CALIBRE
MINING CORP

# MANAGEMENT DISCUSSION & ANALYSIS

## YEARS ENDED DECEMBER 31, 2022 AND 2021

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## MANAGEMENT DISCUSSION AND ANALYSIS

This Management 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 the years ended December 31, 2022 and 2021. This MD&A should be read in conjunction with the financial statements for the years ended December 31, 2022 and 2021, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A has been prepared as at February 22, 2023.

Additional information including this MD&A, the audited consolidated financial statements for the years ended December 31, 2022 and 2021, 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, 2022 and 2021 are condensed to be Q4 2022 and Q4 2021, respectively, and the years ended December 31, 2022 and 2021 are abbreviated as 2022 and 2021, 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"). In addition to its mining operations, Calibre continues to explore and develop several gold prospects at 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.

Calibre is incorporated under the laws of British Columbia, Canada and maintains its corporate head office at Suite 1560 – 200 Burrard Street, P.O. Box 49167, Vancouver, British Columbia, Canada, V6C 3L6. 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 2022 and 2022, along with their comparative prior periods. Additional information including operational and financial information is provided throughout this MD&A.

### Consolidated Financial Results [1]

| *(in $'000s - except per share and per ounce amounts, as noted)* | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| Revenue | **$ 107,046** | $ 88,109 | **$ 403,072** | $ 328,132 |
| Cost of sales, including depreciation and amortization | **$ (78,697)** | $ (64,850) | **$ (299,469)** | $ (223,883) |
| Mine operating income | **$ 28,349** | $ 23,259 | **$ 103,603** | $ 104,249 |
| Net income | **$ 14,502** | $ 14,649 | **$ 43,344** | $ 58,199 |
| Net income per share - basic | **$ 0.03** | $ 0.04 | **$ 0.10** | $ 0.17 |
| Net income per share - fully diluted | **$ 0.03** | $ 0.04 | **$ 0.09** | $ 0.16 |
| Adjusted net income [2] | **$ 12,882** | $ 15,456 | **$ 51,422** | $ 59,842 |
| Adjusted net income per share - basic | **$ 0.03** | $ 0.05 | **$ 0.12** | $ 0.18 |
| Cash provided by operating activities | **$ 28,064** | $ 22,389 | **$ 96,657** | $ 105,600 |
| Capital investment in mine development and PPE | **$ 30,041** | $ 11,520 | **$ 98,788** | $ 63,029 |
| Capital investment in exploration | **$ 7,083** | $ 6,710 | **$ 46,403** | $ 21,357 |
| Gold Ounces Produced | **61,294** | 49,218 | **221,999** | 182,755 |
| Gold Ounces Sold | **61,461** | 49,207 | **222,991** | 183,242 |
| Average realized gold price [2] ($/oz) | **$ 1,742** | $ 1,791 | **$ 1,808** | $ 1,791 |
| Total Cash Costs [2] ($/oz sold) | **$ 1,097** | $ 1,026 | **$ 1,129** | $ 1,013 |
| AISC [2] ($/oz sold) | **$ 1,236** | $ 1,139 | **$ 1,259** | $ 1,136 |

Notes

(1) Consolidated financial and operational results for YTD 2022 includes the results from the United States Assets acquired and discussed in the section *Recent Corporate Developments*, since their acquisition, from the period of January 12, 2022 to December 31, 2022 only.

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

### Consolidated Operational Results

| *NICARAGUA* | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| Ore Mined *(t)* | **415,543** | 559,953 | **1,489,753** | 2,092,598 |
| Ore Milled *(t)* | **460,181** | 579,891 | **1,615,039** | 1,958,580 |
| Grade *(g/t Au)* | **3.70** | 2.99 | **3.87** | 3.19 |
| Recovery (%) | **93.1** | 90.1 | **90.9** | 91.7 |
| Gold Ounces Produced | **49,854** | 49,218 | **180,490** | 182,755 |
| Gold Ounces Sold | **50,032** | 49,207 | **180,875** | 183,242 |

| *UNITED STATES* | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| Ore Mined *(t)* | **1,889,721** | - | **5,338,896** | - |
| Ore Placed on Leach Pad | **1,866,270** | - | **5,322,621** | - |
| Grade *(g/t Au)* | **0.39** | - | **0.39** | - |
| Gold Ounces Produced | **11,440** | - | **41,509** | - |
| Gold Ounces Sold | **11,429** | - | **42,117** | - |

### Q4 2022 Highlights

- Consolidated gold production of 61,294 ounces
  - Limon produced 18,244 ounces from 120,815 tonnes of ore with an average grade of 5.36 g/t Au and average recoveries of 88.6%

  - Libertad produced 31,611 ounces from 339,366 tonnes of ore with an average grade of 3.11 g/t Au and average recoveries of 94.7%
  - Pan Mine produced 11,440 ounces from 1,866,270 tonnes of ore placed on the leach pad with an average grade of 0.39 g/t Au

- Gold sales during the quarter of 61,461 ounces (Q4 2021 – 49,207 ounces) grossing $107.0 million in revenue (Q4 2021 - $88.1 million) which resulted in an average realized gold price of $1,742/oz (Q4 2021 - $1,791/oz)
- Net income of $14.5 million (Q4 2021 – $14.6 million); basic net income per share of $0.03 (Q4 2021 – $0.04)
- Adjusted net income of $12.9 million or $0.03 per share on a non-diluted basis
- Consolidated Total Cash Costs and AISC of $1,097 and $1,236 per ounce, respectively for Q4 2022 ($1,026 and $1,139 for Q4 2021, respectively)
- Significant operational and exploration developments in Q4 2022 included:
  - Multi-rig exploration drill programs were active across all 100%-owned mine sites and satellite opportunities. During the quarter, approximately 16,000 metres of drilling were completed between Nevada and Nicaragua with the following notable results:

    Panteon Norte the North VTEM Trend in Nicaragua
    - 11.61 g/t gold over 9.3 m in hole LIM-22-4701;
    - 22.47 g/t gold over 4.9 m in hole LIM-22-4691; and
    - 13.14 g/t gold over 8.4 m in hole LIM-22-4659

    Gold Rock Project in Nevada
    - 6.8 g/t gold over 24.4 m in hole GR22-102; and
    - 6.6 g/t gold over 5.8 m in hole GR22-015

  - During the quarter, the ore transport team attained an average delivery rate of 1,864 ore tonnes per day (“tpd”) to the Libertad mill from the Pavon Norte and Limon mines, compared to the Q4 2021 average delivery rate of 1,918 tonnes per day.
  - Further expanded details on Calibre’s Q4 2022 activity and exploration plans are outlined in the *Growth and Discovery* section of this MD&A

### 2022 Milestones and Highlights

- Consolidated gold production of 221,999 ounces
  - Limon produced 76,171 ounces from 494,481 tonnes of ore with an average grade of 5.31 g/t Au and average recoveries of 89.2%
  - Libertad produced 104,319 ounces from 1,120,559 tonnes of ore with an average grade of 3.23 g/t Au and average recoveries of 92.1%
  - Pan Mine produced 41,509 ounces from 5,322,621 tonnes of ore placed on the leach pad with an average grade of 0.39 g/t Au from January 12 through December 31, 2022
- Gold sales of 222,991 ounces (2021 – 183,242 ounces) grossing $403.1 million in revenue (2021 - $328.1 million), at an average realized gold price of $1,808/oz (2021 - $1,791/oz)
- Cash from Operating Activities of $96.7 million (2021 - $105.6 million)
- Net income of $43.3 million (2021 – $58.2 million), with basic net income per share of $0.10 (2021 – $0.17)
- Consolidated Total Cash Costs and AISC of $1,129 and $1,259 per ounce, respectively for 2022 ($1,013 and $1,136 for 2021)

- Announced a 278% increase in the Nicaraguan Mineral Reserves to approximately 1,082,000 ounces gold, net of depletion since acquisition in 2019, and with a 16% increase in grade year over year to 5.37 g/t gold. Nevada's Mineral Reserves increased by 23% to 234,000 ounces gold, net of depletion.
- Significant progress on our World Gold Council Responsible Mining Principles self-assessment
- The Company launched its first Five-Year Sustainability Strategy
- Significant exploration and operational developments in 2022 included:
  - Multi-rig exploration drill programs were active across all 100%-owned mine sites and satellite opportunities. During 2022 approximately 179,000 metres of drilling have been completed between Nevada and Nicaragua with the following notable results:

    Pavon South in Nicaragua:
    - 11.56 g/t gold over 12.4 m ETW from 37.6 m in hole PVS-21-004;
    - 11.75 g/t gold over 3.9 m ETW from 81.2 m in hole PVS-21-014

    Panteon Norte in Nicaragua:
    - 66.03 g/t gold over 5.6 m in hole LIM-22-4630; 52.59 g/t gold over 3.8 m in hole LIM-22-4662;
    - 43.09 g/t gold over 3.3 m in hole LIM-22-4647; 30.33 g/t gold over 5.0 m in hole LIM-22-4628;
    - 22.55 g/t gold over 4.9 m in hole LIM-22-4632; 26.02 g/t gold over 8.1 m in hole LIM-22-4665;
    - 22.47 g/t gold over 4.9 m in hole LIM-22-4691;

    Pan Mine in Nevada:
    - 1.02 g/t gold over 50.3 m in hole PR21-045; 1.29 g/t gold over 18.3 m in hole PR21-053;
    - 1.41 g/t gold over 24.4 m in hole PR21-032; and 3.35 g/t gold over 18.3 m in hole PR21-087

    Gold Rock Project in Nevada:
    - 2.61 g/t gold over 37.0 m, and 0.95 g/t gold over 23.5 m in hole GC20-020;
    - 3.10 g/t gold over 18.3 m in hole GR22-005; 3.36 g/t gold over 22.9 m in hole GR22-007;
    - 6.8 g/t gold over 24.4 m in hole GR22-102; 6.6 g/t gold over 5.8 m in hole GR22-015; and
    - 3.0 g/t gold over 19.2 m in hole GR22-001
  - Attained an average delivery rate of 1,934 tonnes per day of ore from the Pavon Norte mine and Limon to the Libertad mill, a 14% increase over the 2021 average delivery rate of 1,694 tonnes per day

## RECENT CORPORATE DEVELOPMENTS

### Acquisition of Fiore Gold Ltd.

On January 12, 2022, the Company completed the closing of the transaction with Fiore Gold Ltd. ("Fiore), whereby the Company acquired all of the issued and outstanding common shares of Fiore pursuant to a court-approved plan of arrangement (the "Transaction"). Calibre acquired a 100% interest in Fiore's gold producing Pan Mine, the adjacent advanced-stage, federally 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 intrinsic exploration potential.

Pursuant to the terms of the Transaction, Fiore shareholders received 0.994 of a Calibre common share and CAD $0.10 in cash for each Fiore common share held (the "Consideration"). As a result of the Transaction, Calibre issued an aggregate of 101,321,923 Calibre Shares and made an aggregate cash payment of approximately CAD $10.2 million.

The Company has determined that this acquisition is a business combination for accounting purposes. The purchase price allocation process resulting from a business combination requires management to estimate the fair value of identifiable assets acquired including intangible assets and liabilities assumed including any contingently payable purchase price obligations due over time. The Company uses valuation techniques, including forecasted future net cash flows discounted to present value. These valuations are closely linked to the assumptions used by management on the future performance of the related assets and the discount rates applied. The determination of fair value involves making estimates relating to acquired assets and liabilities including property and equipment, mine restoration provision and mineral property interests. For further analysis and details on the fair value of the consideration and the preliminary purchase price allocation to the identified assets acquired and liabilities assumed, refer to Note 5 of the financial statements for the years ended December 31, 2022 and 2021.

**Highlights of the transaction**

- Creates a diversified, Americas-focused, growing mid-tier gold producer with targeted annual gold production of approximately 245,000 ounces[1]
- Strong free cash flow generation to fully fund organic growth initiatives.
- Growth driven by near-term development of the federally permitted and fully-funded Gold Rock Project in Nevada and the EBP in Nicaragua
- Establishes a Nevada base of operations with a substantial underexplored 222 $km^2$ land package.
    - Multiple near-mine, high impact exploration targets to support mineral reserve and mine life expansion.
- Long-term optionality from the Golden Eagle project in Washington State

For further information, refer to the Company's press release dated January 12, 2022 available on the Company's website at www.calibremining.com and on Calibre's profile on www.sedar.com.

### Termination Option Earn-in and Strategic Alliance Agreements with Rio Tinto Exploration Canada Inc.

On June 28, 2022, Rio Tinto Exploration ("RTX") terminated the Strategic Alliance Agreement dated as of February 23, 2020 between RTX and Calibre. RTX also terminated the Option Agreement dated as of February 23, 2020 between RTX and Calibre, CXB Nicaragua S.A., and Calibre Mining Nicaragua S.A.

RTX has an internal prioritisation process which weighs both technical results and operational risk to ensure their exploration funds are directed to the best portfolio opportunities. Following the Nicaraguan exploration program conducted from 2020-2022, the Nicaragua portfolio of projects associated with Calibre did not achieve sufficient priority within RTX's global copper portfolio to support their continuation. Consequently, the decision was made by RTX to exit the projects and commercial agreements with the Company. RTX will work closely to transition all data and information to Calibre to allow the Company to continue the work in the area as the sole operator.

Refer to Note 12 of the financial statements for the years ended December 31, 2022 and 2021 for the reclassification of costs associated with the termination of this agreement.

### Significant Reserves and Resources Update

On February 14, 2023, Calibre announced its updated Mineral Reserves and Resources at both the Nicaraguan and Nevada operations. Highlights include:

**Nicaragua 2022 Mineral Resource and Mineral Reserve Highlights**

- 16% increase in the Nicaraguan Mineral Reserve grade to 5.37 g/t gold (2021: 4.62 g/t gold);
- 278% increase in the Nicaraguan Mineral Reserves to approximately 1,082,000 ounces gold, net of depletion since acquisition in 2019;

[1] Based on the average of 2022E – 2023E consensus estimates from available research analyst reports.

- Largest Nicaraguan Mineral Reserve estimate, at a record grade of 5.37 g/t gold, for the combined assets in 12 years;
- Panteon North Maiden Mineral Reserve estimate, discovered in May 2022, added approximately 244,000 ounces (0.8Mt at 9.45 g/t Au) to the Nicaraguan Mineral Reserves, and**;**
- The trend towards higher grades is anticipated will lead to lower per ounce costs.

**Nevada 2022 Mineral Resource and Mineral Reserve Highlights**

- 23% increase in pit-constrained Pan Mine Mineral Reserves to 234,000 ounces gold, net of depletion; and
- 12% increase in Pan Mine Measured and Indicated Mineral Resource to 359,000 ounces gold.

For further information, refer to the Company's press release dated February 14, 2023 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.

## COMPANY OUTLOOK

Since acquiring the Nicaraguan assets from B2Gold in October 2019 and Fiore Gold in 2022, the Calibre has consistently re-invested into the business with demonstrated results of significant production growth, reserve growth, and discovery of new deposits, all of which positions Calibre to grow production both in Nicaragua and Nevada.

Calibre has updated its 2023 growth and exploration capital guidance to reflect approved activities. Exploration guidance is marginally higher than that of 2022 in both Nevada and Nicaragua as we continue to see success in our discovery drilling, resource delineation, infill, and geotechnical drilling as well as early-stage generative exploration to test numerous satellite targets across all assets. Growth capital guidance is similar to the 2022 actuals, as a result of the on-going construction of the Eastern Borosi mine and development of the Pavon Central mine.

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.

The following table outlines the full-year 2023 production and cost guidance:

| | Consolidated 2023 Guidance | Nicaragua 2023 Guidance | Nevada 2023 Guidance |
|---|---|---|---|
| **Gold Production** *(oz)* | 250,000 - 275,000 | 210,000 - 230,000 | 40,000 - 45,000 |
| **Total Cash Costs** *($/oz)* | $1,000 - $1,100 | $950 - $1,050 | $1,300 - $1,400 |
| **AISC** *($/oz)* | $1,175 - $1,275 | $1,100 - $1,200 | $1,350 - $1,450 |
| **Growth Capital** *($ millions)* | $55 - $65 | | |
| **Exploration** *($ millions)* | $25 - $30 | | |

Nicaragua 2023 gold production is forecast to increase approximately 15% year over year with production ramping up during the second half of 2022 tied to commissioning the Eastern Borosi mine.

Total Cash Costs for 2023 are forecast to be slightly lower than 2022 mainly due to higher forecasted production and relatively stable contractor, fuel, steel, chemical, and consumables prices. However, as it is being noted across various industries, wage pressures are beginning to emerge in 2023 which may drive up labour costs, and drive-up consumable prices that depend on significant labour inputs.

Growth capital is anticipated to be relatively consistent throughout the year to unlock value at the high-grade Pavon Central deposit and at EBP. Growth also includes underground development at Panteon Norte and Atravesada, Limon Norte waste stripping, and land acquisition.

Calibre continues to invest in its exploration programs, with a planned 100,000+ metre drilling program which includes resource delineation drilling, infill, geotechnical drilling, as well as early-stage generative exploration drilling to test numerous satellite targets around Libertad, the EBP and Nevada.

## 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 2023 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 linked to the global economic slowdown, inflation and monetary policy concerns, and the uncertainties surrounding international supply chain disruptions.

As at December 31, 2022, the price of gold closed at $1,814/oz, up 0.4% from the closing price on December 31, 2021 of $1,806/oz. The average spot gold price for the 4$^{th}$ quarter, and full year 2022 was $1,731 (Q4 2021 - $1,796), and $1,802 (2021: $1,799) respectively. Gold prices have remained very strong and the Company expects the gold price to remain strong as the global economy slows and interest rates stabilize.

### 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 the U.S. and Nicaragua, although some costs in Nicaragua are paid in Nicaraguan Córdoba. The exchange rate between the Córdoba and the U.S. dollar has historically been managed by the Nicaraguan Central Bank. The Córdoba has been annually devalued against the U.S. dollar by means of a "crawling peg" mechanism set at 2% per year as of December 31, 2022. The annual devaluation was reduced to approximately 1% in Q1 2023. 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, 2022, the Canadian dollar closed at $1.35 (December 31, 2021: $1.27) and the Nicaraguan Córdoba closed at $36.23 (December 31, 2021: $35.52) for each U.S. dollar, respectively. The average rates in Q4 2021 for the Canadian dollar and the Nicaraguan Córdoba were $1.36 and $36.15, respectively (Q4 2021: $1.26 and $35.43, respectively). For the year ended December 31, 2022, the average rates for the Canadian dollar and the Nicaragua Córdoba were $1.30 and $35.88, respectively (2020: $1.25 and $35.17, respectively).

## SUSTAINABILITY

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, United States and beyond.

During the second quarter of 2022, Calibre published its 2021 Sustainability Report (available on the Company's website at www.calibremining.com). Highlights include, among others, zero high-risk reportable environmental incidents; no significant fines, violations, or incidents related to employment practices, health and safety, workplace disruptions, or community disputes over 2021, and no instances of non-compliance with laws and regulations. In addition, the Company announced the development and launch of its first Five-Year Sustainability Strategy.

The Five-Year Sustainability Strategy is built on three key strategic pillars, which set the foundation for our goals and expectations:

- Responsible Practices: Ensuring a culture of international best practices, internally and with partners;
- Contributions to Sustainability: Generating positive impacts beyond mining; and
- Global Challenges: Connecting with efforts to safeguard the future.

Calibre's Five-Year Sustainability Strategy outlines sustainability goals in three phases:

- Setting the Stage (2022): Alignment and standardization
- Meeting Higher Standards (2023-2025): Overall implementation of best practices
- Leading the Way (2026 and beyond): Peer group front-runner in sustainability

During 2023, Calibre aims to continue to strengthen its sustainability methodology by educating Calibre's employees and partners on risk analysis, opportunities for improvement, and critical issues in the sustainability area.

## NICARAGUA MINING OPERATIONS

| | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| **Operating Information** | | | | |
| Ore Mined - open pit *(t)* | **337,845** | 442,560 | **1,162,845** | 1,683,666 |
| Ore Mined - open pit - average grade *(g/t Au)* | **3.37** | 2.85 | **3.57** | 2.73 |
| Waste Mined - open pit *(t)* | **3,927,838** | 2,591,783 | **14,217,355** | 14,854,381 |
| Ore Mined - underground *(t)* | **77,698** | 117,393 | **326,908** | 408,932 |
| Ore Mined - underground - average grade *(g/t Au)* | **5.12** | 5.08 | **4.87** | 4.42 |
| Total Ore Mined *(t)* | **415,543** | 559,953 | **1,489,753** | 2,092,598 |
| Total Ore Mined - average grade *(g/t Au)* | **3.70** | 3.32 | **3.85** | 3.06 |

### Open Pit

During Q4 2022, Nicaraguan open pit production was sourced from Limon Central ("LC") Phase 2 totaling 105,627 ore tonnes (31% of open pit ore mined), supplemented by 56,793 ore tonnes from Pavon Norte, and the start of operations at both the La Tigra pit (40,016 ore tonnes), and Jabali Antena (49,139 ore tonnes). In comparison, Q4 2021 open pit production included 193,077 ore tonnes from Limon Central (44% of open pit ore), 70,440 tonnes of Pavon Norte ore, and 174,461 tonnes of spent ore. Limon Central has been a source of low-strip ore during 2022, and LC ore will be replaced by higher-strip La Tigra ore starting in 2023.

Open pit operations at La Tigra during Q4 2022 were on target for ore mining, with ore production beginning in Q3 and ramping up through Q4. Waste movement at La Tigra has trended towards life of pit average during Q4 2022 and it is expected to operate at commercial production levels starting in January of 2023. It is then expected that approximately 40% of the 2023 open pit ore production will come from La Tigra with an operating strip ratio of in excess of 20:1 at a grade of 4.5 g/t.

For full year 2022, open pit mine production was primarily sourced from LC Phase 2 totaling 568,358 ore tonnes (49% of ore supply), La Tigra pit with 64,167 ore tonnes, Pavon Norte totaling 294,348 tonnes (25%), and Jabali Antena totaling 76,374 tonnes.

### Underground

Underground ore mined during Q4 2022 was lower than Q4 2021 largely due to the completion of mining operations of Veta Nueva. Q4 2022 underground production included 33,086 tonnes from Jabali, 17,624 tonnes from Santa Pancha, 8,893 tonnes from Panteon, and 18,095 tonnes from Atravesada. Q4 2021 ore production included 56,406 tonnes from Jabali, 11,132 tonnes from Santa Pancha, 16,806 tonnes from Veta Nueva and 33,049 tonnes from Panteon.

Underground ore mined 2022 was 326,908 tonnes averaging 4.87 g/t. Ore sources in 2022 were 163,472 tonnes from Jabali underground, 73,206 tonnes from Santa Pancha, 13,352 tonnes from Veta Nueva, 21,955 tonnes from Atravesada, and 54,923 tonnes from Panteon. 2023 underground mine production is expected at 327,000 tonnes, with Jabali providing 53% of the supply, Atravesada providing 26%, and Panteon providing the remaining supply, with an expected overall average ore grade of 4.7 g/t.

## NICARAGUA PROCESSING

### Processing at Limon

| | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| Ore Milled *(t)* | **120,815** | 123,330 | **494,481** | 495,668 |
| Grade *(g/t Au)* | **5.36** | 5.59 | **5.31** | 4.69 |
| Recovery *(%)* | **88.6** | 89.8 | **89.2** | 89.7 |
| Gold produced | **18,244** | 19,599 | **76,171** | 67,352 |
| Gold sold | **18,388** | 19,578 | **76,341** | 67,620 |

During Q4 2022, the Limon mill processed 120,815 tonnes of ore at an average mill grade of 5.36 g/t, with gold production of 18,244 ounces. The full year grade-driven production increase was a result of sequencing of the Limon Central and La Tigra pits and high-grade ores from Santa Pancha.

In 2022, the Limon mill produced 76,171 ounces, 8,819 ounces higher than 2021, driven by an ore mill feed grade of 5.31 g/t. The grade-driven production increase was mainly a result of planned sequencing of higher grades.

### Processing at Libertad

| | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| Ore Milled *(t)* | **339,366** | 456,561 | **1,120,559** | 1,462,912 |
| Grade *(g/t Au)* | **3.11** | 2.29 | **3.23** | 2.68 |
| Recovery *(%)* | **94.7** | 90.3 | **92.1** | 92.8 |
| Gold produced | **31,611** | 29,619 | **104,319** | 115,403 |
| Gold sold | **31,644** | 29,629 | **104,534** | 115,622 |

During Q4 2022, the Libertad mill produced 31,611 ounces, an increase of 1,992 ounces quarter over quarter. Grades increased as the supply of previously processed low-grade ore was largely exhausted in Q3 2022.

Ore deliveries to the Libertad mill from Limon and Pavon Norte were similar quarter over quarter with ore deliveries from Limon totalling 111,326 tonnes at an average grade of 2.19 g/t compared to Q4 2021 tonnes of 90,415 at an average grade of 3.60 g/t. Pavon Norte deliveries during the quarter totalled 60,127 tonnes at 2.87 g/t in comparison to 86,003 tonnes at 2.52 g/t in Q4 2021.

During 2022, the Libertad mill processed 342,353 fewer tonnes versus 2021 as previously processed ore inventories were largely consumed. Ore deliveries to the Libertad mill from Limon and Pavon Norte were similar year over year with ore deliveries from Limon totalling 397,015 tonnes at an average grade of 3.09 g/t compared to 2021 tonnes of 372,898 at an average grade of 3.09 g/t. Pavon Norte deliveries during the year totalled 308,922 tonnes at 3.06 g/t in comparison to 245,594 tonnes at 3.34 g/t in 2021.

## NEVADA MINING & PROCESSING OPERATIONS

| Mining | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| Ore Mined *(t)* | **1,889,721** | - | **5,338,896** | - |
| Waste Mined *(t)* | **2,274,772** | - | **10,916,990** | - |
| Total Mined *(t)* | **4,164,493** | - | **16,255,886** | - |
| Grade *(g/t Au)* | **0.38** | - | **0.39** | - |
| Gold mined (oz) | **23,101** | - | **67,253** | - |

| Processing | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| Ore Placed on Leach Pad *(t)* | **1,866,270** | - | **5,322,621** | - |
| Grade *(g/t Au)* | **0.39** | - | **0.39** | - |
| Contained Gold *(oz)* | **23,187** | - | **67,217** | - |
| Gold produced | **11,440** | - | **41,509** | - |
| Gold sold | **11,429** | - | **42,117** | - |

Operating results from the Pan mine in Nevada are included in the consolidated financial statements from January 12, 2022.

Mining operations at Pan advanced per plan through Q4 2022 with an average mining rate of 45,266 tonnes per day, and total material movement of 4.2 million tonnes. Included in the material movement was 1.9 million ore tonnes at a grade of 0.38 g/t.

During Q4 2022, 1.9 million tonnes of ore were placed on the heap leach pad, containing 15,077 ounces of recoverable gold with 11,440 ounces produced. During 2022, 5.3 million tonnes of ore have been placed on the heap leach pad, containing 44,770 ounces of recoverable gold with 41,509 ounces produced.

During Q3 2022, the value of ounces contained in the heap leach pad was reduced by $3.3 million ($2.9 million cash costs plus $0.4 million non-cash) to reflect a lower potential net realizable value versus book value, based on the Q3 average gold price of $1,728, less completion costs. This write down was subsequently partially reversed by $2.1 million during Q4 2022, of which $0.2 million was non-cash.

During Q4 2022, Calibre and third-party consultants completed a review of the Pan heap leach recovery model and determined that under optimized operating conditions implemented following the Fiore acquisition, pre-existing estimates understated full cycle recoveries by approximately 4%. As a result, leachpad recovery estimates have been prospectively revised starting in Q4 2022.

## GROWTH AND DISCOVERY - NICARAGUA

During Q4 2022, Calibre completed a total of 12,170 metres of drilling, with 9 rigs active across all projects, winding down for the year closing with 3 rigs in mid-December. Drilling during the quarter focused on infill and extension drilling at Panteon as well as geo-technical drilling at both Panteon and Volcan. Extremely high-grade gold mineralization is consistent across 400m of strike within the main Panteon Norte lobe. Drill testing north along the newly identified VTEM corridor has successfully intersected multiple gold values.

Drilling highlights for the quarter include (all intercepts shown as Estimated True Widths).

- 27.57 g/t gold over 2.3 m in hole LIM-22-4703
- 22.47 g/t gold over 4.9 m in hole LIM-22-4691;
- 17.8 g/t gold over 7.9 m in hole LIM-22-4694

- 13.14 g/t gold over 8.4 m in hole LIM-22-4659;
- 15.18 g/t gold over 2.9 m in hole LIM-22-4671; and
- 11.61 g/t gold over 9.3 m in hole LIM-22-4701;

Drilling concluded in mid-December with rigs active mid-January marking the beginning of the 2023 drill program.

## GROWTH AND DISCOVERY – UNITED STATES

During Q4 2022, Calibre completed a total of 3,592 metres of drilling in Nevada. Deep drilling at Gold Rock and new targeting, outside the fence at Pan combined with reducing the rig count to close out the year contributed to the lower drilled metres quarter over quarter. Drilling is anticipated to ramp up in Q1 2023.
A new, Carlin style sulphide horizon at Gold Rock was uncovered over the quarter with results released in late November. High sulphide content as well as increasing levels of arsenic, bismuth and tellurium geochemistry suggest a highly favourable gold environment. The results include:

- 6.8 g/t gold over 24.4 m in hole GR22-102; and
- 6.6 g/t gold over 5.8 m in hole GR22-015

These drill results indicate much higher gold grades than is typical in the oxide or upper portion of the Gold Rock resource (typically between 0.5 and 1.5 g/t gold). Deep core drilling commenced in late November targeting a potential feeder system and will remain the focus for 2023 activities at Gold Rock.

## CONSOLIDATED FINANCIAL RESULTS

| *(in thousands of dollars, except per share amounts)* | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| **Revenue** | **$ 107,046** | $ 88,109 | **$ 403,072** | $ 328,132 |
| **Cost of Sales** | | | | |
| Production costs | **(62,955)** | (47,045) | **(234,247)** | (171,971) |
| Royalty, production taxes, refinery and transport | **(4,458)** | (3,464) | **(17,497)** | (13,622) |
| Depreciation and amortization | **(11,284)** | (14,341) | **(47,725)** | (38,290) |
| **Total Cost of Sales** | **(78,697)** | (64,850) | **(299,469)** | (223,883) |
| **Income from mining operations** | **28,349** | 23,259 | **103,603** | 104,249 |
| **Expenses, Taxes and Other Items** | | | | |
| General and administrative | **(2,797)** | (2,149) | **(12,206)** | (7,588) |
| Share-based compensation | **(1,306)** | (354) | **(2,586)** | (2,824) |
| Due diligence and transactions costs | **(26)** | (807) | **(4,868)** | (1,643) |
| Foreign exchange gain (loss) | **293** | (162) | **(138)** | (296) |
| Other expenses | **(414)** | - | **(3,921)** | - |
| Interest income | **246** | 101 | **811** | 492 |
| Finance expense | **(758)** | (284) | **(2,306)** | (1,150) |
| Other (expense) income, net | **(4)** | 525 | **(189)** | 664 |
| Current and deferred income tax expense | **(9,081)** | (5,480) | **(34,856)** | (33,705) |
| **Net Income** | **$ 14,502** | $ 14,649 | **$ 43,344** | $ 58,199 |
| **Income per share - basic** | **$ 0.03** | $ 0.04 | **$ 0.10** | $ 0.17 |
| **Income per share - diluted** | **$ 0.03** | $ 0.04 | **$ 0.09** | $ 0.16 |

### Income from Mining Operations

During Q4 2022, the Company sold 61,461 ounces of gold, at an average realized price of $1,742/oz, for revenue of $107.0 million. This compares to Q4 2021 revenue of $88.1 million from the sale of 49,207 ounces at an average realized price of $1,791/oz.

During 2022, the Company sold 222,991 ounces of gold, at an average realized price of $1,808/oz, for total revenue of $403.1 million. This compares to 2021 revenue of $328.1 million from selling 183,242 ounces at an average realized price of $1,791/oz.

Total cost of sales for Q4 2022 was $78.7 million versus $64.9 million for Q4 2021. Cost of sales increased by $13.8 million quarter over quarter primarily due to the acquisition of the Fiore assets (Pan mine) which represented a total of $15.8 million in Q4, which was slightly offset by a $2.0 million reduction in total cost of sales in Nicaragua. Notably, Q4 2022 cost of sales included higher costs of approximately $3.3 million due to commodity inflation impacts.

Total cost of sales for 2022 was $299.5 million which included production costs of $234.2 million versus $223.9 million and $172.0 million, respectively for 2021. Cost of Sales increased by $75.6 million due to the addition of the United States assets ($65.8 million), commodity inflation impacts of $14 million, and additional Nicaragua depreciation ($2.9 million). Royalties, production taxes, refinery and transport increased 28% in 2022 compared to 2021, largely tied to the 23% increase in gross revenue. Depreciation and amortization in 2022 of $47.7 million versus $38.3 million for 2021 due to the addition of the Nevada assets, higher gold sales, and mining additional reserves.

Total Cash Costs and AISC for Q4 2022 were $1,097 per ounce and $1,236 per ounce respectively, as compared to $1,026 and $1,139 per ounce in Q4 2021. The higher AISC was largely due to the inclusion of higher cost Pan mine gold production in 2022, and due to inflationary impacts related to diesel and other commodities, which contributed approximately $53/oz.

Total Cash Costs for 2022 were $1,129 per ounce and AISC were $1,259 per ounce, which is within 2022 guidance, compared to 2021 Cash Costs of $1,013 and AISC of $1,136 per ounce. The higher Cash Costs and AISC in 2022 relate to $60/oz of commodity driven cost inflation, and the inclusion of Pan mine production costs into overall results.

### Expenses and Net Income

For Q4 2022 and 2022, corporate G&A was $2.8 million and $12.2 million compared to $2.1 million and $7.6 million for the same periods in 2021. Corporate administration was higher than the comparable 2021 periods due to the addition of G&A expenses related to the United States assets ($0.3 million for Q4 2022 and $1.7 million 2022). The remaining variance is mostly attributed to increased salaries, professional fees and increased travel and marketing expenses.

Share-based compensation was $1.3 million and $2.6 million for Q4 2022 and 2022, respectively (Q4 2021 - $0.4 million, 2021 - $2.8 million). The increase in expense over the prior year quarter relates to the revaluation of cash settled RSUs and PSUs.

Other expenses for Q4 2022 and 2022 were $0.4 million and $3.9 million compared to nil in both comparative periods. The increase in the year is mainly due to a write-off of a Nicaraguan mineral property of $3.2 million.

Total finance expense for Q4 2022 and 2022 was $0.8 million and $2.3 million compared to $0.3 million and $1.2 million for the same periods in 2021.

Current and deferred income tax expense was $9.1 million during Q4 2022 and $34.9 million 2022, compared to the same periods of 2021 of $5.5 million and $33.7 million. Q4 2022 saw an increase in income tax expense when compared to Q4 2021, from higher pre-tax income and minimum taxes.

As a result of the above, net income per share in Q4 2022 was $0.03 for both basic and diluted (Q4 2021: $0.04 for both basic and diluted). 2022 basic net income per share was $0.10 while diluted net income per share was $0.09 (2021: $0.17 for basic and $0.16 for diluted).

## Growth and Sustaining Capital

A summary of the Company's significant additions to capital during the years ended December 31, 2022 and 2021 is presented below.

| *(in thousands)* | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| **Growth Capital** | | | | |
| Limon Central stripping | $ - | $ 496 | $ - | $ 12,531 |
| Panteon development | **2,109** | 1,277 | **11,587** | 8,580 |
| Limon Norte & Tigra development | **8,045** | 2,836 | **24,995** | 6,896 |
| Pavon development | **3,516** | 846 | **8,202** | 8,523 |
| Crimea tailings storage | **1,129** | 1,757 | **4,704** | 3,625 |
| Atravesada development | **1,801** | 900 | **6,627** | 1,555 |
| EBP land acquisition and studies | **2,542** | 803 | **7,979** | 6,019 |
| EBP equipment | **3,234** | - | **13,759** | - |
| Gold Rock development | **845** | - | **3,698** | - |
| Other growth capital projects | **1,775** | (132) | **4,197** | 2,072 |
| **Total Growth Capital** | **$ 24,997** | $ 8,783 | **$ 85,749** | $ 49,801 |
| **Sustaining Capital** | | | | |
| Jabali underground development | **$ 269** | $ 44 | **$ 1,176** | $ 3,620 |
| Veta Nueva development | **-** | - | **-** | 1,488 |
| Santa Pancha tailings facility upgrade | **314** | 352 | **1,339** | 456 |
| Other sustaining capital | **4,461** | 2,341 | **10,524** | 7,664 |
| **Total Sustaining Capital** | **$ 5,044** | $ 2,737 | **$ 13,039** | $ 13,228 |
| **Total Growth and Sustaining Capital** | **$ 30,041** | $ 11,520 | **$ 98,788** | $ 63,029 |

*Above numbers are shown on an accrual basis*

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

- Limon Central stripping in 2021 related to stripping above normal life-of-mine waste movement tied to the LC Phase 2 pit.
- Panteon is a high-grade underground mine that produced its first development ore in Q2 2021. Commercial production from Panteon South was achieved in July 2021. Most of the development costs for 2022 relate to the construction of the drift to Panteon Norte.
- Limon Norte and Tigra growth capex relates to the development of new open pit mining areas where pre-stripping commenced for Tigra in Q1 2022, and first ore production was achieved in Q2 2022. Waste removal volumes have trended towards the life of mine average during Q4 2022, and commercial levels of production will be achieved in Q1 2023.
- Pavon development in 2022 relates to development of the Pavon Central mine, with commercial production from the higher grade Pavon Central slated for Q1 2023.
- EBP is a high-grade deposit with published reserves. Expenditures in 2022 relate to mining fleet acquisition, access agreements, land acquisitions, studies and initial development.
- Jabali underground development relates to the development of main ramps at the underground mine.
- Other sustaining capital relates to several projects for the mines and processing facilities.

## Exploration

Calibre spent $7.1 million on exploration in Q4 2022 ($6.7 million in Q4 2021), and $46.4 million for full year 2022 ($21.4 million in 2021). The significant increase for the annual period is related to 74% more meters drilled year over year, including exploration programs at the newly acquired Gold Rock and Pan projects. The increase in expenditures in Q4 2022 was largely tied to logging and laboratory expenditures for drilling that had been advanced through Q3 of 2022. 77% of the metres drilled during the 4th quarter of 2022 were at Panteon Shaft 9 and Panteon Norte projects in Limon operations. See the *Growth and Discovery* section for details on the 2022 exploration program.

The table below provides a high-level breakdown of exploration expenditures:

| *(in thousands)* | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| **Exploration capital** | | | | |
| Nicaragua | **4,419** | 6,710 | **$ 26,840** | $ 21,357 |
| United States | **2,664** | - | **19,563** | - |
| **Total Exploration** | **$ 7,083** | $ 6,710 | **$ 46,403** | $ 21,357 |

## LIQUIDITY AND CAPITAL RESOURCES

The table provides a summary of the Company's financial position and liquidity as at December 31, 2022 and December 31, 2021:

| *(in thousands of dollars)* | December 31, 2022 | December 31, 2021 |
|---|---|---|
| **Current Assets** | | |
| Cash and cash equivalents | **$ 56,492** | $ 78,454 |
| Receivables, prepaids and other | **13,534** | 8,249 |
| Inventories | **104,954** | 54,407 |
| **Total Current Assets** | **$ 174,980** | $ 141,110 |
| **Current Liabilities** | | |
| Accounts payable and accruals | **$ 42,203** | $ 21,042 |
| Income and other taxes payable | **13,479** | 13,502 |
| Other current provisions | **5,687** | 5,391 |
| Current portion of debt | **4,187** | - |
| Current portion of share based liablities | **734** | 3,440 |
| Current portion of lease liabilities | **268** | 43 |
| **Total Current Liabilities** | **$ 66,558** | $ 43,418 |
| **Working Capital** *(current assets less current liabilities)* | **$ 108,422** | $ 97,692 |

As at December 31, 2022, the Company had cash and receivables of $70.0 million (December 31, 2021 - $86.7 million) and current liabilities of $66.6 million (December 31, 2021 - $43.4 million).

Overall working capital (current assets less current liabilities) increased by $10.7 million in 2022 over 2021 as total inventories increased $50.5 million largely due to the acquisition of the Pan mine heap leach gold inventories and an increase in material and supplies inventories, partially offset by a $21.2 million increase in payables, also tied to the acquisition of the Pan mine. The reduction in cash year over year is related to Calibre's growth projects, which will drive increases in gold production in 2023 and 2024 as well as the increase in accounts payable and accruals mentioned before.

The Company's increase in materials and supplies inventories during 2022 helps reduce risks tied to world events. Calibre continues to be unencumbered by any derivative or stream agreements and has not hedged any of its future gold production.

**Cash Flow Analysis**

| *(in thousands)* | | Q4 2022 | | Q4 2021 | | 2022 | | 2021 |
|---|---|---|---|---|---|---|---|---|
| Net Cash Provided by Operating Activities | **$** | **28,064** | $ | 22,389 | **$** | **96,657** | $ | 105,600 |
| Net Cash Used in Investing Activities | | **(38,245)** | | (16,790) | | **(133,724)** | | (83,386) |
| Net Cash Provided by Financing Activities | | **2,632** | | (3) | | **15,116** | | 3,031 |
| Effect of Exchange Rate Changes on Cash | | **15** | | (4) | | **(10)** | | 34 |
| Change in Cash and Cash Equivalents | | **(7,534)** | | 5,592 | | **(21,962)** | | 25,279 |
| Cash and Cash Equivalents, Beginning of Period | | **64,026** | | 72,862 | | **78,454** | | 53,175 |
| Cash and Cash Equivalents, End of Period | **$** | **56,492** | $ | 78,454 | **$** | **56,492** | $ | 78,454 |

For Q4 2022 and full year 2022, cash provided by operating activities generated $28.1 million and $96.7 million respectively, versus cash generation of $22.4 million and $105.6 million for 2021. The lower cash flow year over year was a result of higher relatively cash costs at Pan mine than that of Nicaragua, commodity driven cost inflation of approximately $14 million, and $4 million of additional royalties and production taxes.

The Company invested cash in Q4 2022 and 2022 of $38.2 million and $133.7 million in its exploration projects, property, plant and equipment ("PPE"), and mine development (net of a $5.2 million surety bond refund received in Q2 2022), compared to $16.8 million and $83.4 million during the comparable periods in 2021. Further details of capital investments for our mining operations are outlined in the sections *Growth and Sustaining Capital* and *Growth and Discovery*.

During Q4 2022 and 2022, cash provided by financing activities was $2.6 million and $15.1 million, respectively. This included the receipt of a total of $0.5 million and $6.2 million in proceeds from the exercise of share options and warrants (Q4 2021 - $0.02 million, 2021 - $3.1 million). In addition, the Company received $13.1 million in loan proceeds during 2022.

## OFF-BALANCE SHEET ITEMS

As at December 31, 2022, 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 22, 2023, December 31, 2022 and 2021. 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, 2022 and 2021.

| | Issued and Outstanding | | |
|---|---|---|---|
| *(In thousands)* | As at February 22, 2023 | As at December 31, 2022 | As at December 31, 2021 |
| Common shares | 450,780 | 450,367 | 340,269 |
| Options on common shares | 29,413 | 31,033 | 27,836 |
| Restricted share units | 3,447 | 3,473 | 5,110 |
| Share purchase warrants | 9,091 | 9,091 | 9,178 |
| Performance share units | 1,100 | 1,100 | 1,350 |
| Stock appreciation rights | 823 | 823 | - |

Subsequent to year end, Calibre issued a total of 0.4 million common shares.

## QUARTERLY INFORMATION

| *(in thousands - except ounces and per share amounts)* | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|---|---|---|---|---|---|---|---|---|
| Gold Ounces Produced | 61,294 | 49,081 | 59,723 | 51,898 | 49,218 | 44,579 | 43,506 | 45,452 |
| Gold Ounces Sold | 61,461 | 49,260 | 59,783 | 52,487 | 49,207 | 44,471 | 43,682 | 45,882 |
| Average realized gold price *($/oz)* | $ 1,742 | $ 1,730 | $ 1,861 | $ 1,897 | $ 1,791 | $ 1,781 | $ 1,804 | $ 1,788 |
| Total Cash Costs *($/oz)* | $ 1,097 | $ 1,188 | $ 1,174 | $ 1,060 | $ 1,026 | $ 980 | $ 1,066 | $ 979 |
| AISC *($/oz)* | $ 1,236 | $ 1,322 | $ 1,284 | $ 1,199 | $ 1,139 | $ 1,097 | $ 1,216 | $ 1,095 |
| Revenue | $ 107,046 | $ 85,201 | $ 111,260 | $ 99,565 | $ 88,109 | $ 79,204 | $ 78,785 | $ 82,034 |
| Income from mining operations | $ 28,349 | $ 15,466 | $ 28,253 | $ 31,535 | $ 23,259 | $ 26,727 | $ 24,304 | $ 29,960 |
| Net income (loss) | $ 14,502 | $ 1,713 | $ 15,428 | $ 11,701 | $ 14,649 | $ 15,021 | $ 11,885 | $ 16,645 |
| Net income (loss) per share - basic [1] | $ 0.03 | $ 0.00 | $ 0.03 | $ 0.03 | $ 0.04 | $ 0.04 | $ 0.04 | $ 0.05 |

[1] In Q2 2021 net income per share – diluted was $0.03. All other periods, basic and diluted net income (loss) per share were the same.

The financial results have been most directly impacted by the level of gold production and the gold price for that particular quarter. These are the main drivers of the volatility noted in the above quarterly information table.

The United States assets were acquired effective January 12, 2022 and therefore their results are included for most of Q1 2022.

Income from mining operations increased from $15.5 million in Q3 2022 to $28.3 million in Q4 2022 as a result of higher gold production in Nicaragua and Pan, and slightly higher gold prices. Total Cash Costs and AISC in Q4 2022 vs Q3 2022 were slightly lower because of the higher gold production as discussed above.

## 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 tables below reconciles Total Cash Costs and AISC for the three months ended December 31, 2022 and 2021:

| | Q4 2022 | | | |
|---|---|---|---|---|
| *(in thousands - except per ounce amounts)* | **Nicaragua** | **United States** | **Corporate** | **Consolidated** |
| Production costs [(2)] | $ 50,485 | $ 12,487 | $ - | $ 62,972 |
| Royalties and production taxes | 3,262 | 936 | - | 4,198 |
| Refinery, transportation and other | 243 | - | - | 243 |
| **Total cash costs** | $ 53,990 | $ 13,423 | $ - | $ 67,413 |
| Corporate administration | - | - | 2,797 | 2,797 |
| Reclamation accretion and amortization of ARO | 663 | 44 | - | 707 |
| Sustaining capital [(1)] | 4,785 | 259 | - | 5,044 |
| **Total AISC** | $ 59,438 | $ 13,726 | $ 2,797 | $ 75,961 |
| **Gold ounces sold** | 50,032 | 11,429 | - | 61,461 |
| **Total Cash Costs** | $ 1,079 | $ 1,174 | $ - | $ 1,097 |
| **AISC** | $ 1,188 | $ 1,201 | $ - | $ 1,236 |

(1) Sustaining capital expenditures are shown in the Growth and Sustaining Capital table.
(2) Production costs include a $1,837 net realizable value reversal for the Pan mine.

| | Q4 2021 | | | |
|---|---|---|---|---|
| *(in thousands - except per ounce amounts)* | **Nicaragua** | **United States** | **Corporate** | **Consolidated** |
| Production costs | $ 47,044 | $ - | $ - | $ 47,044 |
| Royalties and production taxes | 3,186 | - | - | 3,186 |
| Refinery, transportation and other | 278 | - | - | 278 |
| **Total cash costs** | $ 50,508 | $ - | $ - | $ 50,508 |
| Corporate administration | - | - | 2,149 | 2,149 |
| Reclamation accretion and amortization of ARO | 645 | - | - | 645 |
| Sustaining capital [(1)] | 2,737 | - | - | 2,737 |
| **Total AISC** | $ 53,890 | $ - | $ 2,149 | $ 56,039 |
| **Gold ounces sold** | 49,207 | - | - | 49,207 |
| **Total Cash Costs** | $ 1,026 | $ - | $ - | $ 1,026 |
| **AISC** | $ 1,095 | $ - | $ - | $ 1,139 |

(1) Sustaining capital expenditures are shown in the Growth and Sustaining Capital table.

The tables below reconciles Total Cash Costs and AISC for the years ended December 31, 2022 and 2021:

| | 2022 | | | |
|---|---|---|---|---|
| *(in thousands - except per ounce amounts)* | Nicaragua | United States | Corporate | Consolidated |
| Production costs [2] | $ 178,543 | $ 55,721 | $ - | $ 234,264 |
| Royalties and production taxes | 13,153 | 3,416 | - | 16,569 |
| Refinery, transportation and other | 862 | 49 | - | 911 |
| **Total cash costs** | $ 192,558 | $ 59,186 | $ - | $ 251,744 |
| Corporate administration | - | - | 12,206 | 12,206 |
| Reclamation accretion and amortization of ARO | 3,596 | 176 | - | 3,772 |
| Sustaining capital [1] | 12,537 | 502 | - | 13,039 |
| **Total AISC** | $ 208,691 | $ 59,864 | $ 12,206 | $ 280,761 |
| **Gold ounces sold** | 180,875 | 42,117 | - | 222,991 |
| **Total Cash Costs** | $ 1,065 | $ 1,405 | $ - | $ 1,129 |
| **AISC** | $ 1,154 | $ 1,421 | $ - | $ 1,259 |

(1) Sustaining capital expenditures are shown in the Growth and Sustaining Capital table.
(2) Production costs include a $1,056 net realizable value impairment for the Pan mine.

| | 2021 | | | |
|---|---|---|---|---|
| *(in thousands - except per ounce amounts)* | Nicaragua | United States | Corporate | Consolidated |
| Production costs | $ 171,971 | $ - | $ - | $ 171,971 |
| Royalties and production taxes | 12,619 | - | - | 12,619 |
| Refinery, transportation and other | 1,003 | - | - | 1,003 |
| **Total cash costs** | $ 185,593 | $ - | $ - | $ 185,593 |
| Corporate administration | - | - | 7,588 | 7,588 |
| Reclamation accretion and amortization of ARO | 1,792 | - | - | 1,792 |
| Sustaining capital [1] | 13,228 | - | - | 13,228 |
| **Total AISC** | $ 200,613 | $ - | $ 7,588 | $ 208,201 |
| **Gold ounces sold** | 183,242 | - | - | 183,242 |
| **Total Cash Costs** | $ 1,013 | $ - | $ - | $ 1,013 |
| **AISC** | $ 1,095 | $ - | $ - | $ 1,136 |

(1) Sustaining capital expenditures are shown in the Growth and Sustaining Capital table.

## Adjusted Net Income

Adjusted net income and adjusted earnings per share – basic exclude a number of temporary or one-time items described in the following table, which provides a reconciliation of adjusted net income to the consolidated financial statements:

| *(in thousands - except per share amounts)* | Q4 2022 | Q4 2021 | 2022 | 2021 |
|---|---|---|---|---|
| Net income | **$ 14,502** | $ 14,649 | **$ 43,344** | $ 58,199 |
| Addbacks (net of tax impacts): | | | | |
| Transaction costs | **26** | 807 | **4,868** | 1,643 |
| Nevada inventory write down | **(1,646)** | - | **946** | - |
| Mineral property write-off | **-** | - | **2,265** | - |
| Adjusted net income | **$ 12,882** | $ 15,456 | **$ 51,422** | $ 59,842 |
| Weighted average number of shares outstanding | **460,153** | 341,351 | **444,800** | 337,813 |
| Adjusted net income (loss) per share - basic | **$ 0.03** | $ 0.05 | **$ 0.12** | $ 0.18 |

### 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 2022 | | Q4 2021 | | 2022 | | 2021 |
|---|---|---|---|---|---|---|---|---|
| Revenue | **$** | **107,046** | $ | 88,109 | **$** | **403,072** | $ | 328,132 |
| Ounces of gold sold | | **61,461** | | 49,207 | | **222,991** | | 183,242 |
| Average realized price per ounce sold | **$** | **1,742** | $ | 1,791 | **$** | **1,808** | $ | 1,791 |

## COMMITMENTS AND CONTINGENCIES

### Commitments

The Company is committed to $21.7 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.

| | | 2023 | | 2024 | | 2025 and Later | | Total |
|---|---|---|---|---|---|---|---|---|
| Payables and non-capital orders | $ | 10,131 | $ | - | $ | - | $ | 10,131 |
| Capital expenditure commitments | | 11,562 | | - | | - | | 11,562 |
| | $ | 21,693 | $ | - | $ | - | $ | 21,693 |

### 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.
- 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.
- Osisko Mining (USA) Inc, holds a sliding scale production royalty at Pan Mine of between 2.5% and 4% of gross gold and silver production. On or before January 5th of each year, the Company must pay an advance minimum royalty of the greater of $0.06 million or the dollar equivalent of 174 ounces of gold valued by the average of the London afternoon fixing price for the third calendar quarter preceding January 1st of the year in which the payment is due.
- Osisko Mining (USA) Inc, holds a sliding scale production royalty for certain areas at Gold Rock of between 2.5% and 4% gross royalty on gold and silver production. Annually the Company must pay an advance minimum royalty of the greater of $0.06 million or the dollar equivalent of 108.05 ounces of gold valued by the average of the London afternoon fixing for the third calendar quarter proceeding January 1st of the year in which the payment is due.

- Anchor Minerals, Inc., must be paid annually an advanced minimum royalty for Gold Rock, of approximately $0.07 million, which is the "gold equivalent price" determined by dividing $0.03 million over the closing price of gold on January 15, 2007 and multiplying the result by the closing price of gold on the last business day of December 2010.
- Peart, Pankow and Jordan of Nevada – The Company is required to make annual minimum royalty payments of $0.10 million on these royalties for certain areas at Gold Rock. The minimum advance royalty payments are creditable against a production NSR sliding scale royalty ranging from 2% to 6% based on the gold price. There is a cap on these royalties of $8.3 million in total payments.
- Nevada Select Royalty, Inc. has a 0.5% NSR royalty for certain areas at Gold Rock.
- Maverix Metals Inc. has a 2% NSR royalty and Newmont Mining Corporation has a 0.75% gross royalty on the Golden Eagle property.

### 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. The Company settled the 2016 fiscal year claim while the 2017 claim is still under review.

## 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 years ended December 31, 2022 and 2021:

| | **2022** | 2021 |
|---|---|---|
| Short-term salaries and benefits | **$ 1,580** | $ 2,175 |
| Director fees | **692** | 712 |
| Share-based compensation | **1,319** | 1,270 |
| Severance charges | **-** | 434 |

### Management Contracts

As at December 31, 2022, minimum commitments upon termination of the existing contracts were approximately $1.4 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 $1.3 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 25% of the Company as at December 31, 2022. Pursuant to an agreement with B2Gold in November 2016, B2Gold retains a 1.5% NSR on production from certain concessions.

## 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 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.

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 from 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 years ended December 31, 2022 and 2021 in Note 3.

## 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 a financial instrument fails to meet its contractual obligations. As at December 31, 2022, 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, 2022, the Company had cash and cash equivalents of $56.5 million (December 31, 2021: $78.5 million) and current liabilities of $66.6 million (December 31, 2021: $43.4 million). Cash provided by operating activities totaled $96.7 million for the year ended December 31, 2022 (2021: $105.6 million). In addition, the Company's working capital improved from $97.7 million for the year ended December 31, 2021 to $108.4 million in the comparative period in 2022 from Limon, Libertad and Nevada 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, 2022 and December 31, 2021 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, 2022, would affect the statements of operations and comprehensive income by approximately $4.1 million.

The Córdoba has been annually devalued against the U.S. dollar by means of a crawling peg mechanism which was approximately 2% as of December 31, 2022. The annual devaluation was reduced to approximately 1% in Q1 2023. 81% of the Company's gold production in 2022 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

### Disclosure controls and procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. As of December 31, 2022, the Chief Executive Officer and Chief Financial Officer have each concluded that the Company's disclosure controls and procedures, as defined in NI 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings are effective to achieve the purpose for which they have been designed.

### Internal controls over financial reporting

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. Management is also responsible for the design of the Company's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's internal controls over financial reporting include policies and procedures that: pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting. As of December 31, 2022, the Chief Executive Officer and Chief Financial Officer have each concluded that the Company's internal controls over financial reporting, as defined in NI 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings, are effective to achieve the purpose for which they have been designed.

Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## 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.