Distance grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids and a base cutoff grade of 0.6 g/t.
2. Resource Estimates for La Luna and Cerro Aeropuerto detailed in Technical Report titled NI 43-101 Technical Report and Resource Estimation of the Cerro Aeropuerto and La Luna Deposits, Borosi Concessions, Nicaragua by Todd McCracken, dated April 11, 2011.
3. Numbers may not add exactly due to rounding.
4. Gold Equivalent (AuEq) for Riscos de Oro was calculated using $1264 /oz Au for gold and $19.78/oz Ag for silver, and metallurgical recoveries and net smelter returns are assumed to be 100%.
5. Gold Equivalent (AuEq) for La Luna and C. Aeropurto was calculated using $1058/oz Au for gold and $16.75/oz Ag for silver, and metallurgical recoveries and net smelter returns are assumed to be 100%.
6. Mineral Resources that are not mineral reserves do not have economic viability

➢ *Eastern Epithermal Gold-Silver District (Guapinol – La Sorpresa Trend)*

The Eastern Epithermal Gold-Silver District is in the north-eastern portion of the Borosi Concessions and contains the Riscos de Oro and La Luna gold-silver deposits. Recent work has focused on the recently identified Guapinol – La Sorpresa gold-silver trend. Work completed includes; 199 surface rock samples, 41 line km soil sampling (2055 samples), and reconnaissance geologic mapping over 27 km^2. Work to date has outlined multiple parallel, northeast oriented gold and silver bearing quartz vein systems. Surface rock results include 42.5 g/t Au, 2457 g/t Ag, 4468 ppm Pb and 1513 ppm Zn highlighting the high-grade nature of some veins. Long lived, small scale artisanal mining in the Guapinol and California areas confirms consistent gold grades in quartz veins. Planned work includes trenching of high priority soil and rock geochemical anomalies.

Historic drilling at the Guapinol gold-silver zone consisted of 16 diamond drill holes testing a single structure along 150 metres of strike length and down to a depth of approximately 80 vertical metres. Drilling highlights include: G-4; 1.84 m @ 2.33 g/t Au and 276.48 g/t Ag, G-6; 1.52 m @ 28.87 g/t Au and 21.87 g/t Ag, G-8; 3.10 m @ 13.08 g/t Au and 10.02 g/t Ag, and G-11; 0.5 m @ 32.43 g/t Au and 103.15 g/t Ag (see News Release Nov. 27, 2012). Mapping, prospecting and soil sampling completed in 2013 along the Guapinol-La Sorpresa trend successfully identified up to seven parallel veins in the immediate Guapinol prospect area while five new vein systems have been identified in the area of the La Sorpresa prospect. Other veins have been identified in the El Carmen and Pueblo Santo areas. Recent soil and rock results have further defined and extended the multiple parallel epithermal veins encountered in the Guapinol trend to a cumulative strike length of over 15.8 km. The majority of the veins occur within three main northeast oriented parallel systems.

At the La Sorpresa gold-silver target quartz veins have returned the highest grade surface gold and silver values to date from the entire region. Results from recent soil samples have defined the vein trends between low hills with quartz float material and through areas of low topographic relief. Several significant gold-silver rich rock samples have been returned from the La Sorpresa prospect including B13R3072 (14.2 g/t Au and 274 g/t Ag) that was collected from some artisanal workings that can be traced over 400 m. Sample B12R1057, collected from a sub-parallel vein system further to the west, returned 42.46 g/t Au and 340 g/t Ag from artisanal workings exposed over a 200 m strike length. Also of interest are samples B13R3081 and B13R3082 that contained 2457 g/t Ag and 1387 g/t Ag respectively. These subcrop rock samples were collected from a low northeast-southwest oriented hill that has no evidence of artisanal mining. Soil sampling has been completed around this hill in order to confirm the orientation of the mineralization and strike length of the system and results are pending.

- *Western Siuna Gold-Silver-Copper District*

The Siuna District is in the western portion of the Borosi Concessions. Exploration completed by Calibre has identified porphyry and skarn targets. The Siuna District is host to the historic La Luz mine which produced more than 2.5 million ounces of gold from open pit and several underground levels developed down to 450 metres below surface. The District also hosts the existing Cerro Aeropuerto Inferred resource containing 700,000 ounces of gold and 3.1M ounces of silver (6.05Mt @ 3.64 g/t Au and 16.2 g/t Ag), and the Cerro Potosi target. Calibre's recent exploration programs have concentrated on the northern extension of the mineralized belt 10 to 40 kilometres north of the La Luz mine. The two main targets Montes de Oro and La Virgen are defined by strong gold-copper soil anomalies which have now been tested by trenching.

The La Virgen prospect was defined through a combination of prospecting, stream sediment sampling and subsequent soil sampling and trenching that defined a broad Au-Cu-As anomaly over a 500 m x 1000 m area. The most anomalous results have been traced to a 200 m x 300 m area near the peak of Cerro La Virgen where a series of narrow northeast oriented diorite dikes (dipping steeply towards the southeast) cut siltstone units from the Todos Santos Formation. In trench exposures, the dikes range from 1.20 - 17.80 metres in width, are often strongly oxidized containing highly anomalous Au-Cu values, and are commonly located in close proximity to steeply dipping faults and shears. Propylitic style alteration and minor quartz veins are noted in the surrounding wall rocks, which can also contain anomalous Au-Cu values. A large diorite body, located to the south of this area, is believed to be the source of the dikes. Significant trench results from this area include: 45.00 m @ 0.40 g/t Au and 0.19% Cu including 9.00 m @ 1.39 g/t Au and 0.19% Cu (VTR12-001), 7.50 m @ 0.21 g/t Au and 0.12% Cu (VTR13-011), 3.80 m @ 0.77 g/t Au and 0.72% Cu (VTR13-012), 3.90 m @ 1.55 g/t Au and 0.14% Cu (VTR13-013) and 10.20 m @ 0.70 g/t Au and 0.11% Cu (VTR13-021).

The Montes de Oro prospect, located four kilometres to the northeast of La Virgen, was defined through prospecting and stream sediment sampling. A subsequent soil survey highlighted a strong coincident Au-As-Cu-Pb-Zn anomaly over a 400 m x 650 m area. Detailed mapping and excavation of trenches and pits has helped define an irregularly shaped diorite body which cuts northwest through the prospect area and intrudes porphyritic andesite and apparent rafts of siltstone and limestone from the Todos Santos Formation. A strong, steeply dipping northeast oriented fault system bounds the prospect to the south and appears to have concentrated fluids through the prospect area resulting in extensive propylitic and skarn style alteration, development of a 200 m x 500 m northeast oriented gossan zone, and areas of massive sulphides further towards the northwest. Work at the prospect is highlighted by trench MTR13-009 which intersected 9.00 m grading 10.76 g/t Au, 0.12% Cu and 5.86% Zn and by Pit 11 where a 2.00 m channel sample returned 27.18 g/t Au.

- *Rosita D Concession – Option Agreement with Alder*

The Rosita D concession is located within Calibre's 100% owned Borosi concessions. The project is located 10 kilometres north of the Primavera project. The concession is 3,356 hectares and contains the historic Santa Rita open pit copper-gold mine and the Bambana copper-gold prospect. The concession is subject to the terms of a joint venture agreement with Alder (discussed above). Alder is operator on the project.

The Rosita D concession hosted historic open pit production of 5.9 million tons at 2.06% copper and 0.925 g/t gold producing 305 million pounds of copper, 177,737 ounces of gold and 2,629,720 ounces of silver from 5,924,572 tons of ore. The mine closed in 1975 due to low copper prices. Recent work carried out by Calibre returned trench intercepts of 1.06 g/t gold, 0.96% copper and 9.33 g/t silver over 12.0 metres and 3.26% copper, 55.82 g/t silver and 0.15 g/t gold over 8.30 metres. The Bambana project area is located four kilometres northwest of the Santa Rita open pit. In 2010, Calibre completed three drill holes that returned intercepts of up to 0.43% copper over 42 metres and 0.51% copper and 0.25 g/t gold over 11.50 metres.

Exploration to date (from late 2011 to present) has included rock and soil sampling, trenching, and both reverse circulation and diamond drilling. The Phase 1 diamond drilling program included 20 holes totalling 5,908 metre. Eighteen of the holes were collared in the Santa Rita to R-13 corridor and two holes were drilled at Bambana to test high grade copper oxide mineralization below a trench and two benches. All of the holes intersected varying levels of copper, gold and silver mineralization.

On May 9, 2012, Alder announced the results of an independent NI 43-101 compliant inferred resource estimate for the stockpiles at Rosita. The resource estimate totals 108.5 million pounds of copper, 118,500 ounces of gold and 2.35 million ounces of silver contained within 7.95 million tonnes. The resource is based on a cut-off of 0.15% copper equivalent and averages 0.62% copper, 0.46 g/t gold, and 9.21 g/t silver, for a 1.01% copper equivalent. The estimate was completed by consulting firm Coffey Mining Pty. Ltd. and was based on 17 vertical channel samples and 55 reverse circulation drill holes completed by Alder over the stockpiles during the late 2011 and the first quarter of 2012.

In September 2012, further exploration results were announced at Rosita D, on numerous targets:

- On September 6, 2012, the Company announced further drill diamond drill holes located near and around the historic Santa Rita open pit. Highlights from the program included 8m grading 29.54 g/t Au from 240m (Hole D914). The results from the program help demonstrate the presence of bonanza gold values along a northwest-trending gold-bearing corridor. The mineralization is primarily gold with lesser amounts of silver and is distinct from the copper-gold-silver mineralization associated with skarn and diorite host rocks.

- On September 12, 2012, the Company announced the results for the final set of drill holes from the Phase 1 program at the Rosita D concession. Final results include a well mineralized intercept that returned 10m grading 1.42% Cu, 0.18 g/t Au, and 20.45 g/t Ag. The mineralization was intersected 120m below the base of the historic Santa Rita open pit.

  In addition, two holes from the Bambana prospect, four kilometres northwest of Rosita, returned 13m grading 1.23% Cu, 0.36 g/t Au and 10.63 g/t Ag (Hole D919) and 18m grading 1.74% Cu, 0.09 g/t Au and 16.65 g/t Ag (Hole D920).

Upcoming exploration will also be directed at further definition of the recently discovered high grade copper-gold-silver supergene enriched blanket at Tipispan that includes 7.48% Cu, 2.36 g/t Au and 316.13 g/t Ag over 6.5m and 5.21% Cu, 4.4 g/t Au and 144.01 g/t Ag over 12.1m in trenches.

Point Leamington, Newfoundland, Canada

The Company continues to own and keep in good standing a 100% interest in the Point Leamington mining lease in Newfoundland, Canada, originally acquired in 2004. The mining lease is subject to a 2% net smelter return royalty, which is held by a third party. The Company is currently evaluating alternatives to advance the Point Leamington Project.

(Expressed in Canadian Dollars)

Market trends

The price of the Company's common shares, and the consolidated financial results and exploration, development and other activities of the Company, may in the future be significantly and adversely affected by declines in the prices of gold and other metals or minerals. The Company's business is directly impacted on the prices of gold, silver, copper, and other metals being adequate to continue to develop and explore the properties in which it has an interest. For example, the price of gold has been increasing for more than five years. The following table highlights the average price of gold in each of the last five calendar years:

	Average Prices for the Period Shown
	Gold (US$/per oz.) [1]
Year Ended December 31, 2012	$1,669
Year Ended December 31, 2011	$1,572
Year Ended December 31, 2010	$1,225
Year Ended December 31, 2009	$972
Year Ended December 31, 2008	$872

[1] Estimates of average gold prices were obtained from information posted on www.kitco.com.

In addition, the Company incurs costs in Canadian and U.S. dollars and the Nicaraguan Cordoba in exchange rates could result in additional operational costs to the Company. Over the past few years, the Canadian dollar has strengthened against the U.S. dollar and Nicaraguan Cordoba. Significant fluctuations in foreign exchanges rates in countries where the Company operates are difficult to predict and could have a significant variance on the operations of the Company. The following table denotes the average market value of CDN $1 against the US and Nicaraguan currencies for each of the periods presented:

	Average Prices for the Period Shown [3]	
	US Dollar	**Nicaraguan Cordoba**
Year Ended December 31, 2012	$1.0002	C$23.1532
Year Ended December 31, 2011	$1.0115	C$22.3100
Year Ended December 31, 2010	$0.9686	C$20.3581
Year Ended December 31, 2009	$0.8798	C$17.3520
Year Ended December 31, 2008	$0.9435	C$17.9763

[3] Estimates of average foreign exchange rates for the US Dollar and Nicaraguan Cordoba were obtained from information posted on www.oanda.com.

Segmented information

The Company currently operates in one reportable operating segment, being the acquisition, exploration, and development of natural resource properties, which is conducted principally in Canada and Nicaragua. The Company is in the exploration stage and, accordingly, has no reportable segment revenues for any of the periods presented in the Company's Financial Statements. For further information regarding geographical data including assets based on location, please refer to Note 8 of the unaudited interim consolidated financial statements for the three months ended March 31, 2013 and Note 13 of audited consolidated financial statements for the years ended December 31, 2012 and 2011.

Selected Annual Information

Not applicable for interim management discussion and analysis.

Results of Operations

The following discussion and analysis of the Company's financial results of its operations should be read in conjunction with the Company's unaudited condensed consolidated financial statements for the three months ended March 31, 2013 and 2012:

Three Months Ended March 31, 2013 compared to Three Months Ended March 31, 2012

The Company's general and administrative costs were lower in 2013, totalling $385,090 compared to $1,127,910 in 2012. The key factors contributing to these expenses are as follows:

- Amortization expense decreased in 2013 to $2,957, from $6,174 in 2012. The decrease is a result of the Company not purchasing any significant corporate or administrative property and equipment in 2013 or 2012.

- Audit and accounting fees decreased in 2013 to $14,981 from $24,450 in 2012. These charges are billed by the Company's external auditor for services provided in auditing (and auditing related services) as it pertains to our Company's annual financial statements for the subject year and for regulatory requirements as they occur.

- Consulting fees increased in 2013 to $108,250 from $47,000 in 2012. During 2013, the Company engaged in consultants to carry on regular operations.

- Office and rent expenses increased to $40,159 in 2013 from $32,137 in 2012. The costs for each of the years reflect the Company's rental premises in Canada and associated office supplies, postage and printing costs incurred. The increase was the result of early preparations for the Company's annual general and special meeting in 2013.

- Salaries and wages increased in 2013 to $68,975 from $41,899 in 2012. The increase was the result of the Company hiring a full-time, permanent, CEO and President in the second half of 2012.

- Stock-based compensation was $100,274 in 2013 compared to $790,776 in 2012. The fair value of the options expensed was estimated at the date of grant using the Black-Scholes option pricing model (the assumptions used for the fair value calculation are discussed in the Financial Statements). During the three months ended March 31, 2012, the Company issued a number of options to employees, directors and consultants of the Company, a portion of which vested immediately, and this resulted in an increase in 2012 stock based compensation expense.

- During the three months ended March 31, 2013, marketing, trade shows and conferences decreased to $22,522 from $160,929 in 2012. For the 2012 period, the Company looked to increase its marketing efforts through more extensive use of social media, advertising publications, third party website platforms and attendance in trade shows and conference. The promotional effort was made in conjunction with the Company's discovery at Primavera.

(Expressed in Canadian Dollars)

The Company's other income (losses) increased for the three months ended March 31, 2013, totalling a gain of $68,575 compared to a loss of $29,660 for 2012. The majority of the other income is attributed to foreign exchange gain. The operations of the Company are impacted by the fluctuations in the US Dollar and Nicaraguan Cordoba against the Canadian Dollar. Significant fluctuations in foreign exchange rates in countries where the Company operates are difficult to predict and could have a significant variance on the Company's future operations.

Summary of Quarterly Results

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

	March 2013	December 2012	September 2012	June 2012
Total revenues	$Nil	$Nil	$Nil	$Nil
Loss before discontinued operations and extraordinary items	$316,515	$473,395	$511,965	$536,553
Basic and diluted loss per share before discontinued operations and extraordinary items	$0.00	$0.00	$0.00	$0.00
Net loss for the period	$316,515	$473,395	$511,965	$536,553
Basic and diluted loss per share for the period	$0.00	$0.00	$0.00	$0.00

	March 2012	December 2011	September 2011	June 2011
Total revenues	$Nil	$Nil	$Nil	$Nil
Loss before discontinued operations and extraordinary items	$1,157,570	$1,561,370	$250,153	$598,235
Basic and diluted loss per share before discontinued operations and extraordinary items	$0.01	$0.01	$0.00	$0.00
Net loss for the period	$1,157,570	$1,561,370	$250,153	$598,235
Basic and diluted loss per share for the period	$0.01	$0.01	$0.00	$0.00

The variation seen over the above quarters is primarily dependent upon the success of the Company's on-going property evaluations and acquisition program and the timing and results of the Company's exploration activities on its current properties, none of which is possible to predict with any accuracy.

The Company will continue to incur losses until such time as the commercial development of a discovery or an acquisition results in positive earnings. The above losses are also impacted by the amount of stock options granted in any given period which can give rise to significant stock-based compensation expenses.

During the three months ended March 31, 2012, the Company included $790,776 of stock based compensation related to options granted to employees, directors, and consultants of the Company.

During the three months ended December 31, 2011, the Company included a write off of the Point Leamington, Newfoundland exploration and evaluation costs totalling $1,271,933 as a result of focusing on its Borosi Project concessions in Nicaragua.

During the three months ended June 30, 2011, the Company paid severance payments to a former director and officer of the Company totalling $217,809.

Liquidity

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

Other than those obligations disclosed in the notes to its Financial Statements and discussed in this MD&A, the Company has no other long-term debt, capital lease obligations, operating leases or any other long-term obligations.

As at March 31, 2013, the Company had working capital of $2,600,824 compared to working capital of $3,601,426 as at December 31, 2012. The Company's working capital as at March 31, 2013 includes cash of $2,425,049 (December 31, 2012 - $3,583,868). The decrease in cash is attributed to the expenditures on the exploration and evaluation projects in Nicaragua and for general and administrative expenses within the three months ended March 31, 2013.

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

The Company's cash is invested in business accounts with a major Canadian financial institution, and is available on demand for the Company's programs, and are not held in any asset backed commercial paper investments.

Capital Resources

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

As at May 29, 2013, the Company has approximately 26.1 million stock options and warrants outstanding which, if exercised, would bring a further $7.2 million to the Company's treasury upon exercise.

Subsequent to the three months ended March 31, 2013, the Company received regulatory approval to have an aggregate of 4,475,000 stock options for the purchase of an aggregate of 4,475,000 common shares of the Company having an exercise price of $0.49 per share to be re-priced to an exercise price of $0.15 per share. Of the 4,475,000 options granted, 675,000 were granted to non-insiders of the Company and 3,800,000 were granted to insiders of the Company. As required by the policies of the TSX Venture Exchange ("Exchange"), all re-priced options held by insiders of the Company are subject to disinterested shareholder approval at the next annual and special general meeting (the "Meeting") for the Company. All other terms of the stock options, including the option term, remain the same. On May 22, 2013, at the Meeting, the shareholders approved the re-pricing of the 3.8 million options granted to insiders.

In conjunction with the Letter Agreement (discussed above with B2Gold), the Company applied and received regulatory approval to amend the terms of 10 million common share purchase warrants (the "Warrants") of the Company held by B2Gold. The Warrants issued to B2Gold were issued pursuant to a non-brokered private placement of 20 million units at a price of $0.25 per unit, which closed on May 2, 2012. Each unit consisted of one common share and one-half of one Warrant, which each Warrant entitling B2Gold to purchase an additional common share of the Company until May 2, 2013 at an exercise price of $0.50. Pursuant to the amendments, the Warrants would be amended by extending the term of the Warrants by one additional year from May 2, 2013 to May 2, 2014 (the "Amended Expiry Date") and by reducing the exercise price of the Warrants from $0.50 to $0.10 (the "Amended Exercise Price").

If during the term of the amended Warrants, the closing price of the Company's common shares on the Exchange exceeds during a period of 10 consecutive trading days the Amended Exercise Price by 25% then the Amended Expiry Date will be deemed to be automatically accelerated as a result of which the amended Warrants will expire on the earlier of the 37th calendar day following the tenth trading day and the Amended Expiry Date. All other terms and conditions of the Warrants remained the same.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

(Expressed in Canadian Dollars)

Transactions with Related Parties

a) *Key management personnel and compensation*

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

	Three Months Ended March 31, 2013	Three Months Ended March 31, 2012
Short-term benefits (i)	$ 62,500	$ 37,500
Share-based payments (ii)	$ -	$ 1,221,248
Director fees paid	$ 5,000	$ -
Consulting and advisory fees to key persons	$ 88,545	$ 30,000
Geological fees paid to an officer of the Company	$ -	$ 30,000

(i) Short-term benefits include salaries and benefits paid to key management personnel.

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

(III) Key management personnel did not receive any termination benefits for any of the periods presented.

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

b) *Key management commitments*

a. The Company has management employee and consulting agreements in place with terms ranging up to two years. The Company may terminate these agreements for any reason (other than by the expiry of the term) with a lump sum payment equal to the key employee's or consultant's annual compensation. The aggregate annual compensation for senior executive employees or consultants of the Company is $425,000.

b. The Company has a consulting agreement with Featherstone Capital Inc., a company controlled by two of the Company's directors, to provide corporate development and financial advisory services for a retainer of $10,000 per month.

c. The Company has a consulting agreement with a company controlled by a director of the Company to provide management fees for a retainer of $5,000 per month.

d. The Company has a consulting agreement with a company controlled by the Company's Chief Financial Officer and Corporate Secretary whereby the Company agrees to pay a consulting fee for services ordinarily provided by a Chief Financial Officer totalling $14,583 per month.

Fourth Quarter

Not applicable.

Proposed Transactions

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

Critical Accounting Estimates

The Company's significant accounting policies are presented in Note 3 of the audited Financial Statements for the year ended December 31, 2012. The preparation of these financial statements in accordance with IFRS requires the Company to make assumptions, estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent assets and liabilities. The Company evaluates its estimates on an on-going basis. Such estimates are based on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of revenues and expenses that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

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

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

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

<u>Resource estimates</u>

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

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

Change in Accounting Policies including Initial Adoption

The condensed interim financial statements for the three months ended March 31, 2013 should be read together with the Company's annual financial statements for the year ended December 31, 2012. The Company's accounting policies are set out therein, and have been consistently applied to all periods presented in the preparation of the condensed interim financial statements, except as noted below.

a) *Changes in functional currency*

In the quarter ended March 31, 2013, the Company determined that the functional currency of its subsidiary; CXB Nicaragua S.A. based in Nicaragua changed from Canadian dollars to United States dollars as a result of the change described in Note 5a) with regards to the Borosi Project. As a result, all translation of goods and services in a foreign currency is re-measured to the functional currency of the Nicaraguan subsidiary with gains and losses recorded in the condensed consolidated interim statement of loss.

Effective January 1, 2013, items included in the financial statements of each of the group's entities are measured using the functional currency. The functional currency of Calibre Mining Corp. (the parent company) continues to be the Canadian Dollar, while the functional currency of its wholly owned subsidiary, CXB Nicaragua S.A., in Nicaragua, is the US Dollar. The presentation currency of the consolidated financial statements is the Canadian Dollar.

b) *Newly adopted accounting standards*

The following accounting standards are effective and implemented as of January 1, 2013 and did not have a significant impact on the condensed consolidated interim financial statements of the Company:

(i) IAS 1, "*Presentation of Financial Statements*", was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive income with US GAAP standards. Items in other comprehensive income will be required to be presented in two categories: items that will be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two statements of profit and loss and other comprehensive income remains unchanged.

(ii) IAS 27, "*Separate Financial Statements*", has the objective of setting standards to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate financial statements.

(iii) IAS 28, "*Investments in Associated and Joint Ventures*", prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. This standard applies to all entities that are investors with joint control of, or significant influence over, an investee (associate or joint venture).

(iv) IFRS 10, "*Consolidated Financial Statements*" ("IFRS 10"), provides a single model to be applied in the control analysis for all investees, including entities that currently are special purpose entities in the scope of Standing Interpretations Committee Standards ("SICs") 12. In addition, the consolidation procedures are carried forward substantially unmodified from IAS 27, "*Consolidated and Separate Financial Statements*".

(v) IFRS 11, "Joint Arrangements" ("IFRS 11"), replaces the guidance in IAS 31, "*Interests in Joint Ventures*". Under IFRS 11, joint arrangements are classified as either joint operations or joint ventures. IFRS 11 essentially carves out a previously controlled entities, those arrangements which although structured though a separate vehicle, such separation is ineffective and the parties to the arrangement have rights to the assets and obligations for liabilities and are accounted for as joint operations in a fashion consistent with jointly controlled assets/operations under IAS 31. In addition, under IFRS 11, joint ventures are stripped of the free choice of equity accounting or proportionately consolidated net asset value into a single investment balance at the beginning of the earliest period presented. The investments, opening balance is tested for impairment in accordance with IAS 28, "*Investments in Associates*" and IAS 36, "*Impairments of Assets*". Any impairment losses are recognized as an adjustment to opening retained earnings at the beginning of the earliest period presented.

(vi) IFRS 12, "Disclosure of Interest in Other Entities" ("IFRS 12") requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

(vii) IFRS 13, "Fair Value Measurement" converges IFRS and US GAAP on how to measure fair value and the related fair value disclosures. The new standard creates a single source of guidance for fair value measurements, where fair value is required or permitted under IFRS, by not changing how fair value is used but how it is measured.

c) Recent accounting pronouncements not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods after March 31, 2013 or later periods. Updates which are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted by the Company and are being evaluated to determine their impact:

(i) IAS 32, "*Financial Instruments: Presentation*" ("IAS 32") was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014 with earlier adoption permitted.

(ii) IFRS 9 "*Financial Instruments*" ("IFRS 9") was issued November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. This standard is required to be applied for accounting periods beginning on or after January 1, 2015 with early adoption permitted.

Financial Instruments and Other Instruments

Fair Value and Hierarchy

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

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

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

Marketable securities are recorded at fair value and are measured using Level 1. Receivables, deposits and advances and accounts payable and accrued liabilities approximate their fair values due to their short term to maturity.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full as they become due (see Note 1 of the audited financial statements for the year ended December 31, 2012). The Company manages liquidity risk through the management of its capital structure, as outlined in Note 4 of the financial statements for the three months ended March 31, 2013. One of management's goals is to maintain an optimal level of liquidity through the active management of the Company's assets, liabilities, and cash flows. The Company's cash and cash equivalents are held as cash deposits which are available on demand to fund the Company's short-term financial obligations. Trade and other payables are due within the current operating period.

Credit risk

Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfill their commitments to the Company. The Company's credit risk is primarily attributable to its cash and cash equivalents and receivables. The carrying value of these instruments represents the Company's maximum exposure to credit risk. The Company limits exposure to credit risk by maintaining the significant majority of its cash with a large chartered Canadian banking institution. The significant majority of receivables are from its joint venture partners and relate to project expenditures in Nicaragua incurred during 2013 and 2012. The remaining credit risk in receivables is considered low by management as they consist primarily of amounts owing from government authorities in relation to the refund of goods and services taxes in Canada applying to inputs for qualified expenditures.

The Company does not have financial assets that are invested in asset backed commercial paper.

Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian dollar and other foreign currencies, especially the United States dollar. The Company monitors commodity prices to determine the appropriate course of action to be taken. However, as the Company has not developed commercial mineral interests, it is not exposed to significant commodity price risk at this time.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's interest rate risk arises primarily from the interest received on its cash balances. The Company manages its interest rate risk by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Based on cash balances held at March 31, 2013, the effect of a one basis point increase or decrease in interest rates on net loss is not considered significant. The Company's other financial assets and liabilities are not subject to interest rate risk, as they do not bear interest.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. The Company's functional currencies are the Canadian dollar and US dollar and the reporting currency is the Canadian dollar. The Company incurs foreign currency risk on purchases that are denominated in a currency other than the functional currencies of the Company, which will have an impact on the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company's main risks are associated with fluctuations in the Nicaraguan Cordoba ("COR") and the US dollar ("USD"). The Company does not enter into any foreign exchange contracts to mitigate these risks. Based on management's analysis, the effect on these instruments held at March 31, 2013 of a five percent increase or decrease in foreign exchange rates on net loss is not considered significant.

(Expressed in Canadian Dollars)

Other MD&A Requirements

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

Additional Disclosure for Venture Issuers Without Significant Revenue

For additional disclosures concerning the Calibre's general and administrative expenses and a breakdown of the exploration and evaluation assets, please refer to the Company's Financial Statements for the three months ended March 31, 2013 that are available on the Company's website at www.calibremining.com or on the SEDAR website at www.sedar.com. The Company discusses the activities at each of the projects above in *Business Overview and Overall Performance*.

The Company does not have any capitalized or expensed research and development costs or any deferred development costs for the three months ended March 31, 2013 and 2012.

Disclosure of Outstanding Share Data

The following describes the outstanding share data of the Company as at May 29, 2013. For further information and details concerning outstanding share data, options, and warrants, see Note 6 and the Consolidated Statements of Changes in Shareholders' Equity, included in the unaudited Financial Statements for the three months ended March 31, 2013:

	Number Outstanding
Common shares	187,910,918
Options to purchase common shares	16,105,000
Warrants to purchase common shares	20,000,000

Additional Disclosure for Reporting Issuers with Significant Equity Investees

Not applicable.

Risk Factors

The Company's principal activity of mineral exploration is considered to be very high risk. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, commodity prices, political and economic, with some of the most significant risks being:

- Substantial expenditures are required to explore for mineral reserves and the chances of identifying economical reserves are extremely small;
- The junior resource market, where the Company raises funds, is extremely volatile and there is no guarantee that the Company will be able to raise funds as it requires them;
- Although the Company has taken steps to verify title to the mineral properties it has an interest in or is earning into, there is no guarantee that the property will not be subject to title disputes or undetected defects; and

- The Company is subject to the laws and regulations relating to environmental matters, including provisions relating to reclamation, discharge of hazardous material and other matters. The Company conducts its exploration activities in compliance with applicable environmental protection legislation and is not aware of any existing environmental problems related to its properties that may cause material liability to the Company.

For further detailed discussions on the various risks associated with the Company's industry, business, and other, please refer to the Company's annual MD&A for the year ended December 31, 2012, which can be located on the Company's website, www.calibremining.com, or on the SEDAR website, www.sedar.com.

Internal Controls and Disclosure Controls over Financial Reporting

On November 23, 2007, the British Columbia Securities Commission in which the Company is registered exempted Venture Issuers from certifying disclosure controls and procedures, as well as, Internal Controls over Financial Reporting as of December 31, 2007, and thereafter. Since the Company is a Venture Issuer, it is now required to file basic certificates, which it has done for the three months ended March 31, 2013. The Company makes no assessment relating to establishment and maintenance of disclosure controls and procedures as defined under Multilateral Instrument 52-109 as at March 31, 2013.