CALIBRE MINING CORP.

Annual General and Special Meeting
to be held on October 8, 2019

Notice of Annual General and Special Meeting
and
Information Circular

August 30, 2019

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Reverse Takeover described in this information circular.

CALIBRE MINING CORP.
SUITE 413 – 595 BURRARD STREET, P.O. BOX 49167
VANCOUVER, B.C., V7X 1J1

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the "**Meeting**") of the shareholders of Calibre Mining Corp. (the "**Company**") will be held at Suite 2400, 745 Thurlow Street, Vancouver, British Columbia on October 8, 2019 at 10:00 a.m. for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the year ended December 31, 2018, together with the auditor's report thereon, and the condensed interim consolidated financial statements of the Company for the six months ended June 30, 2019;

2. to elect directors for the ensuing year;

3. to appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors to fix their remuneration;

4. to consider and, if deemed appropriate, pass, with or without variation, an ordinary resolution approving the amended long term incentive plan of the Company as more particularly described under the heading "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Long Term Incentive Plan*" in the Company's management information circular dated August 30, 2019;

5. to consider and if thought advisable, approve the transaction as further detailed in the management information circular attached hereto, in respect of the indirect acquisition by the Company from B2Gold Corp. ("**B2Gold**") of certain assets and subsidiaries of B2Gold holding a 100% interest in the El Limon mine, the La Libertad mine and the Pavon Gold Project.

6. to transact such other business as may properly be put before the Meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. The board of directors of the Company requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. ("**Computershare**"). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by 10:00 a.m. (Vancouver, British Columbia time) on October 4, 2019 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used), then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on August 15, 2019 will be entitled to vote at the Meeting.

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 30th day of August, 2019.

ON BEHALF OF THE BOARD

(signed) "*Gregory Smith*"

Gregory Smith
Chief Executive Officer

TABLE OF CONTENTS

GLOSSARY

The following terms used in this Information Circular have the following meanings. This is not an exhaustive list of defined terms used in this Information Circular and additional terms are defined throughout this Information Circular.

"**Affiliate**" means a company that is affiliated with another company as described below.

A company is an "Affiliate" of another company if:

(a) one of them is the subsidiary of the other; or

(b) each of them is controlled by the same Person.

A company is "controlled" by a Person if:

(a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and

(b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

(c) a company controlled by that Person; or

(d) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

"**Agents**" has the meaning given to it in the section "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Subscription Receipt Private Placement*".

"**Agents' Shares**" means the Calibre Shares to be issued to the Agents as consideration pursuant to the terms of the Subscription Receipt Private Placement.

"**Associate**" when used to indicate a relationship with a Person, means:

(a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;

(b) any partner of the Person;

(c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity;

(d) in the case of a Person, who is an individual:

(i) that Person's spouse or child, or

(ii) any relative of the Person or his spouse who has the same residence as that Person;

but

(e) where the TSX-V determines that two Persons shall, or shall not, be deemed to be associates with respect to a member firm, member corporation or holding company of a member corporation, then such determination shall be determinative of their relationships in the application of Rule D. 1.00 of the TSX-V rule book and policies with respect to that member firm, member corporation or holding company.

"**B2Gold**" means B2Gold Corp., a company existing under the laws of British Columbia.

"**B2Gold Vendors**" means each of B2Gold, Triton Mining Corporation, Triton Mining (U.S.A.), LLC and Central Sun Mining Investments Corp.

"**BCBCA**" means the *Business Corporations Act* (British Columbia) and all regulations thereunder, as amended from time to time.

"**Beneficial Shareholders**" has the meaning given to in the section *"Proxy-Related Information – Appointment and Revocation of Proxy"*.

"**Binding LOI**" has the meaning given to it in the section "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Background to and Reasons for the Transaction*".

"**Borosi Concessions**" has the meaning given to it in the section "*Information Concerning Calibre – General Development of the Business – History*".

"**Broadridge**" has the meaning given to in the section *"Proxy-Related Information – Appointment and Revocation of Proxy"*.

"**business day**" means any day other than a Saturday, Sunday or a statutory holiday in Vancouver, British Columbia.

"**Calibre**" or the "**Company**" means Calibre Mining Corp., a company existing under the laws of British Columbia.

"**Calibre Board**" means the board of directors of Calibre.

"**Calibre Board Changes**" means the changes to the Calibre Board that will occur following the Meeting and in connection with the completion of the Transaction, as set out in "*Particulars of Matters to be Acted Upon at the Meeting – Election of Directors – Number of Directors*".

"**Calibre Shareholders**" means holders of Calibre Shares, whether such shareholders are registered or hold their Calibre Shares beneficially.

"**Calibre Shares**" means common shares in the share capital of Calibre.

"**Calibre Subco**" means Adobe Capital and Trading, a wholly-owned subsidiary of Calibre organized under the laws of the Cayman Islands**.**

"**Centerra**" has the meaning given to it in the section "*Information Concerning Calibre – General Development of the Business – History*".

"**Century**" has the meaning given to in the section "*Information Concerning Calibre – General Development of the Business – History*".

"**Closing**" means the completion of the Transaction together with the completion of all other matters contemplated under the Share Purchase and Consolidation Agreement.

"**Closing Date**" means the date on which Closing occurs.

"**company**" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**Co-Lead Agents**" has the meaning given to it in the section *"Particulars of the Matters to be Acted Upon at the Meeting – Approval of the Transaction – Subscription Receipt Private Placement"*.

"**Company Consolidation**" means the consolidation of Calibre Subco and Minesa (Cayman) Inc., a subsidiary of B2Gold, under the laws of the Cayman Islands pursuant to the Plan of Consolidation, to create a new consolidated Cayman company.

"**Computershare**" has the meaning given to in the section *"Proxy-Related Information – Appointment and Revocation of Proxies"*.

"**Control Person**" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

"**Debenture**" has the meaning given to it in the section "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Share Purchase and Consolidation Agreement*", and the form of which is attached to the Share Purchase and Consolidation Agreement.

"**El Limon Project**" means the gold mine located in northwestern Nicaragua, known as the El Limon Mine, which is owned and operated by B2Gold.

"**El Limon Technical Report**" means the technical report on the El Limon Mine, León and Chinandego Departments, Nicaragua dated August 30, 2019 with an effective date of June 30, 2019 and prepared by Scott C. Ladd, P. Eng, Wayne W. Valliant, P. Geo., Brenna J.Y. Scholey, P.Eng., José M. Texidor Carlsson, M.Sc., P.Geo and Stephan Theben, Dipl.-Ing. each of whom is a "qualified person" pursuant to NI 43-101.

"**Fairness Opinion**" means the fairness opinion dated June 25, 2019, prepared by Trinity.

"**Final Exchange Bulletin**" means the bulletin issued by the TSX-V following closing of the Transaction and the submission of all Post-Approval Documents which evidences the final TSX-V acceptance of the Transaction.

"**IAMGOLD**" has the meaning given to in the section "*Information Concerning Calibre – General Development of the Business – History*".

"**Information Circular**" means this management information circular of Calibre, dated August 30, 2019.

"**Insider**" if used in relation to an issuer, means:

(a) a director or senior officer of the issuer;

(b) a director or senior officer of a company that is an insider or subsidiary of the issuer;

(c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or

(d) the issuer itself if it holds any of its own securities.

"**Intermediaries**" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

"**La Libertad Project**" means the gold mine located in central Nicaragua, known as the La Libertad Mine, which is owned and operated by B2Gold.

"**La Libertad Technical Report**" means the technical report on the La Libertad Mine, Chontales Department, Nicaragua, dated August 30 2019 with an effective date of June 30, 2019 and prepared by Scott C. Ladd, P. Eng, Wayne W. Valliant, P. Geo., Brenna J.Y. Scholey, P.Eng., José M. Texidor Carlsson, M.Sc., P.Geo and Stephan Theben, Dipl.-Ing. each of whom is a "qualified person" pursuant to NI 43-101.

"**LTIP**" has the meaning given to it in the section "*Information Concerning Calibre – Executive Compensation*".

"**Maturity Date**" has the meaning given to it in the section "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Convertible Debenture*".

"**MD&A**" means management's discussion and analysis.

"**Meeting**" has the meaning given to in the section *"Proxy-Related Information – Solicitation of Proxy"*.

"**MI 61-101**" means Multilateral Instrument 61-101 "*Protection of Minority Security Holders in Special Transactions*".

"**NEO**" or "**Named Executive Officer**" means a named executive officer, which includes:

(a) the chief executive officer (the "**CEO**");

(b) the chief financial officer (the "**CFO**");

(c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the relevant period in question whose total compensation was, individually, more than $150,000; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that period.

"**NI 43-101**" means National Instrument 43-101 "*Standards of Disclosure for Mineral Projects*".

"**NI 54-101**" has the meaning given to in the section *"Proxy-Related Information – Appointment and Revocation of Proxy"*.

"**NOBOs**" has the meaning given to in the section *"Proxy-Related Information – Appointment and Revocation of Proxy"*.

"**Non-Arm's Length Party**" means: (i) in relation to a company, a Promoter, officer, director, other Insider or Control Person of that company (including an issuer) and any Associates or Affiliates of any such Persons; and (ii) in relation to an individual, any Associate of the individual or any company of which the individual is a Promoter, officer, director, Insider or Control Person.

"**Notice of Meeting**" has the meaning given to in the section *"Proxy-Related Information – Solicitation of Proxies"*.

"**OBOs**" has the meaning given to in the section *"Proxy-Related Information – Appointment and Revocation of Proxy"*.

"**Person**" means a company or individual.

"**Plan of Consolidation**" means the plan of consolidation that will govern the Company Consolidation among Calibre Subco and Minesa (Cayman) Inc., the form of which is attached to the Share Purchase and Consolidation Agreement.

"**Post-Approval Documents**" mean the documents prescribed as such in TSX-V Policy 5.2.

"**Promoter**" has the meaning ascribed thereto in the Securities Act.

"**Primavera Project**" means Calibre's 100% interest in the Borosi concessions located in Nicaragua comprised of the Primavera gold-copper porphyry project.

"**Proxy**" has the meaning given to in the section *"Proxy-Related Information – Solicitation of Proxies"*.

"**Purchase Price**" has the meaning given to it in the section "*Summary – the Transaction*".

"**Related Party Transaction**" has the meaning given to that term in MI 61-101.

"**Restricted Area**" has the meaning given to it in the section "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Share Purchase and Consolidation Agreement*".

"**Resulting Issuer**" means Calibre immediately following completion of the Transaction.

"**Resulting Issuer Board**" means the Calibre Board, following Closing and after giving effect to the Calibre Board Changes.

"**Resulting Issuer Shareholders**" means holders of Resulting Issuer Shares.

"**Resulting Issuer Shares**" means the common shares in the share capital of the Resulting Issuer.

"**Reverse Takeover**" or "**RTO**" has the meaning given to such term in TSX-V Policy 5.2.

"**Rosita**" has the meaning given to in the section "*Information Concerning Calibre – General Development of the Business – History*".

"**Securities Act**" means the *Securities Act*, R.S.B.C. 1996, c 418, as amended, including the regulations promulgated thereunder.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval website at www.sedar.com.

"**Share Purchase and Consolidation Agreement**" means the share purchase and consolidation agreement dated August 28, 2019 among Calibre, Calibre Subco and the B2Gold Vendors, a copy of which is filed under Calibre's profile on SEDAR at www.sedar.com pursuant to which, among other things, execution and delivery of the Plan of Consolidation is a closing deliverable thereunder.

"**Subscription Receipts**" means the subscription receipts of Calibre issued in connection with the Subscription Receipt Private Placement.

"**Subscription Receipt Agreement**" means the subscription receipt agreement to be entered into in connection with the Subscription Receipt Private Placement between Calibre, the Co-Lead Agents and Computershare Trust Company of Canada.

"**Subscription Receipt Private Placement**" means the brokered private placement of Subscription Receipts issued by Calibre at an issue price of $0.60 per Subscription Receipt for aggregate gross proceeds of up to $115 million.

"**Stock Option**" has the meaning given to it in "*Information Concerning Calibre – Executive Compensation – Long Term Incentive Plan*".

"**Target Annual Carve-Out Financial Statements**" means the annual audited carve-out financial statements for each of Triton Minera S.A., Central American Mine Holdings Limited, Desarrollo Minero de Nicaragua S.A., Minera Glencairn S.A. and Minerales Nueva Esperanza, S.A. for the years ended December 31, 2018 and 2017.

"**Target Assets**" means the Target Subsidiaries and such other assets to be indirectly acquired by Calibre, as more particularly described in the Share Purchase and Consolidation Agreement.

"**Target Interim Carve-Out Financial Statements**" means the interim carve-out financial statements for each of Triton Minera S.A, Central American Mine Holdings Limited, Desarrollo Minero de Nicaragua S.A., Minera Glencairn S.A. and Minerales Nueva Esperanza, S.A. for the six months ended June 30, 2019 (unaudited).

"**Target Subsidiaries**" means the following direct and indirect subsidiaries of B2Gold: Central American Mine Holdings Limited, Triton Minera S.A., Minera Glencairn S.A., Desarrollo Minero de Nicaragua S.A., Cerro Quiros Gold S.A., Minesa (Cayman) Inc. and Minerales Nueva Esperanza, S.A.

"**Transaction**" means the transactions pursuant to the Share Purchase and Consolidation Agreement, pursuant to which, among other things, Calibre will indirectly acquire certain assets and all of the issued and outstanding shares of the Target Subsidiaries.

"**Transaction Resolution**" has the meaning given to it in "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction*".

"**Trinity**" means Trinity Advisors Corporation.

"**TSX**" means the Toronto Stock Exchange.

"**TSX-V**" means the TSX Venture Exchange.

"**TSX-V Approval**" means the necessary approvals of the TSX-V for the Transaction.

"**TSX-V Form 3D1**" means TSX-V Form 3D1 – *Information Required in an Information Circular for a Reverse Takeover or Change of Business*.

"**TSX-V Policy 2.2**" means TSX-V Policy 2.2 – *Sponsorship and Sponsorship Requirements*.

"**TSX-V Policy 5.2**" means TSX-V Policy 5.2 – *Changes of Business and Reverse Takeovers*.

"**TSX-V Policy 5.4**" means TSX-V Policy 5.4 – *Escrow, Vendor Consideration and Resale Restrictions*.

"**VIF**" has the meaning given to in the section *"Proxy-Related Information – Appointment and Revocation of Proxy"*.

GENERAL INFORMATION

Introduction

This Information Circular is being prepared in accordance with TSX-V Policy 5.2 and TSX-V Form 3D1 in connection with the Transaction. No person has been authorized to give any information or make any representation in connection with the Transaction or any other matters disclosed herein other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

Readers are cautioned not to construe the contents of this Information Circular as legal, tax or financial advice and are advised to consult their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Information Circular.

Any information concerning B2Gold contained in this Information Circular has been derived from B2Gold's public disclosure record, other than the scientific and technical information relating to the El Limon and La Libertad mines. Calibre has no knowledge that would indicate that any of such information is untrue or incomplete.

Any information concerning the Resulting Issuer in this Information Circular is a reference to Calibre, assuming completion of the Transaction, unless otherwise indicated.

All capitalized terms used in this Information Circular but not otherwise defined herein have the meanings given to them in the "*Glossary*" section. Information contained in this Information Circular is given as of August 30, 2019 unless otherwise specifically stated.

This Information Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Currency

Unless otherwise indicated, references to "$" or "dollars" are to Canadian dollars, and references to "US$" are to United States dollars.

On June 28, 2019, the last trading day prior to the announcement of the Transaction, the exchange rate for one Canadian dollar into United States dollars, based on the daily exchange rate quoted by the Bank of Canada (the "**Daily Rate**"), was US$0.7641. On August 29, 2019, the last trading day prior to the date of this Information Circular, the exchange rate for one Canadian dollar into United States dollars, based on the Daily Rate, was US$0.7521.

Non-IFRS Measures

Calibre Mining believes that investors use certain indicators to assess gold mining companies. The indicators are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance in accordance with the International Financial Reporting Standards.

Cash Operating Costs per gold ounce and Total Cash Costs per gold ounce

"Cash operating costs per gold ounce" and "total cash costs per gold ounce" are common financial performance measures in the gold mining industry but, as non-IFRS measures, they do not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate our performance and ability to generate cash flow. Accordingly, these 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. The measures, along with sales, are considered to be a key indicator of Calibre's ability to generate earnings and cash flow from its mining operations.

Cash cost figures are calculated on a production basis (with the exception of Q1 2019 for B2Gold, which was done a sales basis) in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is the accepted standard of reporting cash cost of production in North America. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. Other companies may calculate these measures differently. Cash operating costs and total cash costs per ounce are derived from amounts included in the statement of operations and include mine site operating costs such as mining, processing, smelting, refining, transportation costs, royalties and production taxes, less silver by-product credits.

All-In Sustaining Costs per gold ounce

In June 2013, the World Gold Council, a non-regulatory association of the world's leading gold mining companies established to promote the use of gold to industry, consumers and investors, provided guidance for the calculation of the measure "all-in sustaining costs per gold ounce", but as a non-IFRS measure, it does not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The World Gold Council standard became effective January 1, 2014. Management believes that the all-in sustaining costs per gold ounce sold measure provides additional insight into the costs of producing gold by capturing all of the expenditures required for the discovery, development and sustaining of gold production and allows Calibre to assess its ability to support capital expenditures to sustain future production from the generation of operating cash flows. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate Calibre's performance and ability to generate cash flow. Accordingly, it is 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. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. The Company has applied the principles of the World Gold Council recommendations and has reported all-in sustaining costs on a sold basis. Other companies may calculate these measures differently.

Calibre defines all-in sustaining costs per ounce as the sum of cash operating costs, royalty and production taxes, capital expenditures and exploration costs that are sustaining in nature, corporate general and administrative costs, share-based payment expenses related to Restricted Share Units ("**RSUs**")/Deferred Share Units ("**DSUs**"), community relations expenditures, reclamation liability accretion and realized (gains) losses on fuel derivative contracts, all divided by the total gold ounces sold to arrive at a per ounce figure. The Company defines non-sustaining capital expenditures and exploration costs as those that do not contribute to current year production or provide access to new material levels of production.

On November 16, 2018, the World Council announced an update to its Guidance Note on all-in sustaining costs with application effective starting January 1, 2019. This update is intended to provide additional transparency about the costs of gold production and support further consistency of application of the Guidance Note. The major updates to the Guidance Note include providing a more specific definition of non-sustaining costs as those costs incurred at ‘new operations’ and costs related to ‘major projects at existing operations’ where these projects will materially benefit the operation in the future. The Guidance Note has defined ‘material benefit’ as an increase of at least 10% in annual or life of mine production, net present value or reserves compared to the remaining life of the operation. In addition, the Guidance Note has been updated to clarify that production phase capitalized stripping only meets the definition of non-sustaining if the stripping is expected to take at least 12 months and the subsequent ore production phase is expected to be more than 5 years. This clarification on capitalized stripping is expected to result in the majority of the acquired assets’ deferred stripping being now classified as sustaining whereas previously, portions would have been classified as non-sustaining if the stripping did not benefit the current year’s production. The acquired assets will adopt the updates to the Guidance Note, including presenting all-in sustaining costs on a sales-basis, effective January 1, 2019. The acquired assets have not applied these updates to prior periods, including 2018.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Information Circular contains certain “forward-looking information” within the meaning of applicable Canadian securities legislation about Calibre, Calibre Subco, the B2Gold Vendors, the Target Subsidiaries and the Resulting Issuer. All statements other than statements of historical fact in this Information Circular that address activities, events or developments that Calibre expects or anticipates will or may occur in the future are forward-looking statements or information. Often, but not always, forward-looking information can be identified by the use of words such as “aim”, “aspire”, “strive”, “will”, “expect”, “intend”, “plan”, “believe” or similar expressions as the relate to Calibre, Calibre Subco, the B2Gold Vendors, the Target Subsidiaries, and the Resulting Issuer. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to materially differ from those reflected in the forward-looking information.

The forward-looking statements and information in this information circular include but are not limited to statements and information relating to the terms, conditions and completion of the Transaction and Subscription Receipt Private Placement; the use of proceeds from the Subscription Receipt Private Placement; the obtaining of all required regulatory approvals in connection with the Transaction and Subscription Receipt Private Placement; estimates of the Resulting Issuer’s future revenues and profits; production guidance; technical information; fluctuation of mineral prices; the estimation of mineral reserves and resources; the timing and amount of estimated future production; political risks; statutory and regulatory compliance, Calibre’s graduation to the Toronto Stock Exchange; the date of the Calibre shareholders meeting; the proposed officers and directors; the impact of the Transaction on the business of Calibre; the closing of the Subscription Receipt Private Placement; and the release of the escrowed funds and the closing of the Transaction.

Such statements and information reflect the current view of Calibre. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Calibre’s actual results, performance or achievements or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

There are a number of important factors that could cause Calibre’s actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others: the ability to satisfy the conditions to the consummation of the transaction and the Subscription Receipt Private Placement; the ability to obtain requisite shareholder and regulatory approvals; the potential impact of the announcement or consummation of the Transaction on relationships; including with regulatory bodies, employees; suppliers customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation and the diversion of management time on the Transaction and the Subscription Receipt Private Placement. Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or statement prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

Calibre cautions that the foregoing list of material factors is not exhaustive. When relying on Calibre’s forward-looking statements and information to make decisions, shareholders should carefully consider the foregoing factors and other uncertainties and potential events. Calibre has assumed that the material factors referred to in the previous paragraph will not cause such forward looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this Information Circular represents the expectations of Calibre as of the date of this Information Circular and, accordingly, is subject to change after such date. Readers should not place undue importance on forward looking information and should not rely upon this information as of any other date. While Calibre may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable laws.

SUMMARY

The following is a summary of information relating to Calibre, the Target Subsidiaries, and the Resulting Issuer (assuming completion of the Transaction) and should be read together with the more detailed information, financial data and statements contained elsewhere in this Information Circular, including the Appendices attached hereto.

The purpose of this Information Circular is to provide information about, among other things, the business of the Meeting and the proposed Transaction, which is the indirect acquisition of the Target Assets from the B2Gold pursuant to the Share Purchase and Consolidation Agreement by Calibre Subco. If completed, the Transaction will qualify as a "Reverse Takeover", as defined by the policies of the TSX-V, and will result in the creation of B2Gold as a new "control person" of Calibre for the purposes of Canadian securities law. Under TSX-V policy, a reverse takeover and the creation of a new control person requires shareholder approval.

Information contained in this Information Circular is given as at August 30, 2019, unless otherwise specifically stated.

The Meeting

The Meeting will be held on October 8, 2019 at 10:00 a.m. (Vancouver time) at Suite 2400 – 745 Thurlow Street, Vancouver, British Columbia for the purposes set forth in the notice of meeting that accompanies this Information Circular. In addition to considering the annual business of Calibre, Calibre Shareholders will be asked at the Meeting to consider, and if deemed advisable, to approve certain special business including certain shareholder resolutions authorizing the Transaction, for the purposes of giving effect to the matters contemplated by the Share Purchase and Consolidation Agreement.

The Calibre Board has fixed August 15, 2019 as the record date for determining the Calibre Shareholders entitled to receive notice of and vote at the Meeting.

See "*Particulars of the Matters to be Acted Upon at the Meeting*".

The Transaction

The Transaction will be effected in accordance with the terms of the Share Purchase and Consolidation Agreement (a copy of which has been filed by Calibre under its profile on SEDAR at www.sedar.com), subject to final approval from the TSX-V and Calibre Shareholders. Pursuant to the Transaction, Calibre will indirectly acquire the Target Assets from B2Gold, including by way of the Company Consolidation, for aggregate consideration (subject to closing adjustments) of US$100 million consisting of (i) US$40 million of cash, (ii) US$40 million of Calibre Shares, (iii) the US$10 million Debenture and (iv) US$10 million in cash payable 12 months after the Closing (collectively, the "**Purchase Price**") all in accordance with the Share Purchase and Consolidation Agreement and Plan of Consolidation. In connection with the Transaction, Calibre intends to complete a brokered private placement of Subscription Receipts, for aggregate gross proceeds of up to approximately $115 million. In connection with Closing of the Transaction, the Subscription Receipts will convert into Calibre Shares and the net proceeds of the Subscription Receipt Private Placement will be released from escrow in order to fund the cash component of the Purchase Price in respect of the Transaction.

Following the completion of the Transaction, it is anticipated that the issued and outstanding capital of the Resulting Issuer will consist of up to 335,362,967 Resulting Issuer Shares (of which up to 201,652,500 Resulting Issuer Shares will be issued in connection with the Subscription Receipt Private Placement, assuming exercise of the Agents' Option in full and the election by the Agents to receive their commission in Agents' Shares). On an undiluted basis, it is expected that current Calibre Shareholders (other than B2Gold) will own approximately 11.7% of the issued and outstanding Resulting Issuer Shares, subscribers of the Subscription Receipt Private Placement will hold approximately 57.2% of the issued and outstanding Resulting Issuer Shares and B2Gold will own approximately 28.1% of the issued and outstanding Resulting Issuer Shares (assuming exercise of the Agents' Option in full and the election by the Agents to receive their commission in Agents' Shares).

The Transaction constitutes a Reverse Takeover under the policies of the TSX-V. Upon Closing, Calibre will be the Resulting Issuer and will indirectly own the Target Assets.

See "*Particulars of the Matters to be Acted Upon at the Meeting – Approval of the Transaction*".

Assuming the Transaction Resolution is approved by Calibre Shareholders at the Meeting, in connection with Closing of the Transaction, the management team of Calibre will be comprised of the following:

- Russell Ball: Chief Executive Officer
- Darren Hall: SVP and Chief Operating Officer
- John Seaberg: SVP and Chief Financial Officer
- Greg Smith: VP Exploration
- Ryan King: VP Corporate Development & IR
- Kristian Dagsaan: Corporate Secretary

If the Transaction Resolution is approved and Closing occurs, it is expected that Greg Smith will resign from the Calibre Board and the Calibre Board will appoint a nominee of B2Gold as a director of the Resulting Issuer. See "*Information Concerning the Resulting Issuer – Directors and Officers and Promoters*".

The Share Purchase and Consolidation Agreement contains representations and warranties from each of Calibre, Calibre Subco, B2Gold and the other B2Gold Vendors as well as covenants and various conditions precedent with respect to the obligations of such parties which are customary for transactions of this nature including approval of the Transaction Resolution by Calibre Shareholders at the Meeting, TSX-V Approval, and the absence of any material adverse change in respect of either Calibre or the Target Subsidiaries. Readers are urged to carefully read the full text of the Share Purchase and Consolidation Agreement, a copy of which has been filed by Calibre under its profile on SEDAR at www.sedar.com.

The Parties

Calibre Mining Corp.

Calibre, a British Columbia company, is a reporting issuer in the Provinces of British Columbia and Alberta with its common shares listed for trading on the TSX-V under the symbol "CXB.V". The Company is a Canadian-based exploration and mine development company exploring for precious metal deposits in the "Mining Triangle" of northeastern Nicaragua. Calibre has a large land package within the area of the mining triangle known as the Borosi Concessions**.** See "*Information Concerning Calibre*". Following Closing, Calibre's business will consist of its existing business as well as the business currently carried on by the Target Subsidiaries. See "*Information Concerning the Resulting Issuer"*.

B2Gold

B2Gold, a British Columbia company, is a reporting issuer in each of the provinces of Canada, with its common shares listed on the TSX, the NYSE American LLC and the Namibian Stock Exchange. B2Gold has operations in Mali, Namibia, the Philippines and Nicaragua. B2Gold's operations in Nicaragua include the El Limon Mine, the La Libertad Mine and the Pavon Gold Project, which are part of the Target Assets being indirectly acquired by Calibre pursuant to the Share Purchase and Consolidation Agreement.

See "*Information Concerning the Target Subsidiaries*".

Subscription Receipt Private Placement

In conjunction with the Transaction, Calibre proposes to complete the Subscription Receipt Private Placement, which is a brokered private placement of up to 192,050,000 Subscription Receipts for aggregate gross proceeds of up to approximately $115 million (assuming that the over-allotment option granted to the Agents is exercised in full). Each Subscription Receipt will be issued at a price of $0.60 per Subscription Receipt. Assuming the successful completion of the Subscription Receipt Private Placement and the satisfaction of all subscription receipt escrow release conditions, immediately prior to Closing (i) the net proceeds of the Subscription Receipt Private Placement will be released from escrow and partially used to fund the cash portion of the Purchase Price payable by Calibre in connection with the Transaction and (ii) each Subscription Receipt will automatically convert, without any further action or payment by the holders thereof, into one Calibre Share.

Calibre has granted the Agents an option (the "**Agent's Option**") to increase the size of the Subscription Receipt Private Placement by up to an additional $15 million of Subscription Receipts at the Offering Price. The Agent's Option will be exercisable at any time up to 48 hours prior to the closing of the Subscription Receipt Private Placement. Based on the daily exchange rate quoted by the Bank of Canada on August 29, 2019, if the full amount of the Agent's Option is exercised, the aggregate gross proceeds of the Subscription Receipt Private Placement of $115 million would be equal to US$86.4 million.

Under such agency agreement, the Agents will receive a cash commission of 5.0% of the gross proceeds from the Subscription Receipt Private Placement, except for that portion of the gross proceeds which is subject to Finder's Fees, where the commission payable to the Agents will be 2.0% of the gross proceeds. Note that under the Subscription Receipt Private Placement, the Agents and the finders have the option to receive their cash commission in Calibre Shares, which could result in the issuance of up to 9,602,500 Calibre Shares (assuming the Agent's Option is exercised in full). See "*General Matters – Agents' Relationship*".

Completion of the Subscription Receipt Private Placement is subject to receipt of TSX-V approvals.

See "*Particulars of the Matters to be Acted Upon at the Meeting – Approval of the Transaction – Subscription Receipt Private Placement*".

Shareholder Approval

TSX-V policy requires that Calibre Shareholder approval of the Transaction be obtained because the Transaction constitutes a reverse takeover for TSX-V purposes. Calibre Shareholder approval is also required under securities law, as the Transaction is a "related-party transaction" under MI 61-101, as B2Gold is an Insider of Calibre.

Accordingly, in addition to considering the annual business of the Company at the Meeting, Calibre Shareholders will be asked to consider, and if thought advisable, to pass an ordinary resolution authorizing and approving the Transaction and the creation of B2Gold as a "control person" (as such term is defined in the *Securities Act* (British Columbia)).

To obtain Calibre Shareholder approval, the ordinary resolution authorizing and approving the Transaction must receive the affirmative vote of the majority votes cast by Calibre Shareholders (other than B2Gold) present in person or represented by proxy and entitled to vote at the Meeting.

See "*Particulars of the Matters to be Acted Upon at the Meeting – Shareholder Approval – Approval of the Transaction – Regulatory and Shareholder Approvals and Filings*".

Recommendation of the Calibre Board

On July 1, 2019, the Calibre Board reviewed and discussed the draft Binding LOI. After considering all relevant factors, the Calibre Board determined that the Transaction was in the best interest of Calibre. On August 20, 2019, the independent directors of the Calibre Board met in camera to review and discuss the draft Share Purchase and Consolidation Agreement and upon concluding their review, recommended that the Calibre Board approve the Transaction Resolutions. The Calibre Board reviewed and discussed the draft Share Purchase and Consolidation Agreement and considered the recommendation of the independent directors. After considering all relevant factors, the Calibre Board confirmed its prior determination that the Transaction was in the best interests of Calibre. The Calibre Board recommends that Calibre Shareholders vote in favour of the Transaction Resolution.

See "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Recommendation of the Calibre Board" and "Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Background to and Reasons for the Transaction*".

Reasons to Support the Transaction

The Calibre Board has periodically reviewed a range of strategic alternatives for creating shareholder value, including other potential transactions. The Calibre Board reviewed and considered a number of factors relating to the proposed Transaction with the benefit of input and advice from the management of Calibre, its strategic advisor, Featherstone Capital, its financial advisor, Trinity and its legal advisors. Calibre and its team of advisors have reviewed a significant amount of information and have performed financial, technical and legal due diligence. As a result, the Calibre Board believes there are a number of compelling reasons for Calibre Shareholders to support the Transaction and vote in favour of the Transaction Resolution. These reasons include the following:

1. **Immediate gold production and cash flow.** Completion of the Transaction will establish Calibre as a gold producer with significant exploration potential and will provide Calibre with immediate production and cash flow to complement its existing exploration and development activities in the Borosi Concessions.

2. **Leverage Calibre's track record in and knowledge of Nicaragua.** Calibre has been active in Nicaragua since 2007 and has a successful track record of exploration and project development in the country. The proposed Transaction allows Calibre to leverage its in-country expertise. See *"Information Concerning Calibre – General Development of the Business – History"* for an overview of Calibre's operational history in Nicaragua since the initial acquisition of its interests in the Borosi Concessions in 2007.

3. **Substantial increase in Calibre's resource base.** Completion of the Transaction will add measured and indicated resources of 979,000 ounces of gold at 2.31 g/t and inferred resources of 1,233,000 ounces of at 4.91 g/t to Calibre's current inferred resources of 2,400,000 gold-equivalent ounces (see: IAMGOLD Corporation and Calibre Mining Corp. Technical Report on the Eastern Borosi Project, Nicaragua dated May 11, 2018, Primavera Project Resource Estimate dated January 31, 2017, Calibre Mining NI 43-101 Technical Report and Resource Estimation on the Cerro Aeropuerto and La Luna Deposits, Borosi Concessions, Nicaragua dated April 11, 2011, the El Limon Technical Report and the La Libertad Technical Report, each filed on Calibre's profile on SEDAR).

4. **Proven management team and board.** The Calibre management team and Calibre Board following Closing have extensive experience in the mining industry, with a long history of stakeholder value creation and proven capabilities in financing, acquiring, discovering, developing and operating open-pit and underground mines. See "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters"* for a summary of the industry experience of the Calibre management team and Calibre Board following Closing.

5. **Compelling value proposition.** Calibre will be well-positioned, with leading leverage among junior gold producer equities and with significant exploration potential and an attractive valuation on net asset value, cash flow, resource, and production multiples.

6. **Strategic partnership with B2Gold.** After Closing, B2Gold will own a direct equity interest in Calibre of approximately 31% (assuming the Agents' Option is not exercised and no Agent's Shares are paid). B2Gold's ongoing commitment to involvement with the Target Assets will be secured by this significant equity interest in Calibre, B2Gold's right to appoint one director to the Calibre Board and its participation in the advisory board. Through this involvement, B2Gold's track record and expertise in finding, acquiring, building and operating mines will benefit Calibre as Calibre seeks to expand its gold production and resource base.

7. **Execution of a gold consolidation strategy.** The Transaction establishes a producing platform to continue to acquire quality gold production assets and development opportunities. Shareholders will be well-positioned to participate in future value creation and growth opportunities.

8. **Procedural protections in the Transaction.** Shareholder approval of the Transaction Resolution will be sought from a "majority of the minority" of Calibre Shareholders, meaning that the vote of Calibre Shareholders who are non-arm's length parties in this Transaction will not be counted in considering whether Calibre Shareholder approval is received. In addition, the Share Purchase and Consolidation

Agreement permits either B2Gold or Calibre to terminate the Share Purchase and Consolidation Agreement should certain customary conditions to Closing not be completed. For a summary of the terms of the Share Purchase and Consolidation Agreement, see "*Particulars of Matters to Be Acted Upon at the Meeting – Approval of Transaction – Share Purchase and Consolidation Agreement*".

Fairness Opinion

In deciding to approve the Transaction, the Calibre Board considered, among other things the opinion of Trinity, who was engaged by the Calibre Board to consider the Transaction and provide its opinion as to the fairness of the Transaction, from a financial point of view, to Calibre. In the Fairness Opinion, Trinity concluded that, subject to the assumptions, qualifications and limitations contained therein, the Transaction was fair, from a financial point of view to Calibre. The full text of the Fairness Opinion is attached as Appendix E to this Information Circular. Calibre Shareholders are urged to read the Fairness Opinion in its entirety, however, the Fairness Opinion is not a recommendation to any Calibre Shareholder as to how such shareholder should vote on the Transaction Resolution.

See *"Particulars of Matters to Be Acted Upon at the Meeting – Approval of Transaction – Fairness Opinion"*.

Non-Arm's Length Transaction

The Transaction is a "Non-Arms Length Transaction" under the policies of the TSX-V as B2Gold is currently an Insider of Calibre by virtue of it holding 11.9% of the issued and outstanding Calibre Shares (on a non-diluted basis). As consideration under the Transaction, B2Gold will receive the aggregate amount (subject to closing adjustments) of US$100 million comprised of cash, Calibre Shares and the Debenture. B2Gold will also be granted various investor rights, such as the right to appoint a nominee to the Resulting Issuer Board. See "*Particulars of Matters to be acted upon at the Meeting – Approval of the Transaction – Investor Rights Agreement*".

Sponsorship in the context of a Reverse Takeover is required by the TSX-V unless exempt in accordance with TSX-V Policy 2.2. Calibre has been granted a waiver from the sponsorship requirements under TSX-V Policy 2.2 by the TSX-V subject to the TSX accepting the listing of the Resulting Issuer on a post-Closing basis.

See "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Regulatory and Shareholders Approvals and Filings*".

Estimated Funds Available

Calibre estimates that, immediately following Closing, and taking into account the expenses of the Transaction and the Subscription Receipt Private Placement but without taking into account any potential closing adjustments, the Resulting Issuer will have positive working capital (net of transaction costs) of approximately $121 million on hand, assuming that $115 million gross proceeds are raised pursuant to the Subscription Receipt Private Placement. During the 12 months following Closing, it is expected that approximately $53 million will be used to fund the cash portion of the consideration for the Transaction. The remaining funds are expected to be used for mine development, exploration and for general and administrative expenses and to cover unallocated working capital. There may be circumstance where, for sound business reasons, the Resulting Issuer reallocates the funds for different purposes.

See "*Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*".

Select Pro Forma Financial Information

The following table sets out certain pro forma financial information for the Resulting Issuer assuming completion of the Transaction. The following information should be read in conjunction with the unaudited pro forma financial statements set forth in this Information Circular. Please see "*Appendix D – Unaudited Pro Forma Financial Statements of the Resulting Issuer*".

	Select Financial Information

	Calibre (as at June 30, 2019) ('000's)	Target Subsidiaries ('000's)	Pro Forma Adjustments ('000's)	Resulting Issuer Pro Forma Consolidation ('000's)
Current Assets	US$2,231	US$56,588	US$4,252	US$63,071
Total Assets	US$25,962	US$166,445	US$52,571	US$244,978
Current Liabilities	US$311	US$223,121	US$ (188,928)	US$34,504
Total Liabilities	US$544	US$287,947	US$ (178,928)	US$109,563
Shareholders' Equity (Deficiency)	US$25,418	US$ (121,502)	US$231,499	US$135,415
Common Shares Issued and Outstanding	44,822	Nil	253,970	298,792

Market for Securities and Trading Price

The Calibre Shares are listed on the TSX-V under the symbol "CXB". The Calibre Shares were halted from trading on July 2, 2019 in connection with the announcement of the Transaction. The closing price of the outstanding Calibre Shares on the TSX-V on June 28, 2019, being the last trading day immediately prior to the announcement of the Transaction, was $0.58 per share.

Shortly following Closing, and subject to meeting the TSX listing requirements and obtaining TSX approval, the Resulting Issuer intends to graduate to the TSX. Although Calibre expects that it will be able to satisfy the listing conditions of the TSX, there is no assurance that the TSX will grant listing approval, or that listing approval will be granted immediately in connection with Closing.

Conflicts of Interest

Other than as disclosed in this Information Circular, there are no known existing or potential conflicts of interest between the Resulting Issuer and its proposed directors and officers or other proposed members of management of the Resulting Issuer as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Resulting Issuer and their duties as a director or officer of such other companies.

The directors of the Resulting Issuer will be required by law to act honestly and in good faith with a view to the best interests of the Resulting Issuer and to disclose any interests that they may have in any project or opportunity of the Resulting Issuer. If a conflict of interest arises at a meeting of the Resulting Issuer Board, any director with a conflict will disclose his or her interest and abstain from voting on such matter in accordance with the BCBCA.

See "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters – Conflicts of Interest*".

Interests of Experts

To Calibre's knowledge, no person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Information Circular or as having prepared or certified a report or valuation described or included in this Information Circular holds any beneficial interest, direct or indirect, in any securities or property of Calibre, B2Gold or the Resulting Issuer or an Associate or Affiliate of the foregoing. PricewaterhouseCoopers LLP is excluded from this statement.

Conditional TSXV Approval

Calibre has made an application to the TSX-V to obtain all approvals required in respect of the Transaction. The TSX-V has conditionally accepted the Transaction subject to Calibre fulfilling all of the requirements of the TSX-V. There can be no assurance that all of the requisite approvals will be granted on a timely basis or on conditions satisfactory to Calibre or that approvals will be granted at all.

Risk Factors

In considering approval of the Transaction, Calibre Shareholders should carefully consider certain risks associated with the Transaction and the proposed business of the Resulting Issuer. Calibre Shareholders should understand that if the Transaction is approved at the Meeting, Calibre intends to complete the Transaction pursuant to the Share Purchase and Consolidation Agreement and, as a result, Calibre Shareholders will be subject to all of the risks associated with the Target Subsidiaries, the Target Assets and the resulting business and operations of the Resulting Issuer.

The securities of Calibre and, following Closing, the Resulting Issuer are and will be risky and shareholders should carefully consider the following information about these risks, together with other information contained herein. If any of the following risks materialize occur, the Resulting Issuer's business, results of operations and financial condition could suffer significantly. Risks relating to the Transaction and the Resulting Issuer include but are not limited to:

- the risk that the Transaction will not be completed;
- the risk that the Subscription Receipt Private Placement will not close;
- the risk that equity dilution associated with the Transaction will negatively affect share prices;
- the risk that the unaudited pro forma financial statements do not illustrate the financial condition of the Resulting Issuer;
- risks relating to B2Gold's governance and board representation rights;
- risks relating to title over the Target Assets;
- risks related to realizing the benefits of growth projects at the El Limon and La Libertad mines;
- the risk that the Target Assets will not be integrated successfully into the Resulting Issuer's operations;
- the risk that the TSX will not grant, or will delay, final listing approval to graduate;
- political and economic risks that could impact the Resulting Issuer;
- foreign currency and exchange risks;
- risks relating to social unrest;
- risks relating to conflict with small scale miners;
- risks relating to compliance with anti-corruption laws;
- risks relating to operating in the mining and metal industry;
- risks relating to estimates of Mineral Reserves and Mineral Resources;
- risks relating to the price of gold;
- risks relating to the danger of mining;
- mineral exploration and development risks;
- risks related to mineral and surface rights;
- risks relating to licenses and permits;
- risks relating to environmental laws;
- risks relating to community relations;

- risks relating to guidance and estimates of future production;
- competition risks;
- risks relating to financing and capital requirements
- risks relating to labour relations;
- risks relating to the price of Resulting Issuer Shares;
- litigation risks;
- risks relating to compliance with law;
- risks relating to future financing;
- insurance risks;
- key personnel risks; and
- risks regarding dividends.

Additional risks and uncertainties, including those currently unknown to or considered immaterial by Calibre may also adversely affect the business of Calibre and the Resulting Issuer going forward. See "*Risk Factors*".

PROXY-RELATED INFORMATION

Solicitation of Proxies

This Information Circular is provided in connection with the solicitation of proxies by the management of Calibre. The form of proxy which accompanies this Information Circular (the "**Proxy**") is for use at the annual general and special meeting of the shareholders of the Company to be held on October 8, 2019 (the "**Meeting**"), at the time and place set out in the accompanying notice of Meeting (the "**Notice of Meeting**"). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

Appointment and Revocation of Proxy

Registered Shareholders

The persons named in the Proxy are directors and/or officers of Calibre. **A registered shareholder who wishes to appoint some other person (who need not be a Calibre Shareholder) to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person's name in the blank space provided.** The completed Proxy should be delivered to Computershare Investor Services Inc. ("**Computershare**") by 10:00 a.m. (local time in Vancouver, British Columbia) on October 4, 2019, or more than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

(a) signing a proxy with a later date and delivering it at the time and place noted above;

(b) signing and dating a written notice of revocation and delivering it to Computershare or by transmitting a revocation by telephonic or electronic means, to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment of it; or

(c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

Beneficial Shareholders

The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditors as set out in this Information Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Information Circular, the Management of the Company knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name. Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only proxies deposited by shareholders who appear on the records maintained by the Company's registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder's name. Such common shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form ("**VIF**"), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote common shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of common shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted. If you have any questions respecting the voting of common shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

The Notice of Meeting, Information Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

The Company has distributed copies of the Notice of Meeting, Information Circular and VIF to intermediaries for distribution to NOBOs. Unless you have waived your right to receive the Notice of Meeting, Information Circular and VIF, intermediaries are required to deliver them to you as a NOBO of the Company and to seek your instructions on how to vote your common shares.

The Company's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Information Circular and VIF to OBOs and accordingly, if the OBO's intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Information Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 10:00 a.m. (Vancouver time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Information Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company as maintained by the registrar and transfer agent of the Company, Computershare Trust Company of Canada, unless specifically stated otherwise.

Interest of Certain Persons in Matters to be Acted Upon

Calibre is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

(a) each person who has been a director or executive officer of Calibre at any time since the beginning of Calibre's last financial year;

(b) each proposed nominee for election as a director of Calibre; and

(c) each associate or affiliate of any of the foregoing.

Voting Securities and Principal Holders of Voting Securities

Shareholders registered as at August 15, 2019, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must deliver their Proxies at the place and within the time set forth in the notes to the Proxy to entitle the person appointed by the Proxy to attend and vote.

Other than as set out below, to the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, no persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Company.

Name	Number of Common Shares	Percentage of Issued Common Shares
B2Gold	5,345,000	11.9%

For further information about Calibre voting securities of and the principal holders thereof, please see "*Information Concerning Calibre – Selected Consolidated Financial Information and Management's Discussion and Analysis – Description of the Securities*", below.

PRESENTATION OF ANNUAL AND INTERIM FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2018, together with the auditor's report on those statements, and the unaudited interim financial statements of the Company for the six months ended June 30, 2019, will be presented to the shareholders at the Meeting, but no action with respect to such financial statement will be requested of Calibre Shareholders at the Meeting. Copies of these financial statements have been filed and are available under Calibre's profile on SEDAR at www.sedar.com.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

Election of Directors

Proposed Management Nominees for Election to the Calibre Board

The directors of the Calibre Board are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or until such director's earlier death, resignation or removal. The management of Calibre proposes to nominate the persons listed below for election as directors of Calibre to serve until their successors are elected or appointed. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of Calibre will be voted for the nominees listed in this Information Circular. Pursuant to the Advance Notice Policy adopted by the Calibre Board on March 19, 2013, any additional director nominations for the Meeting must be received by Calibre in compliance with the Advance Notice Policy no later than the close of business on September 8, 2019. If no such nominations are received by Calibre prior to such date, management's nominees for election as directors set forth below will be the only nominees eligible to stand for election at the Meeting. **The Calibre Board unanimously recommends that Calibre Shareholders vote FOR the nominees set forth below. Management does not contemplate that any of the nominees will be unable to serve as a director. If any vacancies occur in the slate of nominees listed below before the Meeting, management will exercise discretion to vote the proxy for the election of any other person or persons as directors**.

The following table sets out the names of the nominees for election as directors, the offices they hold within Calibre, their occupations, the length of time they have served as directors of Calibre, and the number of shares of Calibre and its subsidiaries which each beneficially owns directly or indirectly or over which control or direction is exercised as of the date of the Notice of Meeting:

Name, jurisdiction of residence and office to be held	Principal occupation within the past five years	Director / Officer Since	Number of Calibre Shares to be Held Directly or Indirectly(1)
Gregory Smith(2) British Columbia, Canada *Chief Executive Officer, President and Director*	Vice President of Edgewater Exploration Ltd.; Vice President of Pinecrest Resources Ltd.	June 15, 2012	29,500
Russell Ball British Columbia, Canada *Chairman and Director*	Founding Partner of QDBS Resources Inc.; Director, Columbus Gold Corp.; Director, Trevali Corporation; and Director, Lydian International Ltd.	November 6, 2018	569,000
Blayne Johnson (2) British Columbia, Canada *Director*	Chairman of Featherstone Capital Inc.	May 18, 2005	1,710,046
Douglas Forster (3) British Columbia, Canada *Director*	Director, Edgewater Exploration Ltd.; Director, Pinecrest Resources Ltd.; President and Chief Executive Officer, Featherstone Capital Inc.; President and Chief Executive Officer, Quarry Capital Corp.	December 10, 2003	1,920,563
Edward Farrauto (3)(4) British Columbia, Canada *Director*	President of Sail View Capital Ltd.	December 2003 to March 2005; May 18, 2005 to present	404,773

Name, jurisdiction of residence and office to be held	Principal occupation within the past five years	Director / Officer Since	Number of Calibre Shares to be Held Directly or Indirectly(1)
Raymond Threlkeld (2)(4) Virginia, USA *Director*	Director of Kirkland Lake Gold Ltd. and Director of Euromax Resources Ltd.	November 6, 2018	Nil
Douglas Hurst(3)(4) British Columbia, Canada *Director*	Director of Pinecrest Resources Ltd.	September 6, 2016	200,167
Audra B. Walsh La Huelva, Spain	Chief Executive Officer of Minas de Aguas Tenidas S.A.U.	October 8, 2019	Nil

Notes:

(1) As of the date of this Information Circular.

(2) Member of Calibre's compensation committee.

(3) Member of Calibre's audit committee.

(4) Member of Calibre's corporate governance committee

The above information, including information as to Calibre Shares beneficially owned, has been provided by the respective directors individually.

For the purposes of the following disclosure, "order" means (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation, any of which was in effect for a period of more than 30 consecutive days.

No proposed director of Calibre:

(a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including Calibre) that,

(i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an order that was issued after the proposed director was acting in the capacity as director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,

(b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including Calibre) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or

(d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

If the Transaction Resolution is approved and Closing occurs, it is expected that Greg Smith will resign from the Calibre Board and the Calibre Board will appoint a nominee of B2Gold as a director of the Resulting Issuer. See "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters".* At the time of the Meeting, the Transaction will not yet have been completed and there can be no assurance at that time that the Transaction will be completed. If the Transaction Resolution is not approved by Calibre Shareholders by the required vote, the eight directors, including Gregory Smith, will remain on the Calibre Board for the ensuing year.

Appointment of Auditor

At the Meeting, Calibre Shareholders will be asked to consider, and if thought advisable, to pass an ordinary resolution reappointing PricewaterhouseCoopers LLP, of Vancouver, British Columbia, as auditor of Calibre for the following year, and to authorize the Calibre Board to fix the remuneration of said auditor for such year, as follows:

"**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the appointment of PricewaterhouseCoopers LLP, Vancouver, British Columbia, as auditor of Calibre, to hold office until the next annual meeting of Calibre Shareholders, is hereby approved; and
2. the Calibre Board is hereby authorized to fix the remuneration of the auditor so appointed."

The appointment of PricewaterhouseCoopers LLP will be approved if the affirmative vote of the majority of Calibre Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of the resolution.

The Calibre Board unanimously recommends that Calibre Shareholders vote <u>FOR</u> the resolution approving the appointment of the auditor of Calibre. Unless otherwise directed, it is the intention of the persons designated in the accompanying form of proxy to vote in favour of the ordinary resolution to approve the appointment of the auditors of Calibre.

Approval of the Resulting Issuer LTIP

In April, 2017, the Calibre Board introduced a long term incentive plan (the "**Long Term Incentive Plan**" or "**LTIP**") that provides for time-based share unit awards ("**RSUs**"), deferred share units ("**DSU**") options ("**Options**") and performance-based share unit awards ("**PSUs**", and collectively with RSUs, DSUs and Options, "**Awards**") that may be granted to employees, officers and eligible consultants and directors of the Company and its affiliates. Recipients of RSUs, DSUs, Options or PSUs are defined as "Participants". A description of the Long Term Incentive Plan is set out in this Circular under "Equity Compensation Plans – Long Term Incentive Plan".

Subject to TSX-V, TSX and shareholder approval, on September 6, 2019, the Calibre Board approved amendments to the LTIP (the "**Resulting Issuer LTIP**") that increased the number of Calibre Shares subject to awards under the Resulting Issuer LTIP to 44,500,000 Calibre Shares to be issuable upon the exercise or redemption and settlement for all awards granted under the Resulting Issuer LTIP together with all other established security based compensation arrangements, of which a maximum of 10,000,000 Calibre Shares may be set aside for issue upon the exercise or redemption and settlement of DSUs, PSUs and RSUs. The amendments also provide that the number of Calibre Shares issuable upon the settlement of all Awards to all non-executive directors shall not at any time, exceed 1% of the issued and outstanding Calibre Shares. Further, the number of Calibre Shares issuable upon the settlement of all Awards to any one non-executive director within a one year period, shall not exceed an award value of $150,000 per such non-executive director, of which not more than $100,000 may comprise Options, based on a valuation method acceptable to the Calibre Board. If the Resulting Issuer LTIP is approved, the number of Calibre Shares eligible for issuance under the Resulting Issuer LTIP will represent 13.6% of the issued and outstanding Resulting Issuer Shares (assuming the Agents' Option is exercised in full and no Agents' Shares are paid as commission).

Pursuant Policy 4.4 of the TSX-V Corporate Finance Policies and section 613 of the TSX Company Manual (as applicable), to permit the issuance of Calibre Shares upon the vesting of outstanding Awards and those that may be granted in the future, the Company must seek shareholder approval at the Meeting for the Resulting Issuer LTIP and authorization for the allocation of Calibre Shares for issuance to satisfy such Awards. Details of the outstanding Awards as at August 30, 2019 are provided under "*Equity Compensation Plans – Long Term Incentive Plan*".

If approval is not obtained at the Meeting, all existing Awards will continue unaffected and additional Awards may be granted in the future, but Calibre will not be permitted to issue Calibre Shares to satisfy its obligations upon the vesting of RSUs, DSUs, Options or PSUs that may be granted in the future.

Long Term Incentive Plan Approval Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, pass a resolution in the form set out below (the "**Long Term Incentive Plan Resolution**"), subject to such amendments, variations or additions as may be approved at the Meeting, to approve the Resulting Issuer LTIP as a treasury based plan and to authorize the allocation of Calibre Shares for issuance under the Long Term Incentive Plan to satisfy payment obligations for Awards granted at the discretion of the Calibre Board. Note that in the event the Long Term Incentive Plan Resolution is approved at the Meeting but the Transaction Resolution is not, the LTIP and not the Resulting Issuer LTIP will remain the equity compensation plan of Calibre.

The approval of the Long Term Incentive Plan Resolution is key to allow more flexibility for the Resulting Issuer in compensating its employees, officers, directors and consultants by way of equity compensation grants. Accordingly, the Calibre Board recommends the adoption of the Resulting Issuer Long Term Incentive Plan Resolution. To be effective, the Long Term Incentive Plan Resolution must be approved by not less than a majority of the votes cast by shareholders present in person, or represented by proxy, at the Meeting. Unless otherwise indicated, the persons named in the enclosed proxy form intend to vote FOR the Long Term Incentive Plan Resolution.

The text of the Long Term Incentive Plan Resolution to be submitted to shareholders at the Meeting is set out below:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

The Resulting Issuer LTIP and unallocated Awards issuable thereunder are hereby approved and authorized and any director or officer of Calibre is authorized and directed, acting for, in the name of and on behalf of Calibre, to execute or cause to be executed, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer be necessary or desirable to give effect to this resolution."

Approval of the Transaction

At the Meeting, Calibre Shareholders will be asked to consider, and if thought advisable, to pass the following ordinary resolution approving of the Transaction (the "**Transaction Resolution**"):

"**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. The acquisition by Calibre Subco (as such term is defined in the management information circular of the Company dated August 30, 2019 (the "**Information Circular**")) of the Target Assets (as such term is defined in the Information Circular) from B2Gold Corp., including by way of the Company Consolidation (as such term is defined in the Information Circular), for the aggregate purchase price (subject to closing adjustments) of US$100 million, to be satisfied by (i) cash consideration of US$40 million on the closing of the transaction, (ii) the issuance to B2Gold Corp. of such number of common shares in the capital of the Company (as such term is defined in the Information Circular) as is equal to US$40 million, which payment will result in B2Gold Corp. becoming a control person in Calibre (as defined in the *Securities Act* (British Columbia)), (iii) the issuance to B2Gold Corp. of a debenture convertible into the common shares of the Company in the aggregate principal amount of US$10 million, and (iv) cash consideration of US$10 million, 12 months following the closing of the transaction and on such other terms as are described in the Information Circular (the "**Transaction**"), is hereby authorized and approved.

2. Notwithstanding that this resolution has been passed (and the Transaction approved) by the shareholders of the Company, the directors of the Company are hereby authorized and empowered, without further notice to, or approval of the shareholders of the Company to (i) amend the Share Purchase and Consolidation Agreement (as such term is defined in the Information Circular) to the extent permitted by the Share Purchase and Consolidation Agreement or (ii) subject to the terms of the Share Purchase and Consolidation Agreement, not proceed with the Transaction.

3. Any one director or officer of the Company be, and is hereby, authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing."

The Calibre Board unanimously recommends that Shareholders vote FOR the Transaction Resolution.

Unless otherwise directed, it is the intention of the persons designated in the accompanying form of proxy to vote in favour of the Transaction Resolution.

In order for the Transaction to be implemented, the Transaction Resolution must be passed by a simple majority (50% plus one vote) of the votes cast at the Meeting by Calibre Shareholders and who, being entitled to, vote in person or by proxy at a general meeting of Calibre. In accordance with MI 61-101 and TSX-V policy, the vote will be carried out on a "majority of the minority" basis, meaning that votes attaching to Calibre Shares held by Calibre Shareholders with an interest in the Transaction (being B2Gold) will be excluded in determining whether the Transaction Resolution has received the requisite "majority of the minority" vote at the Meeting. For more information regarding the approval requirements of the Transaction Resolution, see *"Regulatory and Shareholder Approvals and Filings",* below.

The Calibre Board determined that the proposed Transaction is in the best interest of Calibre and the Calibre Shareholders and authorized the negotiation, entering into and execution of the Share Purchase and Consolidation Agreement.

Reasons to Support the Transaction

The Calibre Board has periodically reviewed a range of strategic alternatives for creating shareholder value, including other potential transactions. The Calibre Board reviewed and considered a number of factors relating to the proposed Transaction with the benefit of input and advice from the management of Calibre, its strategic/financial/geology mining metallurgical consultants advisors, Featherstone Capital, Trinity, RPA Inc. and its legal advisors. Calibre and its team of consultants and advisors have reviewed a significant amount of information and have performed financial, technical and legal due diligence. As a result, the Calibre Board believes there are a number of compelling reasons for Calibre Shareholders to support the Transaction and vote in favour of the Transaction Resolution. These reasons include the following:

1. **Immediate gold production and cash flow.** Completion of the Transaction will establish Calibre as a gold producer with significant exploration potential and will provide Calibre with immediate production and cash flow to complement its existing exploration and development activities in the Borosi Concessions.

2. **Leverage Calibre's track record in and knowledge of Nicaragua.** Calibre has been active in Nicaragua since 2007 and has a successful track record of exploration and project development in the country. The proposed Transaction allows Calibre to leverage its in-country expertise. See *"Information Concerning Calibre – General Development of the Business – History"* for an overview of Calibre's operational history in Nicaragua since the initial acquisition of its interests in the Borosi Concessions in 2007.

3. **Substantial increase in Calibre's resource base.** Completion of the Transaction will add measured and indicated resources of 979,000 ounces of gold at 2.31 g/t and inferred resources of 1,233,000 ounces of at 4.91 g/t to Calibre's current inferred resources of 2,400,000 gold-equivalent ounces (see: IAMGOLD Corporation and Calibre Mining Corp. Technical Report on the Eastern Borosi Project, Nicaragua dated May 11, 2018, Primavera Project Resource Estimate dated January 31, 2017, Calibre Mining NI 43-101 Technical Report and Resource Estimation on the Cerro Aeropuerto and La Luna Deposits, Borosi Concessions, Nicaragua dated April 11, 2011, the El Limon Technical Report and the La Libertad Technical Report, each filed on Calibre's profile on SEDAR).

4. **Proven management team and board.** The Calibre management team and Calibre Board following Closing have extensive experience in the mining industry, with a long history of stakeholder value creation and proven capabilities in financing, acquiring, discovering, developing and operating open-pit and underground mines. See "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters"* for a summary of the industry experience of the Calibre management team and Calibre Board following Closing.

5. **Compelling value proposition.** Calibre will be well-positioned, with leading leverage among junior gold producer equities and with significant exploration potential and an attractive valuation on net asset value, cash flow, resource, and production multiples.

6. **Strategic partnership with B2Gold.** After Closing, B2Gold will own a direct equity interest in Calibre of approximately 31% (assuming the Agents' Option is not exercised by the Agents and no Agent's Shares are paid). B2Gold's ongoing commitment to involvement with the Target Assets will be secured by this significant equity interest in Calibre, B2Gold's right to appoint one director to the Calibre Board and its participation in the advisory board. Through this involvement, B2Gold's track record and expertise in finding, acquiring, building and operating mines will benefit Calibre as Calibre seeks to expand its gold production and resource base.

7. **Execution of a gold consolidation strategy.** The Transaction establishes a producing platform to continue to acquire quality gold production assets and development opportunities. Shareholders will be well-positioned to participate in future value creation and growth opportunities.

8. **Procedural protections in the Transaction.** Shareholder approval of the Transaction Resolution will be sought from a "majority of the minority" of Calibre Shareholders, meaning that the vote of Calibre Shareholders who are non-arm's length parties in this Transaction will not be counted in considering whether Calibre Shareholder approval is received. In addition, the Share Purchase and Consolidation Agreement permits either B2Gold or Calibre to terminate the Share Purchase and Consolidation Agreement should certain customary conditions to Closing not be completed. For a summary of the terms of the Share Purchase and Consolidation Agreement, see "*Particulars of Matters to Be Acted Upon at the Meeting – Approval of Transaction – Share Purchase and Consolidation Agreement*".

Background to and Reasons for the Transaction

The terms of the Transaction were determined pursuant to negotiations between Calibre and B2Gold management on an ongoing basis between February 2019 and July 2019. The Calibre Board and management initiated the negotiations because the Target Assets are in Nicaragua where Calibre has been operating for over ten years. The Target Assets are logistically sound with well-built mining and milling infrastructure, have meaningful consolidated gold production, and excellent geological potential to expand known resources and make new gold discoveries. Completion of the Transaction will position Calibre as a producing gold company with attractive cash flow, excellent near mine exploration potential, a geologically rich portfolio of 100% owned gold-copper and gold-silver projects and a joint venture partnership on the growing Eastern Borosi gold-silver project with mid-tier partner IAMGOLD Corporation.

In connection with the negotiations and to facilitate in-depth due diligence relating to the Target Assets, Calibre and B2Gold entered into a non-binding term sheet on June 4, 2019, which provided for a 30 business day period of exclusive negotiation between Calibre and B2Gold. Among other things, the proposal was subject to satisfactory completion of confirmatory technical, legal and financial due diligence, B2Gold being satisfied with Calibre's plan for raising financing following the announcement of the Transaction and the final approval of the Calibre Board.

On July 2, 2019, Calibre and B2Gold entered into a binding letter of intent (the "**Binding LOI**"), which provided for the acquisition of the Target Assets by Calibre from B2Gold. Under the terms of the Binding LOI, the parties committed to negotiation of a definitive agreement and extended exclusivity until July 30, 2019 and the parties thereafter extended exclusivity through to September 3, 2019. Upon execution of the Binding LOI, Calibre and B2Gold jointly announced the Transaction. Calibre Shares were halted from trading in connection with the public announcement of the Binding LOI, in accordance with TSX-V policy. Management expects Calibre Shares to remain halted until the Closing of the Transaction.

On August 28, 2019, Calibre, Calibre Subco and the B2Gold Vendors entered into the Share Purchase and Consolidation Agreement, which contains the definitive terms of the proposed Transaction. The following summary of the Share Purchase and Consolidation Agreement is qualified in its entirety by reference to the complete text of the Share Purchase and Consolidation Agreement, a copy of which is available under Calibre's profile on SEDAR at www.sedar.com.

Share Purchase and Consolidation Agreement

The Share Purchase and Consolidation Agreement provides for the indirect acquisition by Calibre of certain of the Target Assets, including by way of the Company Consolidation among Calibre Subco and Minesa (Cayman) Inc. to create a new consolidated company for the Purchase Price (subject to closing adjustments) of (i) cash consideration payable at Closing of US$40 million, (ii) Calibre Share consideration deliverable at Closing in an amount equal to US$40 million (issued at $0.60 per Calibre Share) (the "**Consideration Shares**"), (iii) a convertible debenture issued to B2Gold at Closing in the aggregate principal amount of US$10 million (the "**Debenture**"), and (iv) an additional cash payment of US$10 million payable to B2Gold 12 months following Closing. The total consideration payable by Calibre or its subsidiaries to B2Gold or its subsidiaries under the Share Purchase and Consolidation Agreement is US$100 million (subject to closing adjustments).

The Share Purchase and Consolidation Agreement contains representations and warranties of and from each of Calibre, Calibre Subco, B2Gold and other B2Gold Vendors as well as covenants, various conditions precedent and indemnities with respect to each of Calibre, Calibre Subco, B2Gold and the other B2Gold Vendors, which are customary for transactions in the nature, including (but not limited to) approval of the Transaction and the Transaction Resolution by Calibre Shareholders at the Meeting, TSX-V Approval, and the absence of any material adverse change in respect of either Calibre or the Target Subsidiaries.

In particular, under the Share Purchase and Consolidation Agreement, B2Gold agreed to negotiate and enter into with Calibre and/or Calibre Subco at Closing, a transition services agreement, if requested by Calibre. The parties also agreed to enter into and execute the Plan of Consolidation and the Investor Rights Agreement at Closing. See the sections "*Plan of Consolidation*" and "*Investor Rights Agreement*" below.

In addition, under the Share Purchase and Consolidation Agreement, Calibre agreed to use commercially reasonable efforts to arrange to have Transaction financing arrangements in place no later than five business days before Closing. Failure by Calibre to complete Transaction financing for aggregate gross proceeds sufficient to pay the cash portion of the Purchase Price by October 24, 2019, being the date that is five business days prior to the Outside Date (as defined in the Share Purchase and Consolidation Agreement), will constitute a financing failure under the Share Purchase and Consolidation Agreement. Should such a financing failure occur, and if the Share Purchase and Consolidation Agreement is terminated as a result of the financing failure, Calibre Subco will be liable to pay to the B2Gold Vendors a termination fee of US$3,000,000.

The Share Purchase and Consolidation Agreement also requires the holding the Meeting to approve the Transaction. Under the Share Purchase and Consolidation Agreement, any postponement or adjournment to the Meeting requires the consent of B2Gold, subject to exceptions for reasons of quorum and applicable law. If the Transaction Resolution is not passed at the Meeting (or in any event prior to October 24, 2019), the B2Gold Vendors will be entitled to terminate the Share Purchase and Consolidation Agreement, in which case Calibre Subco will be liable to pay to the B2Gold Vendors a termination fee of US$3,000,000.

B2Gold has also agreed not to, for a period of two years from the Closing Date, without the prior written consent of Calibre Subco, make any real property or mining-related acquisitions or investments within the area that extends one kilometre from the present outside boundary of the mineral tenure included in the Target Assets (the "**Restricted Area**") or to acquire 50% or more of the equity interests of any person that derives greater than 50% of its consolidated revenues from mining-related activities in the Restricted Area, other than Calibre. Without the prior written consent of Calibre Subco, B2Gold has also agreed to certain non-solicitation restrictions from the Closing Date until December 31, 2020.

Subscription Receipt Private Placement

To satisfy the cash portion of the Purchase Price, Calibre has entered into an engagement letter with Canaccord Genuity Corp. and Sprott Capital Partners LP (the "**Co-Lead Agents**") on behalf of Raymond James Ltd., RBC Capital Markets., Haywood Securities Inc. and PI Financial Corp. (together with the Co-Lead Agents, the "**Agents**") to complete a private placement on a best efforts basis of up to 167,000,000 Subscription Receipts for aggregate gross proceeds of up to approximately $100 million. Each Subscription Receipt will be issued at a price of $0.60 per Subscription Receipt (the "**Offering Price**").

In addition, Calibre has granted the Co-Lead Agents the Agent's Option to increase the size of the Subscription Receipt Private Placement by up to an additional $15 million of Subscription Receipts at the Offering Price. The Agent's Option will be exercisable at any time up to 48 hours prior to the closing of the Subscription Receipt Private Placement. Based on the daily exchange rate quoted by the Bank of Canada on August 29, 2019, if the full amount of the Agent's Option is exercised, the aggregate gross proceeds of the Subscription Receipt Private Placement of $115 million would be equal to approximately US$86.4 million.

In connection with the Subscription Receipt Private Placement, the Company may pay finders fees equal to 3.0% of the gross proceeds from any orders solicited by certain finders (the "**Finder's Fees**"). As consideration for the services, the Agents will receive a cash commission of 5.0% of the gross proceeds from the Subscription Receipt Private Placement, except for such portion of the gross proceeds which is subject to Finder's Fees, where commission payable to the Agents will be 2.0% of the gross proceeds. Under the terms of the Subscription Receipt Private Placement, the Agents have the option to receive all or a portion of their commission in Calibre Shares, which could result in the issuance of up to 9,602,500 Calibre Shares (assuming the Agent's Option is exercised in full).

Upon the closing of the Subscription Receipt Private Placement, the aggregate gross proceeds, less any expenses paid to the Co-Lead Agents on closing will be held in escrow until each of the escrow release conditions have been satisfied. The escrow release conditions include (i) all of the conditions to the Transaction (other than the condition requiring the release of the net proceeds of the Subscription Receipt Private Placement) having been satisfied or waived, (ii) the Agents having received an officers certificate from Calibre confirming that it has instructed its representatives to issue the Calibre Shares underlying the Subscription Receipts and to complete the Transaction upon receipt of the net proceeds of the Subscription Receipt Private Placement and (iii) the delivery of an escrow release notice to the subscription receipt agent. Upon the satisfaction of the escrow release conditions, the net proceeds (after deducting the Agents' cash commission) of the Subscription Receipt Private Placement will be released from escrow and transferred to Calibre and each Subscription Receipt will automatically convert, without any further action or payment required by the holders thereof, into one Calibre Share. A portion of the net proceeds of the Subscription Receipt Private Placement will be used to pay the cash portion of the Purchase Price under the Transaction. The remainder of the proceeds will be used for mine operations, exploration and for general corporate purposes, including working capital.

If Closing does not occur by October 31, 2019, or, prior to such date, Calibre advises the Co-Lead Agents or announces to the public that it does not intend to satisfy the escrow release conditions, the Subscription Receipt holders will be entitled to a return of the aggregate Offering Price paid and any interest earned thereon on a pro rata basis and the Subscription Receipts will be cancelled and be of no further force or effect.

It is anticipated that certain officers and directors of Calibre, who are considered to be "related parties" of Calibre under MI 61-101 will subscribe for Subscription Receipts under the Concurrent Private Placement. Each subscription by a "related party" will be considered to be a "related party transaction" for the purposes of MI 61-101 and Policy 5.9 – *Protection of Minority Security Holders in Special Transactions of the TSXV*. Calibre will be exempt from the formal valuation requirement in section 5.4 of MI 61-101 in reliance on sections 5.5(b) of MI 61-101 as no securities of Calibre are listed or quoted for trading on prescribed stock exchanges or stock markets. Additionally, Calibre expects that it will be exempt from any specific minority shareholder approval requirement in section 5.6 of MI 61-101 for each "related party transaction" in reliance on section 5.7(b) where the fair market value of the transaction, insofar as it involves interested parties, is not more than the 25% of Calibre's market capitalization.

Completion of the Subscription Receipt Private Placement is subject to receipt of regulatory approvals including TSX-V approval. The Calibre Shares will be issued in connection with the Subscription Receipt Private Placement will not be subject to resale restrictions under applicable securities legislation.

Convertible Debenture

The Debenture will bear interest at 2.0% per annum and will be repayable in cash on the date that is two years from Closing (the "**Maturity Date**") provided that (i) at any time prior to the close of business on the last business day immediately preceding the Maturity Date, the Debenture will be convertible into Calibre Shares at the option of B2Gold at a conversion price equal to $0.75 per Calibre Share; and (ii) in the event that prior to the Maturity Date the volume weighted average price of the Calibre Shares on any recognized North American stock exchange on which the majority of Calibre's trading occurs is equal to or greater than $0.81 for 10 consecutive trading days on such stock exchange, subject to compliance with applicable laws and obtaining any required governmental authorizations, Calibre can force the conversion of the Debenture. The Debenture will be a direct, unsecured obligation of Calibre, ranking equally with all other existing and future unsecured indebtedness of Calibre and will be a non-voting security.

Plan of Consolidation

Concurrently with the Closing, Calibre Subco and Minesa (Cayman) Inc., an indirect subsidiary of B2Gold, will enter into the Plan of Consolidation, which will be registered with the Registrar of Companies in the Cayman Islands ("**Cayman Registrar**"). The Company Consolidation will become effective upon such registration upon payment of applicable fees to the Cayman Registrar. The Plan of Consolidation will provide for the creation of a new consolidated Cayman company that will have the assets and liabilities of each of Calibre Subco and Minesa (Cayman) Inc. In connection with the Company Consolidation under the Plan of Consolidation, the shares in the capital of Minesa (Cayman) Inc. will be cancelled and the shares in the capital of Calibre Subco will be converted into an equal number of shares in the capital of the new consolidated Cayman company, issued in the name of Calibre.

Investor Rights Agreement

Concurrently with the closing of the Transaction, Calibre and B2Gold will enter into an investor rights agreement, the form of which is attached to the Share Purchase and Consolidation Agreement (the "**Investor Rights Agreement**"), to govern the ongoing relationship between Calibre and B2Gold. Under the terms of the Investor Rights Agreement, for so long as B2Gold holds at least 10% of the issued and outstanding Calibre Shares, it will have *pro rata* participation rights in any equity financing of Calibre as well as piggyback registration rights on proposed distributions. Further, B2Gold shall have *pro rata* top up rights in the event Calibre issues Calibre Shares in connection with a transaction, other than an equity financing, which would result in the dilution of B2Gold's holdings by more than 1% . Further, for so long as B2Gold holds at least 5.0% of the issued and outstanding Calibre Shares, it will have the right to nominate one director to the Calibre Board. Effective as of the Closing of the Transaction, Calibre will also establish an advisory committee comprised of four members, two of whom will be appointed by B2Gold and two of whom will be appointed by Calibre. The advisory committee shall be in place for as long as B2Gold holds 10% or more of the issued and outstanding Calibre Shares.

B2Gold also has certain obligations under the terms of the Investor Rights Agreement. B2Gold must give Calibre prior written notice of its intention to sell more than 1.0% of the then-issued and outstanding Calibre Shares or securities convertible into more than 1% of the then outstanding Calibre Shares in any 30-day period. Upon receipt of such notice, Calibre will have five business days to designate the purchase of all or any portion of such shares, failing which, B2Gold will have the right to sell any remaining shares for an additional 30 days. B2Gold has also agreed to a standstill provision which will fall away in the event of a takeover bid, a business combination transaction or B2Gold's interest in Calibre falling below 10%. Finally, B2Gold has agreed it will not vote against any resolution that a majority of the board has approved to be recommended to the securityholders of Calibre.

The full text of the Investor Rights Agreement will be available following the Closing of the Transaction under Calibre's issuer profile at www.sedar.com.

Changes to the Calibre Board, Management and the Advisory Board

Pursuant to the Investor Rights Agreement, B2Gold will be entitled to appoint one nominee to the Resulting Issuer Board following Closing. Assuming his re-election at the Meeting, it is expected that Greg Smith will resign from the Calibre Board to enable Calibre to appoint Dale Craig, the VP Operations at B2Gold as the B2Gold nominee to the Resulting Issuer Board. Greg Smith will remain part of the senior management team as VP, Exploration.

Effective as of the Closing of the Transaction, Calibre will also establish an advisory board comprised of four members, two of whom will be appointed by B2Gold and two of whom will be appointed by Calibre. The advisory committee shall be in place for as long as B2Gold holds 10% or more of the issued and outstanding Calibre Shares.

Further, if the Transaction Resolutions is approved by Calibre Shareholders at the Meeting, in connection with Closing of the Transaction, the management team of Calibre will be comprised of the following:

- Russell Ball: Chief Executive Officer;
- Darren Hall: SVP and Chief Operating Officer
- John Seaberg: SVP and Chief Financial Officer
- Greg Smith: VP Exploration
- Ryan King: VP Corporate Development & IR
- Kristian Dagsaan: Corporate Secretary

For more information regarding the structure of the Calibre Board and management following Closing, see *"Information Concerning the Resulting Issuer – Directors, Officers and Promoters"*.

TSX Graduation

Subject to TSX Approval, Calibre intends to graduate to the TSX in connection with the Transaction. Calibre intends to submit a listing application to the TSX prior to the date of the Meeting. Although Calibre expects that it will be able to satisfy the listing conditions of the TSX, there is no assurance that the TSX will grant listing approval, or that listing approval will be granted immediately in connection with Closing.

Effect of the Transaction and Subscription Receipt Private Placement

If the Transaction Resolution is approved at the Meeting and the applicable conditions to the completion of the Transaction have been satisfied, and provided that the Subscription Receipt Private Placement has been completed, the following will occur at or immediately prior to Closing unless otherwise specified:

(a) Upon the satisfaction of the applicable escrow release conditions, the Subscription Receipts will automatically convert into up to 192,050,000 Calibre Shares and the net proceeds (after deducting the Agents' cash commission) of the Subscription Receipt Private Placement will be released to Calibre;

(b) Prior to Closing and upon satisfaction of the escrow release conditions, Calibre Subco will advance all or a portion of the US$40,000,000 cash portion of the Purchase Price to B2Gold's subsidiary Triton Mining S.A. by way of a loan;

(c) Calibre Subco will acquire the Target Assets from B2Gold;

(d) Calibre Subco will advance the balance (if any) of the US$40,000,000 cash portion of the Purchase Price to an affiliate of B2Gold; and

(e) Calibre will issue to B2Gold (or its designee), at the direction of Calibre Subco, the Debenture and the Consideration Shares, which will result in the issuance of 88,888,888 Calibre Shares at an issue price of $0.60 per Calibre Share, assuming the August 29, 2019 exchange rate based on the Daily Rate of one Canadian dollar for US$0.7521; and

(f) Calibre Subco will complete the Company Consolidation resulting in the amalgamation of Calibre Subco and Minesa (Cayman) Inc.

As a result of the foregoing and immediately following Closing, the following Resulting Issuer Shares will be issued and outstanding:

	Number of Resulting Issuer Shares	**Percentage of Resulting Issuer Shares Held(1)(2)(3)**
Pre-Transaction Calibre Shareholders (excluding B2Gold)	39,476,578	11.8%
B2Gold		
Pre-Transaction Shares	5,345,000	1.6%
Consideration Shares(1)	88,888,888	26.5%
Private Placement Subscribers(2)	192,050,000	57.2%
Agents' Consideration Shares(2) (3)	9,602,500	2.9%
Total(1)(2)(3)	335,362,966	100.0%

Notes:

(1) Assuming the August 29, 2019 exchange rate based on the Daily Rate of $1.00 for US$0.7521.
(2) Assuming the full exercise of the over-allotment option.
(3) Assuming that the Agents elect to receive their entire consideration under the Subscription Receipt Private Placement in Calibre Shares.

In addition, B2Gold will hold the Debenture. If B2Gold exercises its conversion rights under the Debenture and assuming no other changes to the number of issued and outstanding Resulting Issuer Shares, B2Gold would hold 29.0% of the Resulting Issuers Shares, pre-Transaction Calibre Shareholders (excluding B2Gold) would hold 11.6% and Subscription Receipt Private Placement subscribers would hold 56.6%.

Upon Closing, Calibre will carry on the operations of the Target Subsidiaries, in addition to continuing to carry on the operation of its existing business.

Securities Law Matters and Escrowed Securities

The Resulting Issuer Shares issued pursuant to the Share Purchase and Consolidation Agreement and the Resulting Issuer Shares issued to subscribers upon conversion of the Subscription Receipts issued pursuant to the Subscription Receipt Private Placement, will be exempt from the prospectus and registration requirements of the securities laws of various applicable provinces in Canada. Such Resulting Issuer Shares will not be subject to restrictions on trading in accordance with applicable securities laws.

As at the date of this Information Circular, there are no Resulting Issuer Shares currently subject to escrow or contractual hold restrictions. In connection with the Transaction, Calibre applied to the TSX-V for a waiver from any escrow requirements of TSX-V Policy 5.4 –*Escrow, Vendor Consideration and Resale Restrictions* on the principals of the Resulting Issuer. The TSX-V granted the waiver subject to the TSX accepting the listing of the Resulting Issuer on a post Closing basis.

See "*Information Concerning the Resulting Issuer – Escrowed Securities*".

Regulatory and Shareholder Approvals and Filings

Closing of the Transaction is subject to the receipt of all necessary shareholder and regulatory approvals, including TSX-V approval of the Transaction and other customary conditions. If the requisite shareholder and regulatory approvals are obtained, the Transaction is expected to close on or about October 15, 2019. If the requisite shareholder and regulatory approvals are not obtained, the Transaction will not be completed, which may adversely impact the trading price of Calibre Shares.

The TSX-V requires that Calibre Shareholder approval be obtained for the Transaction because the Transaction is considered to be a reverse takeover pursuant to the TSX-V rules. Upon Closing, new shareholders (taking into account Resulting Issuers Shares issued to subscribers under the Subscription Receipt Private Placement) will hold more than 50% of the Resulting Issuer Shares and the share consideration issued to B2Gold will cause it to be deemed to be able to materially affect the control of Calibre and as such be a "control person" (as defined under the *Securities Act* (British Columbia)).

The Transaction is considered by the TSX-V and under MI 61-101 to be a related party transaction because B2Gold, as a holder of more than 10% of the issued and outstanding shares of Calibre as of the date of this Information Circular, is an Insider of Calibre. Accordingly, in determining whether Calibre Shareholders have approved the Transaction Resolution, votes cast by B2Gold will be excluded.

Calibre was granted a waiver by the TSX-V from the sponsorship requirements and certain audited financial statement requirements with respect to the Target Subsidiaries under the policies of the TSX-V. As at the date of this Information Circular, Calibre has received conditional approval from the TSX-V for the Transaction. There can be no assurance that Calibre will be able to obtain the final approval of the TSX-V.

Calibre is not aware of any material licences or regulatory permits that it holds which might be adversely affected by the Transaction, or of any approval or other action by any federal, provincial, state or foreign government or administrative or regulatory agency that would be required to be obtained prior to the completion of the Transaction, other than TSX-V Approval.

Following Closing of the Transaction, the Resulting Issuer intends to graduate to the TSX. Listing on the TSX is subject to final listing approval from the TSX, which has not yet been granted. Although the Calibre Board expects that Calibre and the Resulting Issuer (as applicable) will be able to satisfy the listing conditions of the TSX, there is no assurance that the TSX will grant listing approval, or that listing approval will be granted immediately in connection with Closing.

Expenses

Excluding the cash commission payable to the Agents of up to $5.75 million (plus related expenses and taxes) Calibre estimates that the total amount of cash required to pay all fees, expenses and other related amounts incurred by it in connection with the Transaction will be approximately $3.25 million.

Recommendation of Calibre Board

The Calibre Board has carefully considered the Transaction and the terms of the Share Purchase and Consolidation Agreement and Plan of Consolidation and has unanimously concluded that Transaction is in the best interests of Calibre and the Calibre Shareholders.

The Calibre Board therefore unanimously recommends that the Calibre Shareholders vote FOR the Transaction Resolution.

Fairness Opinion

Trinity was engaged by the Calibre Board to consider the Transaction and provide their opinion as to the fairness of the Transaction, from a financial point of view, to Calibre. On June 25, 2019, Trinity provided the Fairness Opinion to the Calibre Board. In the Fairness Opinion, Trinity concluded that, subject to the assumptions, qualifications and limitations contained in the Fairness Opinion, the Transaction was fair, from a financial point of view to Calibre.

The following is a summary of the Fairness Opinion and is qualified in its entirety by the full text of the Fairness Opinion which is attached as Appendix E to this Information Circular, which sets forth the assumptions made, matters considered and limitations on the scope of the review undertaken by Trinity. Calibre shareholders are urged to read the Fairness Opinion in its entirety.

Summary of Opinion

On June 25, 2019, Trinity delivered to the Calibre Board its oral opinion, later confirmed in writing, that as of such date and subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, that the Transaction is fair, from a financial point of view, to Calibre.

On June 25, 2019, Trinity delivered to the Calibre Board its Fairness Opinion as of such date and subject to the assumptions, limitation and qualification set out in the Fairness Opinion.

Trinity is a mining investment and advisory firm with extensive experience in mining M&A. As part of Trinity's investment banking activities, Trinity is regularly engaged in the valuation of listed and unlisted securities in connection with mergers and acquisitions. The Fairness Opinion is the opinion of Trinity and the form and content of the Fairness Opinion has been approved for release by a group of processionals of Trinity, each of whom is experienced in merger, acquisition, divestiture, restructuring, valuation and fairness opinion matters.

The Fairness Opinion was provided for the use of the Calibre Board in its evaluation of the Transaction and may not be used or relied upon for any other purpose. Trinity has not been engaged to prepare, and has not prepared, a valuation or appraisal of Calibre or the Target Subsidiaries, or any of their assets, securities or liabilities (whether on a standalone basis or as a combined entity), and the Fairness Opinion should not be construed as such. Trinity was similarly not engaged to review any legal, tax or accounting aspects of the Share Purchase and Consolidation Agreement and accordingly has expressed no view thereon.

The Fairness Opinion also does not in any manner address, Calibre's underlying business decision to proceed with or effect the Transaction. In addition, the Fairness Opinion does not address, the fairness of the amount or the nature of any compensation to any officers, directors or employees of any parties to the Transaction, or any class of such persons. The Fairness Opinion does not address the relative merits of the Transaction as compared to any other transaction or business strategy in which Calibre might engage.

The Fairness Opinion was rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date of the Fairness Opinion and the conditions, prospects, financial and otherwise, of Calibre, as they are reflected in the information and documents reviewed by Trinity and as they were represented to Trinity. Subsequent developments may affect the Fairness Opinion. Trinity has disclaimed any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to the attention of Trinity after the date of the Fairness Opinion.

None of Trinity, its affiliates or associates, is an insider, associate or affiliate (as such terms are defined in the *Securities Act* (Ontario)) of Calibre or B2Gold or of any of their respective associates or affiliates. Trinity has been retained by Calibre to provide the Fairness Opinion to the Calibre Board in respect of the Transaction and to provide financial advisory services pursuant to the terms of their engagement letter with Calibre. Trinity is not acting as an advisor, financial or otherwise, to B2Gold or any of its associates or affiliates in connection with the Share Purchase and Consolidation Agreement or any other transaction.

Trinity will earn a fee for acting as a financial advisor in respect of the Transaction which will be paid in both Calibre Shares and cash, with the number of Calibre Shares payable being up to approximately 498,603 Calibre Shares (based on the foreign exchange rate on August 29, 2019 of $1.00 = US$0.721).

Other Matters

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting accompanying this Information Circular, but if any other matters do arise, the persons named in the proxy intend to vote on any poll, in accordance with their best judgment, exercising discretionary authority with respect to amendments or variations of matters ratified in the Notice of Meeting accompanying this Information Circular and other matters which may properly come before the Meeting or any adjournment.

INFORMATION CONCERNING CALIBRE

Corporate Structure

Name, Address and Incorporation

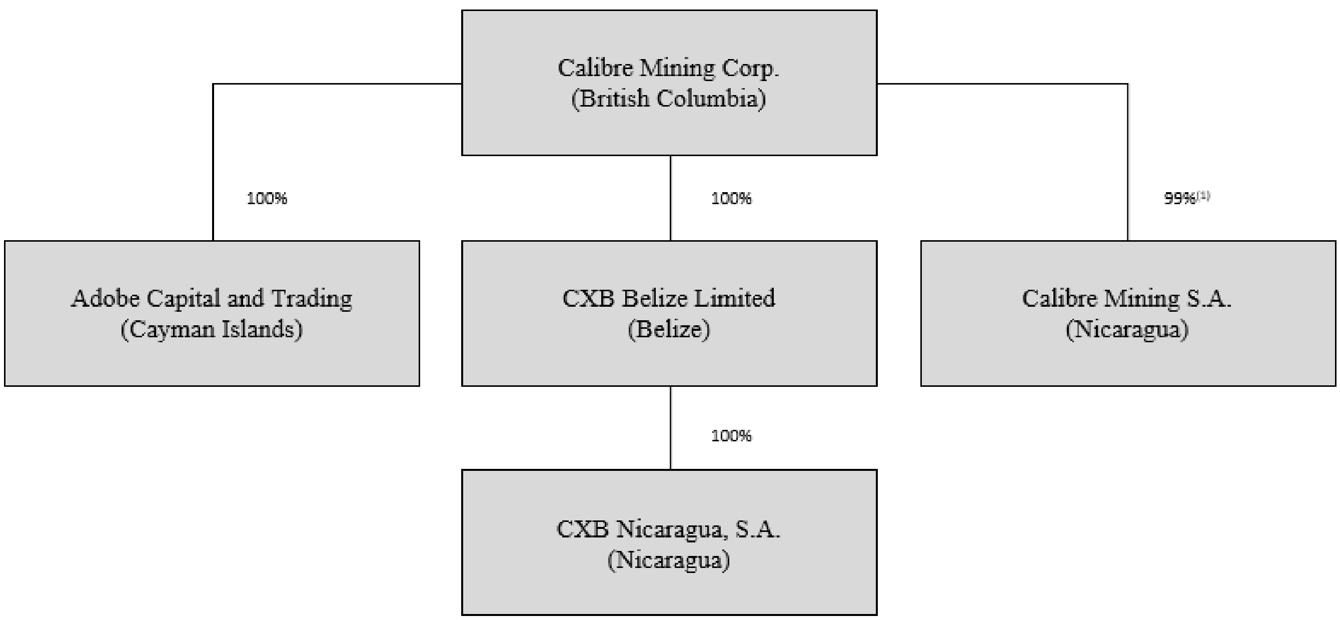
Calibre is incorporated under the BCBCA. Its head and registered office is 413 – 595 Burrard Street, Vancouver, British Columbia, V7X 1J1.

Calibre is listed on the TSX-V under the symbol CXB.V. On June 18, 2007, Calibre changed its name from TLC Ventures Corp. to Calibre Mining Corp.

On May 24, 2018, Calibre's articles were amended to permit the Calibre Board to make certain alterations to the authorized share structure of Calibre (subject to Article 9.2 of the articles and the BCBCA). Prior to such amendment, alterations to the authorized share structure could only be effected through a special resolution of shareholders (subject to Article 9.2 of the articles and the BCBCA).

Intercorporate Relationships

The intercorporate structure of Calibre prior to the closing of the Transaction is as follows:



Notes:
(1) Calibre owns 998 common shares, Greg Smith owns 1 common share and Leslie Coe owns 1 common share.

General Development of the Business

History

Initial Acquisition of Interests in the Borosi Concessions from Yamana and Disposition of Assets Outside of Nicaragua

In 2009, Calibre acquired a 100% interest in the NEN Gold-Copper Project from Yamana Gold Inc., in Nicaragua's North Atlantic Autonomous Region. The concessions acquired by Calibre in this triangular area between the mining towns of Bonanza, Rosita and Siuna (the "**Borosi Concessions**") then covered an area of approximately 785 km^2 and included the past producing mines of La Luz (in the Siuna area) and Rosita. In 2011, Calibre increased the total concession size to cover a total area in the mining triangle of approximately 876 km^2. Calibre's interests in the Borosi Concessions, on both a 100% and joint basis, remains this size as of the date of this Information Circular.

In 2013, Calibre disposed of its 100% interest in the Point Leamington massive sulphide deposit in Newfoundland, Canada. Following that disposition, the sole focus of Calibre was its mining exploration and development operations in Nicaragua.

Development of the Primavera Prospect – Joint Venture Work with B2Gold

Concurrent with its original acquisition of interests in the Borosi Concessions in 2009, Calibre entered into a joint venture agreement with B2Gold to explore and develop Calibre's interests in the concession area. Under the terms of the joint venture agreement, B2Gold was granted an option to earn a 51% interest in the Borosi Concessions upon the completion by B2Gold of certain exploration expenditures within a certain period of time.

In 2013, B2Gold satisfied the obligations of its earn-in commitment in relation to the Primavera Project, obtaining a 51% interest in the project, which covered an area of approximately 66 km^2.

In December 2016, Calibre purchased B2Gold's 51% interest in the Primavera Project for an aggregate purchase price of $3,283,000 and a 1.5% net smelter return ("**NSR**") royalty on the property. The purchase price was satisfied by the issuance of 23,400,000 Calibre Shares. In connection with the transaction, B2Gold also acquired a right of first offer should Calibre choose to transfer, option or joint venture all or any part of its interest in the property.

Development of the Rosita Project – Joint Venture Work with Rosita and Century Mining

In 2011, Calibre granted Rosita Mining Corporation ("**Rosita**") the right to earn a 65% interest in approximately 33 kms^2 area of the Rosita District of the Borosi Concession in exchange for 1,000,000 common shares of Rosita and exploration expenditure commitments in the option area in the amount of $4 million (over a four year period). Rosita completed the required expenditures to earn an initial 65% interest in the option area and the parties entered into a joint venture. Through further expenditures, Rosita increased its interest to 70% (with Calibre holding the remaining 30%).

In October 2018, Calibre and Rosita entered into a joint venture agreement with Century Mining S.A. ("**Century**"), for further development and advancement of the project. In consideration therewith, a new Nicaraguan joint venture entity, "Santa Rita Mining" was formed, in which Century will acquire a 75% interest and Rosita and Calibre will acquire a 17.5% and 7.5% equity interests, respectively. Calibre and Rosita transferred all technical know-how relating to the Rosita District Project to Santa Rita Mining and Century committed US$8.5 million to fund the construction, commissioning and operation of a processing facility to treat the Santa Rita stockpile resource on the project in order to earn its 75% joint venture interest. The Santa Rita Mining Joint Venture remains active as of the date of this Information Circular.

Development of the Eastern Borosi Gold Project – Joint Venture Work with IAMGOLD

In 2014, Calibre signed an option agreement with IAMGOLD Corporation ("**IAMGOLD**"), pursuant to which IAMGOLD was granted an option to earn an initial 51% interest, and subsequently an additional 19% interest, in the Eastern Borosi Gold Project (consisting of a 176 km^2 area within the Borosi Concession). In June 2017, IAMGOLD completed its earn-in and obtained a 51% interest in the Eastern Borosi Gold Project having paid US$450,000 and completing expenditures of US$5 million. It also exercised its option to acquire a further 19% of the project upon the completion of additional work and payments project.

As of the date of this Information Circular, IAMGOLD continues its earn-in work and, upon completion, will become entitled to an additional 19% interest in the project. The total potential investment by IAMGOLD to earn a 70% in the Borosi Gold Project is US$10.9 million.

Development of the La Luz Gold-Silver Project and the Siuna Area – Joint Venture Work with Centerra

In 2015, Calibre signed an option agreement with Centerra Gold Inc. ("**Centerra**"), pursuant to which Centerra was granted an option to earn a 51% interest and subsequently a 19% interest in the La Luz Gold-Silver Project (consisting of 12 km^2 within the Borosi Concession). Calibre also granted to Centerra a right of first refusal over Calibre's 100% owned Montes de Oro Project, approximately three kilometres away from the La Luz Project.

In 2016, the La Luz Option Agreement relating to the 12 km^2 La Luz Project was expanded in scope to cover 241 km^2 in the Northern Siuna area of the Borosi Concession, and Centerra was granted the option to earn up to 70% of Calibre's interest in the project area in exchange for meeting certain expenditure and payment thresholds.

In late 2017, Centerra completed the required expenditures to earn a 51% interest in the La Luz Project. In February 2019, Calibre acquired Centerra's 51% interest in the Siuna area by issuing 2,000,000 Calibre Shares to Centerra and granting Centerra a 2.0% NSR royalty on future production from the La Luz Project. The value of the Calibre Shares was $1,240,000 based on the closing price of the Calibre Shares on the date of the transaction. Under the terms of the agreement, Calibre (i) has the right to purchase 1.0% of the NSR royalty for $2 million and (ii) has a right of first refusal to the remaining 1.0% NSR royalty Upon closing, Calibre held a 100% interest in its Borosi Concessions in the Siuna area, including the La Luz Project.

Current Status of the Borosi Concessions

As of the date of this Information Circular, Calibre has 100% interest in approximately 665 km^2 of the Borosi Concessions, including its former joint venture projects with B2Gold and Centerra, and a 49% joint venture interest with IAMGOLD in the Eastern Borosi Gold Project (176 km^2) and a 33% interest with Santa Rita Mining (33 km^2) in the Rosita District Project pursuant to the Santa Rita Mining joint venture.

Financing

In connection with Closing, Calibre is undertaking the Subscription Receipt Private Placement. For details regarding the Subscription Receipt Private Placement see "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Subscription Receipt Private Placement*".

Selected Consolidated Financial Information and Management's Discussion and Analysis

Selected Financial Information

The table below summarizes the total expenses that Calibre has incurred for each of the previous two fiscal years and the most recent interim period for which financial statements are included in the Information Circular.

	Six Months Ended June 30, 2019 ('000's)	**Fiscal Year Ended December 31, 2018 ('000's)**	**Fiscal Year Ended December 31, 2017 ('000's)**
Total expenses	$1,095	$1,489	$2,149
Amounts deferred in connection with the Transaction	Nil	Nil	Nil

Management's Discussion & Analysis

Attached hereto as Appendix "A" are Calibre's audited annual consolidated financial statements and accompanying MD&A for the fiscal years ended December 31, 2018 and December 31, 2017, as well as, Calibre's interim consolidated financial statements and accompanying MD&A for the six months ended June 30, 2019.

Description of the Securities

Calibre's authorized capital consisted of an unlimited number of common shares, of which 44,821,578 common shares are issued and outstanding as of the date of this Information Circular.

In connection with the Transaction, Calibre will issue Calibre Shares to B2Gold as partial consideration of the Target Assets, in addition upon satisfaction of the escrow release conditions Calibre will issue Calibre Shares to holders of Subscription Receipts. In addition, in connection with the Subscription Receipt Private Placement, the Agents have the option to take all or part of their Commission in Calibre Shares.

Holders of Calibre Shares are entitled to receive notice of any meeting of shareholders of Calibre and to attend and to cast one vote per Calibre Share at all such meetings. Holders of Calibre Shares are entitled to receive dividends, if any, as and when declared by the Calibre Board in its discretion. Upon the liquidation, dissolution or winding up of Calibre, holders of Calibre Shares are entitled to receive on a pro rata basis the net assets of Calibre, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to the holders of Calibre Shares with respect to dividends or liquidation. The Calibre Shares do not carry any pre-emptive, subscription, redemption or conversion rights.

Other than as set out below, to the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, no persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Company.

Name	Number of Common Shares	Percentage of Issued Common Shares
B2Gold	5,345,000	11.9%

Calibre has a stock option plan and a long term incentive plan. For information regarding the terms of the Calibre stock option plan and long term incentive plan, see *"Executive Compensation"*, below.

Prior Sales

The following table summarizes the issuances of Calibre securities during the 12-month period prior to the date of this Information Circular:

Date of Issuance	Number and Type of Securities	Price	Purpose of Transaction
September 4, 2018	133,333 Calibre Shares	$0.60	Bonus shares issued to lenders as partial consideration for provision of loan[(1)]
October 30, 2018	11,421,091 units[(2)]	$0.44	Financing for exploration, project generative activities, loan repayments and general working capital[(4)]
October 30, 2018	379,305 finder warrants	$0.55	Partial finder's fee consideration
November 2, 2018	1 Calibre Share[(3)]	$1.00	Exercise of Option
February 11, 2019	2,000,000 Calibre Shares	$0.62	Acquisition of 51% interest of Centerra in the La Luz Project

Notes:

1. The loan was made to several insiders of Calibre. The following Insiders received Calibre Shares in connection with this loan transaction: Douglas Hurst (16,667), Blayne Johnson (50,000), Douglas Forster (51,667), Edward Farrauto (8,333), and John Reynolds (6,666).

2. The units consisted of one Calibre Share and one common share purchase warrant. Each common share purchase warrant entitles the holder thereof to acquire one Calibre Share for $0.95 until October 30, 2023.
3. During 2018, an employee of the Company exercised 1 Option into 1 Calibre Share at an exercise price of $1.00.
4. 1,432,000 of the units issued were beneficially acquired by individuals who now are or were at the time of the placement directors and officers of Calibre, namely, Kristian Dagsaan (11,000), Edward Farrauto (57,000), Douglas Forster (569,000), Douglas Hurst (113,000), Blayne Johnson (569,000), Ryan King (56,000), John Reynolds (46,000) and Gregory Smith (22,000).

Market Price and Trading Volume Information

Calibre Shares are listed on the TSX–V under the symbol "CXB.V". The following table summarizes the range of high and low sales prices (which are not necessarily the closing prices) and the aggregate trading volumes of Calibre Shares traded on the TSX-V for each of the periods indicated:

	High ($)	Low ($)	Volume
2019			
August[(1)]	-	-	-
July[(1)]	-	-	-
June	0.64	0.49	441,143
May	0.56	0.45	549,567
April	0.56	0.475	540,777
March	0.58	0.45	876,279
February	0.72	0.50	433,557
January	0.74	0.375	880,094
2018			
December	0.42	0.325	1,266,555
November	0.50	0.35	4,794,882
October [(2)]	0.055	0.035	7,098,148
September	0.065	0.05	1,633,422
August	0.075	0.045	2,530,069
July	0.06	0.05	1,063,436
June	0.07	0.05	3,080,925
May	0.08	0.06	1,703,240
April	0.09	0.07	2,337,086
March	0.095	0.07	3,747,673
February	0.105	0.09	2,969,969
January	0.135	0.10	4,338,915
2017			
December	0.145	0.10	3,575,640
November	0.125	0.105	4,635,408
October	0.145	0.11	6,092,838
September	0.165	0.13	3,272,929
August	0.18	0.135	4,900,294

Notes:

(1) The Calibre Shares were halted from trading following the announcement of the Transaction. As such, no trading in the shares occurred on the TSX-V in this period.

(2) On October 30, 2018, Calibre completed a 10:1 share consolidation and the post-consolidation shares began trading on the TSX-V.

The closing price of Calibre Shares on June 28, 2019, the last trading day prior to the public announcement of the execution of the Binding LOI, was $0.58 per Calibre Share on the TSX-V. The Calibre Shares have been halted since the announcement of the Binding LOI, and it is expected that they will remain halted until the completion of the proposed Transaction.

Executive Compensation

The following disclosure of executive compensation is made in accordance with the requirements of NI 51-102 and TSX-V Form 3D1. For the purposes of TSX-V Form 3D1, disclosure is required to be made for Calibre's CEO, CFO and its three most highly compensated executive officers other than the CEO and CFO.

Compensation Discussion and Analysis

Overview

The Compensation Committee is responsible for reviewing and negotiating each NEO's total compensation arrangement with the Company, reviewing and advising on stock option guidelines, including making recommendations on specific option grants, reviewing and advising on award grants under the Company's long term incentive plan and reviewing and recommending to the Calibre Board the compensation policies and principles that will be applied to other executives and employees of the Company.

The Compensation Committee reviews each NEO's compensation on a regular basis. When reviewing each NEO's compensation, the Compensation Committee takes into consideration the following objectives: (a) recruiting and retaining those NEO's that are critical to the success of the Company; (b) providing fair and competitive compensation; (c) balancing the interests of the management and the shareholders of the Company; (d) motivating NEO's to deliver strong business performance, both on an individual basis and with respect to the business of the Company in general; and (e) ensuring the executive compensation program is simple to communicate and administer.

The Compensation Committee will receive and review any recommendations of the President and CEO of the Company relating to the general compensation structure, policies and programs of the Company and the salary and benefit levels for the NEOs.

Objectives

It is the objective of the Company's compensation program to attract and retain highly qualified executives and to link compensation to performance and shareholder value. The Compensation Committee's goal is to ensure that the NEO's compensation is sufficiently competitive to achieve this objective. The Compensation Committee considers a number of factors in order to determine the NEO's compensation, including the Company's contractual obligations, the individual's performance and other qualitative aspects of the individual's performance and achievements, the amount of time and effort the individual will devote to the Company and the Company's financial resources.

Elements of the Compensation Program

The Company's compensation program is comprised of: (a) a base salary or management fee arrangement and benefits; (b) a short-term incentive program in the form of bonuses; and (c) long-term incentives in the form of incentive stock options. Each component of the Company's compensation program is addressed below.

(a) Base Salaries or Management Fee Arrangements and Benefits

The base salaries or management fee arrangements and benefits paid to the NEOs are not based on any specific formula and are set so as to be competitive with other companies of similar size and state of development in the mineral industry.

(b) Short-Term Incentives

Bonuses are paid to NEOs based on individual, team and Company performance and the NEO's position in the Company. Any bonus awards are at the sole discretion of the Calibre Board. No bonuses were paid to NEOs in the financial year ended December 31, 2018.

(c) Long Term Incentive Plan

In April 2017, the Calibre Board implemented the LTIP for directors, officers, employees and consultants, which was thereafter ratified by Calibre Shareholders on May 31, 2017 and approved by the TSX-V. On September 6, 2019, the Board approved amendments to the LTIP in the form of the Resulting Issuer LTIP. In the event the Resulting Issuer LTIP is not approved at the Meeting, the LTIP will continue in force. All Awards previously issued under the LTIP will continue to be governed under the terms of the LTIP.

The LTIP consists of DSUs, RSUs, PSUs, and Options which provide the Calibre Board with additional long term incentive mechanisms to align the interests of the directors, officers, employees or consultants of the Company with shareholder interests. The LTIP also provides for, among other things, an accelerated vesting of awards in the event of a change in control, thereby aligning the Company's practices with current corporate governance best practices respecting a change in control. To date no DSUs, RSUs or PSUs have been awarded.

Under the LTIP (prior to the approval of the Resulting Issuer LTIP) the maximum number of Calibre Shares that may be reserved and set aside for issuance upon the exercise of Awards, along with any other security-based compensation arrangement of Calibre is 3,500,000 (on a post-10-to-1 consolidation basis). Of this amount, a maximum of 500,000 Calibre Shares may be set aside for issuance upon the exercise of DSUs, RSUs, and PSUs. Under the LTIP, Calibre may not at any time issue to Insiders such number of Awards as would exceed 10% of the issued and outstanding number of Calibre Shares and may not within a 12 month period issue such number of Awards to Insiders as would exceed 10% of the issued and outstanding Calibre Shares. In addition, no single individual may receive Awards in a 12-month period that would, if exercised, result in the issuance of more than 5% of all issued and outstanding Calibre Shares. In the case of a consultant or person employed or engaged by Calibre to carry on investor relations work, no single individual may receive an Award in a 12-month period that would, if exercised, result in the issuance of more than 2% of all issued and outstanding Calibre Shares. Subject to TSX-V, TSX and shareholder approval, the Resulting Issuer LTIP will increase the number of Resulting Issuer Shares subject to awards under the Resulting Issuer LTIP to 44,500,000 Resulting Issuer Shares to be issuable upon the exercise or redemption and settlement for all awards granted under the Resulting Issuer LTIP together with all other established security based compensation arrangements, of which a maximum of 10,000,000 Calibre Shares may be set aside for issue upon the exercise or redemption and settlement of DSUs, PSUs and RSUs. In the event the Long Term Incentive Plan Resolution is not passed, the maximum number of Calibre Shares issuable under the plan shall remain subject to the limits set out in the LTIP. The limits set out above will apply to all equity compensation plans of Calibre in aggregate.

As of the date of this Information Circular, there were 2,449,999 Options outstanding under the LTIP, representing approximately 5.5% of the issued and outstanding Calibre Shares, As such, there are 1,050,001 Options (or 2.3% of the issued and outstanding Calibre Shares) that remain eligible for issue under the LTIP. If the Resulting Issuer LTIP and the Transaction are approved at the Meeting, upon the closing of the Subscription Receipt Financing and the Transaction, the Resulting Issuer intends to issue 29,700,000 Options and 5,300,000 RSUs and DSUs (with the exact allocation between RSUs and DSUs to be determined at a later date), which together with the outstanding Options will represent approximately 11.5% of the issued and outstanding Resulting Issuer Shares (assuming the Agent's Option is exercised in full and no Agents' Shares are issued as compensation). Upon the issuance of these Options, RSUs and DSUs concurrently with Closing, there will be 7,050,001 Options (or 2.2% of the issued and outstanding Resulting Issuer Shares) that remain eligible for issue under the LTIP.

The maximum term for stock options of the Company ("**Stock Options**") is 10 years. The exercise price per Calibre Share subject to each Option shall in no event be lower than the market price as of the grant date. Options may not be awarded unless and until the Options have been allocated to specific persons and then, once allocated, a minimum Option price can be established. All Stock Options granted pursuant to the LTIP are subject to the vesting requirements imposed by the Calibre Board. All Stock Options issued to consultants performing investor relations activities are required to vest in stages over at least 12 months with no more than 25% of the Stock Options vesting in any three month period. PSUs do not vest, and cannot be paid out (settled), until the completion of the performance cycle. The performance cycle does not end later than December 31 of the calendar year that is three years after the grant date. RSUs vest upon lapse of the applicable restricted period. For employees, vesting generally occurs in three equal instalments on the first three anniversaries of the grant date. For directors, one third of the award may be immediately vesting, with the balance vesting equally over the first two anniversaries of the grant date. DSUs are fully vested upon grant.

Upon the retirement, death, or disability of a recipient, all outstanding Awards vest immediately. Outstanding Awards that vested on or before the date that a recipient resigns remain available for settlement, and all unvested Awards terminate immediately. In the case of termination of employment without cause, outstanding DSUs, PSUs and RSUs that had vested on or before the termination date remain available for settlement as of the termination date and outstanding DSUs, PSUs and RSUs that would have vested on the next vesting date following the termination date are also available for settlement as of such vesting date. All other unvested DSUs, PSUs and RSUs terminate immediately. In the case of Stock Options, all unvested options vest immediately upon termination of employment without cause. Where termination of employment is for cause, all vested and unvested Awards terminate immediately. Finally, in the event of a change of control, all Awards vest immediately.

Stock Options that vested upon the retirement, death, or disability of a recipient expire on the earlier of the scheduled expiry date and one year following the date of vesting. In the case of resignation, vested Stock Options expire on the earlier of the scheduled expiry date and three months following the date of resignation (except for Stock Options granted to persons engaged primarily to carry on investor relations activities; such vested Stock Options expire on the earlier of the scheduled expiry date and 90 days following the date of resignation). In the case of termination of employment without cause, vested Stock Options expire on the earlier of the scheduled expiry date and 90 days following the date of resignation, or as otherwise allowed by the Calibre Board. Stock Options that vest upon the occurrence of a change of control expire at the discretion of the Calibre Board.

Any Awards granted pursuant to the LTIP may not be assigned, transferred, charged, pledged or otherwise alienated, other than in the case of incapacity or death.

The Calibre Board may amend the LTIP or Awards at any time without obtaining shareholder approval provided however that no such amendment may materially and adversely affect any Award previously granted without the consent of the grantee, except to the extent required by applicable law. However, no amendments to the LTIP or Awards may be made without obtaining the approval of shareholders or disinterested shareholders (as applicable) with respect to (i) reducing the exercise price of outstanding Options, (ii) to extend the term of an Option beyond its original expiry date or the date on which a DSU, RSU or DSU will be forfeited, (iii) increase the maximum number of Calibre Shares reserved under the LTIP, (iv) revise the participation limits set out in the LTIP, (v) revise the LTIP to allow Awards to be transferable or assignable (other than for estate settlement purposes) (vi) revise the amending provisions set forth in the LTIP or (vii) any amendment required to be approved by shareholders under applicable law.

A copy of the LTIP can be requested from the Secretary of the Company.

The Compensation Committee and the Calibre Board believe that equity-based compensation plans are the most effective way to align the interests of management with those of shareholders. Long-term incentives must also be competitive and align with the Company's compensation philosophy.

In determining the number of stock options to be granted to the executive officers and directors, the Calibre Board or the Compensation Committee, as the case may be, takes into account the level of responsibility and experience required for the position, and the NEO's potential future contributions to the Company. The Compensation Committee sets the number of options so as to attract and retain qualified and talented employees. The Compensation Committee also takes into account the Company's contractual obligations and the award history for all participants in the Company's stock option plan. Stock option awards to the NEOs are not based on any specific formula.

The recipients of incentive stock options and the terms of the stock options granted are determined from time to time by the Calibre Board with assistance from the Compensation Committee. The exercise price of the stock options granted is generally determined by the market price at the time of grant.

Neither the Calibre Board nor the Compensation Committee has proceeded to a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices. Risk management is a consideration of the Calibre Board when implementing its compensation programme, and the Calibre Board and the Compensation Committee do not believe that the Company's compensation programme results in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

The Company's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

Summary Compensation Table

Set out below is a summary of compensation paid or accrued during the Company's three most recently completed financial years to the Company's NEOs and its three most highly compensated executive officers other than the CEO and CFO.

Name and principal position	Year	Salary ($)(1)	Share-based awards ($)	Option-based awards ($)(2)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)(3)	Total compensation ($)
					Annual Incentive plans	Long-term incentive plans			
Gregory Smith *CEO and President*	2018 2017 2016	240,000 236,000 216,000	N/A N/A N/A	22,974 149,293 Nil	N/A N/A N/A	Nil Nil N/A	N/A N/A N/A	Nil Nil Nil	262,974 385,293 216,000
Kristian Dagsaan *CFO*	2018 2017 2016	108,000 105,000 90,000	N/A N/A N/A	15,316 99,528 Nil	N/A N/A N/A	Nil Nil N/A	N/A N/A N/A	Nil Nil Nil	123,316 204,528 90,000
Ryan King *VP – Corporate Development*	2018 2017 2016	60,742 40,625 7,000	N/A N/A N/A	22,974 99,528 Nil	N/A N/A N/A	Nil Nil N/A	N/A N/A N/A	Nil Nil Nil	83,716 140,153 7,000

Notes:

(1) This figure includes the dollar value of cash and non-cash base salary and/or consulting fee each NEO earned during the relevant financial year. No amounts disclosed herein relate to compensation for services as a director.

(2) Calibre has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in Calibre'sfinancial statements. The fair value of the option-based awards for 2017 was determined using the following assumptions: a five-year term, a risk-free rate of 1.02%, no dividend payments, and a 98.75% volatility in Calibre's share price. The fair value of the option-based awards for 2018 was determined using the following assumptions: a five-year term, a risk-free rate of 2.43%, no dividend payments, and a 85.43% volatility in Calibre's share price.

(3) Perquisites and other personal benefits have not been included as they do not reach the prescribed threshold of the lesser of $50,000 or 10% of the total salary for the financial year.

Narrative Discussion

The Company has entered into an employment agreement with Mr. Gregory Smith, as amended, ("**CEO Agreement**"), whereby the Company has agreed to pay Mr. Smith an annual fixed remuneration of $240,000 for acting as the Company's CEO and President. In addition to the annual fixed remuneration, Mr. Smith is entitled to participate in the Company's bonus plan with an annual performance potential of up to 50% of his annual fixed remuneration for the initiation and successful completion of certain goals and objectives as defined in the Company's strategic plan. The amount of the bonus, if any, will be determined by the Calibre Board following the end of the Company's fiscal year on recommendations from the Compensation Committee. The Company has also agreed that in the event of a "change of control", the Company will provide Mr. Smith a lump sum benefit equal to $500,000 (less applicable withholding taxes under the applicable laws). A "change of control" is defined in the CEO Agreement to be the occurrence of (i) an amalgamation, arrangement, merger or other consolidation of the Company with another issuer entity pursuant to which the shareholders of the Company, immediately prior thereto, do not immediately thereafter own shares (or other securities) of the successor continuing company (or other issuer entity) which entitle them to case more than 50% of the Votes attaching to all shares in the capital of the successor or continuing corporation (or other issuer entity) which may be case to elect directors of that company, (ii) a liquidation, dissolution or winding-up of the Company or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Company provided that a change of control does not include (A) an initial public offering of the Company, (B) a reverse takeover following which the shareholders of the Company immediately prior thereto own shares of the successor or continuing company which would entitle them to cast more than 50% of the votes attaching to all shares in the capital of the successor or continuing company which may be case to elect directors of such company or (C) any other internal reorganization where beneficial ownership of the issued and outstanding shares of the Company remain unchanged (a "**Change of Control**").

Pursuant to the CEO Agreement (as amended on January 1, 2014), the Company may terminate the CEO Agreement with Mr. Smith at any time by providing 90 days written notice to Mr. Smith. The Company also agrees that in the event of a Change of Control, the Company will provide Mr. Smith a lump sum benefit equal to $500,000 (less applicable withholding taxes under the applicable laws). No Change of Control payment is payable in connection with the Transaction.

The table below sets out the estimated incremental payments, payables and benefits due to the CEO on a Change of Control as at December 31, 2018:

Name	**Base Salary ($)**	**Bonus ($)**	**Option-Based Awards ($)(1)**	**All Other Compensation ($)**	**Total ($)**
Gregory Smith *CEO and President*	500,000	Nil	Nil	Nil	500,000

Note:

(1) Assumes no exchange of Options held by the CEO for acquiring Calibre Options. Calculated based on the difference between the market price of the Calibre Shares on the TSX-V on December 31, 2018, which was $0.37, and the exercise price of the Option.

In connection with Closing, Mr. Smith will resign as CEO and will assume the role of VP, Exploration. The Calibre Board intends to appoint Mr. Russell Ball as CEO of the Resulting Issuer. For information regarding executive compensation of the Resulting Issuer, see "*Information Concerning the Resulting Issuer – Executive Compensation*".

Mr. Kristian Dagsaan, the Company's CFO is paid a monthly fee of $9,000 for his services as CFO. In addition, Mr. Dagsaan is entitled to participate in the Company's bonus and stock option plans. The amount of the bonus, if any, will be determined by the Calibre Board on recommendation from the Compensation Committee. In connection with Closing, Mr. Dagsaan will resign as CFO. The Calibre Board intends to appoint Mr. John Seaberg as CFO of the Resulting Issuer. For information regarding executive compensation of the Resulting Issuer, see "*Information Concerning the Resulting Issuer – Executive Compensation*".

Except as described above, there are no contracts, agreements, plans or arrangements that provide for payments to an NEO or Calibre's three most highly compensated executive officers other than the CEO and CFO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation retirement, a change of control, or a change in a NEOs responsibilities (excluding perquisites and other personal benefits if the aggregate of this compensation is less than $50,000).

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the outstanding option-based and share-based awards held by the NEOs of Calibre and its three most highly compensated executive officers other than the CEO and CFO at the end of the most recently completed financial year:

Outstanding Share-Based Awards and Option-Based Awards

	Option-based Awards				Share-based Awards	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)(1)**	**Option expiration date**	**Value of unexercised in-the-money options ($)(1)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Gregory Smith *CEO and President*	20,000 150,000 22,500 75,000	1.00 1.60 1.00 0.45	15-Jul-19 9-Oct-19 26-Aug-20 6-Nov-23	Nil Nil Nil Nil	Nil	N/A
Kristian Dagsaan *CFO*	50,000 50,000	1.00 0.45	26-Aug-20 6-Nov-23	Nil Nil	Nil	N/A
Ryan King *VP – Corporate Development*	20,000 50,000 22,500 75,000	1.00 1.60 1.00 0.45	15-Jul-19 9-Oct-19 26-Aug-20 6-Nov-23	Nil Nil Nil Nil	Nil	N/A

Note:

(1) "In-the-Money Options" means the excess of the market value of Calibre Shares on December 31, 2018 over the exercise price of the Options. The market price for Calibre Shares on December 31, 2018 (being the last day Calibre Shares traded during the Company's 2018 financial year end) was $0.37.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO of Calibre and its three most highly compensated executive officers other than the CEO and CFO:

Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year

Name	**Option-based awards - Value vested during the year ($)(1)**	**Share-based awards - Value vested during the year ($)**	**Non-equity incentive plan compensation - Value earned during the year ($)**
Gregory Smith *CEO and President*	Nil	Nil	N/A
Kristian Dagsaan *CFO*	Nil	Nil	N/A
Ryan King *VP – Corporate Development*	Nil	Nil	N/A

Note:

(1) This value is determined by calculating the difference between the market price of the underlying Calibre Shares on the vesting date and the exercise price of the Options on the vesting date.

Pension Benefits

The Company does not have a pension plan that provides for payments or benefits to the NEOs or its three most highly compensated executive officers other than the CEO and CFO at, following, or in connection with retirement.

Director Compensation

Other than compensation paid to the NEOs, and except as noted below, no compensation was paid to directors in their capacity as directors of the Company or its subsidiaries, in their capacity as members of a committee of the Calibre Board or of a committee of the board of directors of its subsidiaries, or as consultants or experts, during the Company's most recently completed financial year.

Set out below is a summary of compensation paid or accrued during the Company's most recently completed financial year to the Company's directors, other than the NEOs previously disclosed:

Name	Fees earned ($)	Share-based awards ($)	Option-based awards ($)(1)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Douglas Forster	Nil	Nil	22,974	N/A	N/A	Nil	22,974
Edward Farrauto	Nil	Nil	22,974	N/A	N/A	30,000(2)	52,974
Russell Ball	Nil	Nil	122,526	N/A	N/A	Nil	122,526
Blayne Johnson	Nil	Nil	22,974	N/A	N/A	Nil	22,974
George Salamis	Nil	Nil	22,974	N/A	N/A	Nil	22,974
Raymond Threlkeld	Nil	Nil	22,974	N/A	N/A	Nil	22,974
Douglas Hurst	Nil	Nil	22,974	N/A	N/A	Nil	22,974

Notes:

(1) Calibre has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company's financial statements. The fair value of the option-based awards for 2018 was determined using the following assumptions: a five-year term, a risk-free rate of 2.43%, no dividend payments, and a 85.43% volatility in the Calibre Share price. .

(2) During 2018, Mr. Farrauto was paid a management and consulting fee unrelated to his capacity as a director of Calibre in the amount of $30,000.

Narrative Discussion

The compensation package for directors is intended to provide a competitive level of remuneration reflective of the responsibilities, accountability and time commitments of the Calibre Board members. Directors are reimbursed for expenses incurred for attending Calibre Board meetings. Executive officers of the Company do not receive any additional compensation for services rendered in such capacity other than as paid by the Company to such executive officers in their capacity as executive officers. There is no formal policy for the granting of options to directors. Options may be granted from time to time upon the recommendation of the Compensation Committee.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards granted to directors of the Company which are outstanding at the end of the most recently completed financial year:

Outstanding Option-Based Awards and
Share-Based Awards

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)[1]	Option expiration date	Value of unexercised in-the-money options ($)[1]	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
Douglas Forster	20,000 150,000 22,500 75,000	1.00 1.60 1.00 0.45	15-Jul-19 9-Oct-19 26-Aug-20 6-Nov-23	Nil Nil Nil Nil	Nil	N/A
Edward Farrauto	15,000 50,000 22,500 75,000	1.00 1.60 1.00 0.45	15-Jul-19 9-Oct-19 26-Aug-20 6-Nov-23	Nil Nil Nil Nil	Nil	N/A
Russell Ball	400,000	0.45	6-Nov-23	Nil	Nil	N/A
Blayne Johnson	15,000 150,000 22,500 75,000	1.00 1.60 1.00 0.45	15-Jul-19 9-Oct-19 26-Aug-20 6-Nov-23	Nil Nil Nil Nil	Nil	N/A
George Salamis	15,000 25,000 22,500 75,000	1.00 1.60 1.00 0.45	15-Jul-19 9-Oct-19 26-Aug-20 6-Nov-23	Nil Nil Nil Nil	Nil	N/A
Raymond Threlkeld	50,000 75,000	1.20 0.45	23-Sep-19 6-Nov-23	Nil Nil	Nil	N/A
Douglas Hurst	50,000 75,000	1.55 0.45	7-Sep-21 6-Nov-23	Nil Nil	Nil	N/A

Notes:

(1) "In-the-Money Options" means the excess of the market value of Calibre Shares on December 31, 2018 over the exercise price of the Options. The market price for Calibre Shares on December 31, 2018 (being the last day Calibre Shares traded during Calibre's 2018 financial year end) was $0.37.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each director:

Value Vested or Earned for Incentive Plan Awards During the Most
Recently Completed Financial Year

Name	Option-based awards - Value vested during the year ($)[1]	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation - Value earned during the year ($)
Douglas Forster	Nil	Nil	N/A
Edward Farrauto	Nil	Nil	N/A
Russell Ball	Nil	Nil	N/A
Blayne Johnson	Nil	Nil	N/A
George Salamis	Nil	Nil	N/A
Raymond Threlkeld	Nil	Nil	N/A

Name	Option-based awards - Value vested during the year ($)[1]	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation - Value earned during the year ($)
Douglas Hurst	Nil	Nil	N/A

Note:

(1) This value is determined by calculating the difference between the market price of the underlying Calibre Shares on the vesting date and the exercise price of the Options on the vesting date.

Equity Compensation Plan Information

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	2,692,499	$0.87	2,692,499
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
Total	**2,692,499**	**$0.87**	**2,692,499**

Corporate Governance

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices.

Calibre Board of Directors

Management is nominating eight individuals to the Calibre Board, all of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as "independent" directors under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. The "material relationship" is defined as a relationship which could, in the view of the Calibre Board, reasonably interfere with the exercise of a director's independent judgement. All of the current members of the Calibre Board are considered "independent" within the meaning of NI 52-110, except for Gregory Smith, who is the President and CEO and Russell Ball, who is the Executive Chairman. Upon completion of the Transaction, Gregory Smith is expected to resign from the Calibre Board and Russell Ball is expected to be appointed as President and Chief Executive Officer of the Resulting Issuer.

The Calibre Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Calibre Board to the CEO and the President. The Calibre Board will give direction and guidance through the President to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Calibre Board.

The Calibre Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an audit committee, the compensation committee and the corporate governance committee and the chairperson of each committee. The Calibre Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of each committee, elects a chairperson of the Calibre Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of both the CEO and the President, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Calibre Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Calibre Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Calibre Board. The Calibre Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Calibre Board will also meet at any other time at the call of the President, or subject to the Articles of the Company, of any director.

The mandate of the Calibre Board, as prescribed by the BCBCA is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Calibre Board oversees the management of the Company's affairs directly and through its committees.

Directorships

The following directors of the Company are also directors of other reporting issuers as stated:

- Russell Ball is a director of Columbus Gold Corp., Trevali Corporation, Lydian International Ltd. and Allegiant Gold Ltd.
- Edward Farrauto is a director of Pinecrest Resources Ltd.
- George Salamis is a director of Edgewater Exploration Ltd., Pinecrest Resources Ltd., Contact Gold Corp., and Integra Resources Corp.
- Blayne Johnson is a director of Edgewater Exploration Ltd., Pinecrest Resources Ltd. and Featherstone Capital Inc.
- Douglas Forster is a director of Edgewater Exploration Ltd., Victory Metals Inc. and Pinecrest Resources Ltd.
- Raymond Threlkeld is a director of Kirkland Lake Gold Ltd. and Euromax Resources Ltd.
- Douglas Hurst is a director of Pinecrest Resources Ltd.
- Gregory Smith is a director of Shooting Star Acquisition Corp.
- Audra Walsh is a director of Argonaut Gold Inc.

Orientation and Continuing Education

The Calibre Board's practice is to recruit for the Calibre Board only persons with extensive experience in the mining and mining exploration business and in public company matters. Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on the Company's affairs and plans prior to obtaining their consent to act as a director.

The Calibre Board provides training courses to the directors as needed, to ensure that the Calibre Board is complying with current legislative and business requirements.

Ethical Business Conduct

To date, the Calibre Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Company's operations, and the small number of officers and consultants, allow the Calibre Board to monitor, on an ongoing basis, the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Calibre Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

Nomination of Directors

The Calibre Board has not adopted a formal process in respect to selecting new nominees to the Calibre Board. The Calibre Board expects that when the time comes to appoint new directors to the Calibre Board that the nominees would be recruited by the current Calibre Board, and the recruitment process would involve both formal and informal discussions among Calibre Board members and the CEO.

Compensation Committee

The Compensation Committee is a committee comprised of at least three directors whose primary purpose is to enable the Company to recruit, retain and motivate employees and ensure conformity between compensation and other corporate objectives and review and recommend for Calibre Board consideration, all compensation packages, both present and future, for the Company's management and directors (including annual retainer, meeting fees, bonuses and option grants) including any severance packages. A majority of the members shall not be officers or employees of the Company and shall be unrelated, independent directors.

Members of the Compensation Committee shall be appointed or reappointed at the meeting of the Calibre Board following the Company's annual general meeting and from among the appointees to the Compensation Committee, the Calibre Board shall appoint a chairperson (the "**Compensation Committee Chairperson**"). The duties of the Compensation Committee Chairperson include overseeing the proper functioning of the Compensation Committee to ensure the proper discharge of its duties, to schedule meetings and to ensure timely reporting to the Calibre Board. The Compensation Committee will meet as often as may be necessary or appropriate in its judgment.

In exercising its mandate, the Compensation Committee sets the standards for the compensation of directors, employees and officers based on industry data and with the goal to attract, retain and motivate key persons to ensure the long-term success of the Company. Compensation generally includes the three following components: base salary or management fee arrangement and benefits, a short-term incentive program in the form of bonuses and long-term incentives in the form of incentive stock options. The Compensation Committee takes into account the North American context of its activities and increased competition in the market for its key personnel while also taking into account the performance and objectives set forth for the Company.

The Compensation Committee is accountable to the Calibre Board and reports to the Calibre Board at its next regular meeting all deliberations and actions it has taken since any previous report. Minutes of Compensation Committee meetings will be available for review by any member of the Calibre Board on request to the Compensation Committee Chairperson.

For more information on compensation, please see "*Compensation Discussion and Analysis*".

Corporate Governance Committee

The purpose of the Corporate Governance Committee is to monitor and to generally be responsible for developing the Company's governance and human resources policies and guidelines relating to corporate governance and human resources and overseeing their implementation and administration.

Annually, following the annual general meeting of the Company, the Calibre Board elects from its members, directors and officers to serve on the Corporate Governance Committee. Each member holds office until the close of the next annual general meeting of the Company or until the member resigns or is replaced, whichever first occurs.

The Calibre Board appoints one of the directors on the Corporate Governance Committee as the chairperson, whose duties include overseeing the proper functioning of the Corporate Governance Committee to ensure the proper discharge of its duties, to schedule meetings and to ensure timely reporting to the Calibre Board.

The Corporate Governance Committee meets as often as may be necessary and may call special meetings as required.

Assessments

The Calibre Board annually reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Calibre Board members, bearing to mind the business strengths of the individual and the purpose of originally nominating the individual to the Calibre Board.

The Calibre Board monitors the adequacy of information given to directors, communication between Calibre Board and Management and the strategic direction and processes of the Calibre Board and its committees.

The Calibre Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

Audit Committee and Relationship with Auditors

The Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Appendix "C" to this Information Circular.

Composition of Audit Committee and Independence

The Company's current Audit Committee consists of Douglas Forster, Edward Farrauto, and Douglas Hurst.

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Calibre Board, reasonably interfere with the exercise of the member's independent judgment. All Audit Committee members are "independent" within the meaning of NI 52-110.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

Relevant Education and Experience

Based on their business and educational experiences, each audit committee member has a reasonable understanding of the accounting principles used by the Company; an ability to assess the general application of such principles in connection of the accounting for estimates, accruals and reserves; experience analyzing and evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

Douglas Forster

Mr. Forster has been associated with the mining industry for over 35 years as a geologist, senior executive, director and company founder. He holds a B.Sc. (1981) and M.Sc. (1984) in Economic Geology from the University of British Columbia, Canada. Mr. Forster has been a founder, director or senior executive with numerous companies listed on Canadian stock exchanges including Terrane Metals which was acquired by Thompson Creek in 2010 for $750 million, Potash One that was acquired by K+S in 2011 for $434 million, and Newmarket Gold that was acquired by Kirkland Lake Gold in 2016 for $1.0 billion. Over the past 30 years Mr. Forster has been involved with several large-scale mine development projects and operating mines including the Mt. Milligan gold-copper mine, the Kemess South gold-copper mine, the Golden Bear gold mine, the Legacy potash project, the Fosterville gold mine, the Cosmo gold mine and the Stawell gold mine. Mr. Forster has a proven track record in resource project development, mergers and acquisition, mine operations, equity and debt financing and public company management. He is a registered member of the Association of Professional Engineers and Geoscientists of British Columbia.

Edward Farrauto

Mr. Farrauto has 25 years of experience as a senior financial officer with public companies. His experience encompasses financial and regulatory compliance and public company management. Mr. Farrauto has been directly responsible for overseeing private placement financings, prospectus filings, reverse takeovers and merger and acquisition transactions. Mr. Farrauto has been involved in over $500 million in equity and debt financings which included $150 million with Terrane Metals which was acquired by Thompson Creek Metals in 2010 valued at $750 million and Newmarket Gold that was acquired by Kirkland Lake Gold in 2016 for $1.0 billion. Mr. Farrauto was a Chartered Professional Accountant from 1991 to 2018.

Douglas Hurst

Mr. Hurst has over 30 years of experience in the mining and natural resource industries having acted as geologist, consultant, mining analyst, senior executive and board member. Doug was previously a mining analyst with McDermid St. Lawrence and Sprott Securities and a contract analyst to Pacific International Securities and Octagon Capital. He was a founding executive of International Royalty Corporation which was purchased by Royal Gold for $700 million. Recently, Mr. Hurst was one of the founders of Newmarket Gold Inc. which was purchased for $1.0 billion by Kirkland Lake Gold Ltd in November, 2016. Mr. Hurst holds a Bachelor of Science in Geology from McMaster University (1986).

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Calibre Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

(a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110;

(b) the exemption in subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer) of NI 52-110;

(c) the exemption in subsection 6.1.1(5) (Events Outside Control of Member) of NI 52-110;

(d) the exemption in subsection 6.1.1(6) (Death, Incapacity or Resignation) of NI 52-110; or

(e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The following table sets forth the fees billed by PricewaterhouseCoopers LLP, Chartered Professional Accountants, to the Company and its subsidiaries for services rendered in the last two fiscal years:

	2018	**2017**
	($)	($)
Audit fees(1)	71,878	65,900
Audit Related Fees(2)	52,500	21,000
Tax fees(3)	N/A	16,199
All other fees(4)	N/A	N/A
Total:	124,378	103,099

Notes:

(1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.

(2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All other fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

Management Contracts

Management functions of Calibre are generally performed by directors and executive officers of Calibre and not, to any substantial degree, by any other person to whom Calibre has contracted.

Non-Arm's Length / Related Party Transaction

The Transaction is a related party transaction pursuant to MI 61-101 as B2Gold is an Insider of Calibre owning 11.9% of the issued and outstanding Calibre Shares.

Except as set out in this Information Circular, Calibre has not acquired or received any assets or services from any of its directors, officers or principal securityholders, or any Associates or Affiliates thereof, during the 24 months preceding the date of this Information Circular, nor does it propose to do so in any transaction.

The table below outlines, as of the date of this Information Circular, the number of Calibre Shares and other Calibre securities owned or controlled, directly or indirectly, by each of the directors and officers of Calibre, and each associate or affiliate of an insider of Calibre, each associate or affiliate of Calibre, each insider of Calibre (other than the directors or officers), and each person acting jointly or in concert with Calibre.

Name and office held	Calibre Shares	Calibre Options
Gregory Smith *CEO and President*	29,500	247,500
Kristian Dagsaan *CFO*	11,000	100,000
Ryan King *VP, Corporate Development*	148,450	147,500
Douglas Forster *Director*	1,920,563	247,500
Edward Farrauto *Director*	404,773	147,500
Russell Ball *Director*	569,000	400,000
Blayne Johnson *Director*	1,710,046	247,500
George Salamis *Director*	Nil	122,500
Raymond Threlkeld *Director*	125,000	125,000
Douglas Hurst *Director*	200,167	125,000
B2Gold *Holder of more than 10% of Calibre Shares*	5,345,000	Nil

Legal Proceedings

There are no legal proceedings to which Calibre is a party or of which any of its property is the subject matter, nor are any such proceedings known to Calibre to be contemplated.

Auditor, Transfer Agent and Registrar

The auditor of Calibre is PricewaterhouseCoopers LLP, Chartered Professional Accountants, PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, BC, V6C 3S7. PricewaterhouseCoopers LLP was appointed as auditor of Calibre on February 1, 2007. The registrar and transfer agent for Calibre Shares is Computershare Investor Services Inc. at its office at 8th floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

Material Contracts

The following is a summary of each material contract entered into by Calibre, other than contracts entered into in the ordinary course of Calibre's business. The contracts may be inspected without charge at the office of Calibre in Vancouver, British Columbia during normal business hours until the date of closing of the Transaction and for a period of 30 days thereafter:

(a) Share Purchase and Consolidation Agreement (see "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Share Purchase and Consolidation Agreement*"); and

(b) Agency Agreement (see "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Subscription Receipt Private Placement*").

Indebtedness of Directors and Executive Officers

No director or executive officer of Calibre has been indebted to Calibre at any time during the most recently completed financial year in connection with the purchase of Calibre Shares or for any other reason.

Interest of Management and Others in Material Transactions

Other than as described in this Information Circular, none of the directors or executive officers of Calibre or a subsidiary at any time within the three year period prior to the date of this Information Circular, nor any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding Calibre Shares, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect Calibre.

Additional Information

Additional information on Calibre is available on the internet on SEDAR at www.sedar.com. Financial information is provided in Calibre's financial statements and management discussion and analysis which are available under Calibre's profile on SEDAR at www.sedar.com. The audited financial statements for the year ending June 30, 2018 together with the auditor's report will be presented at the Meeting. You may request copies of Calibre's financial statements and management discussion and analysis by completing the financial statements request form included with this Information Circular, in accordance to the instructions therein.

INFORMATION CONCERNING THE TARGET SUBSIDIARIES

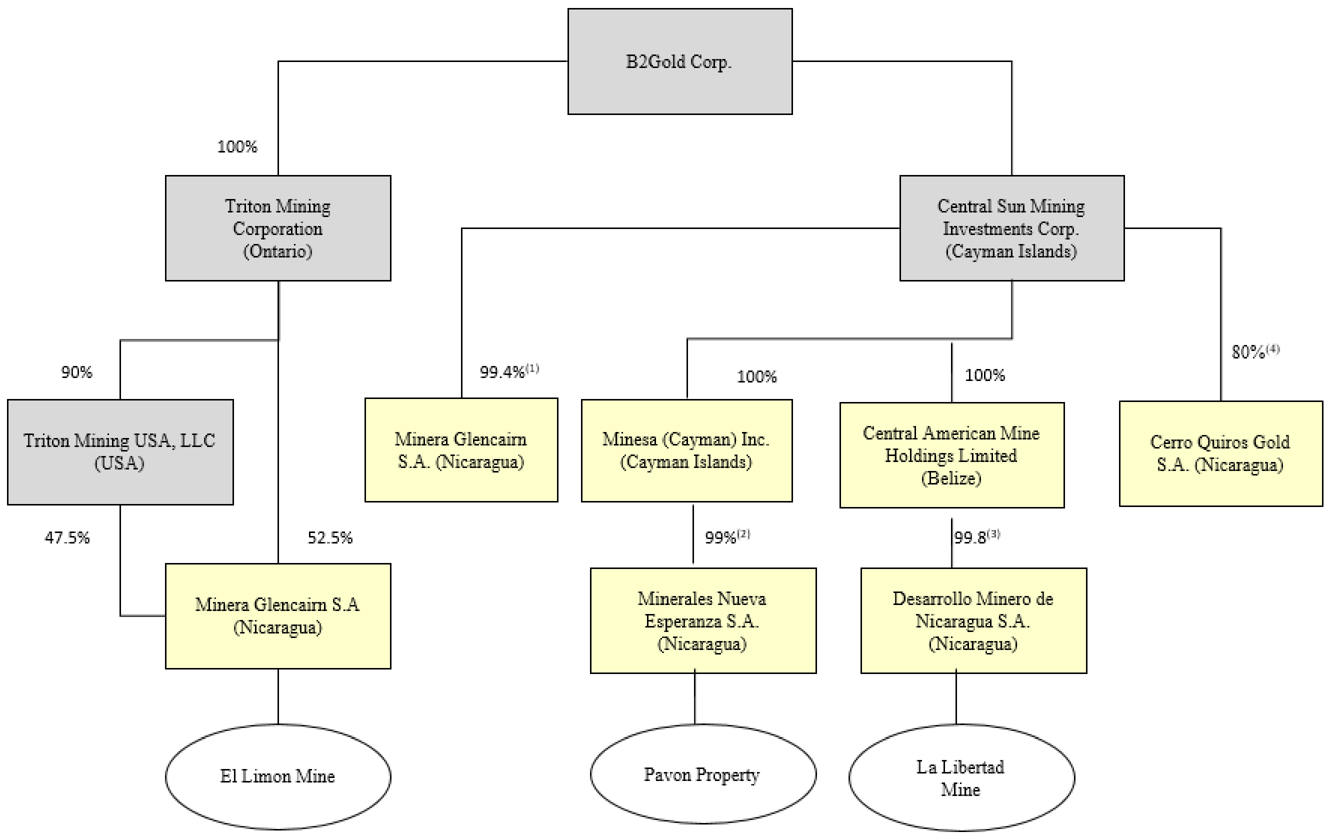
Corporate Structure

The Target Assets are owned by the B2Gold Vendors.

<u>Name and Incorporation</u>

There are seven Target Subsidiaries that will be acquired or consolidated with pursuant to the Transaction, namely Minera Glencairn S.A., a company organized under the laws of Nicaragua, Minesa (Cayman) Inc., a company organized under the laws of the Cayman Islands, Minerales Nueva Esperanza S.A., a company organized under the laws of Nicaragua, Central American Mine Holdings Limited, a company organized under the laws of Belize, Desarrollo Minero de Nicaragua S.A., a company organized under the laws of Nicaragua, Cerro Quiros Gold S.A., a company organized under the laws of Nicaragua, and Triton Minera S.A., a company organized under the laws of Nicaragua . As set out in the intercorporate structure chart below, Triton Minera S.A. is the direct owner of the El Limon Mine, Minerales Nueva Esperanza S.A. is the direct owner of the Pavon property and Desarrollo Minero de Nicaragua S.A. is the direct owner of the La Libertad mine.

The following diagram illustrates the indirect and direct ownership of the Target Subsidiaries by the B2Gold Vendors:



Notes:

(1) Two individuals hold a total of three common shares in the company.
(2) Two individuals hold two common shares in the company.
(3) Two individuals hold 20 common shares in the company.
(4) Two individuals hold 40 common shares in the company.

General Development of the Business

History

The following discussion summarizes the general development of the El Limon Mine and La Libertad Mine from the beginning of 2016 until the date of this Information Circular, as well as any expected developments or changes in the remainder of 2019.

The El Limon Mine

(a) Overview

The El Limon Mine is located in northwestern Nicaragua approximately 100 km northwest of Managua, the capital of Nicaragua. B2Gold holds an indirect 100% interest in Triton Minera S.A. ("**Triton Minera**"), the mine operator. The El Limon Mine is within a 12,000 ha "Mina El Limon" mineral concession that has a term of 25 years, expiring in April 2027. Triton Minera also holds three exploration-stage mineral concessions: Bonete-Limon, and Villanueva 2, which collectively cover a total of 7,200 ha.

(b) Developments in 2016

The 2016 exploration program at the El Limon Mine included geological mapping, rock chip, soil and auger sampling, sampling of tailings deposits for grade and determination of specific gravity, trench sampling and drilling. A total of 50 drill holes (7,096 metres) were completed for exploration purposes at Atravesada, Gran Rancho, Limon Central, Los Ñatos, Mercedes, Pozo Bono, San Gil, and Talavera. The program largely comprised brownfield drilling, including further infill drilling and some additional drilling on potential near surface open pit targets on the property.

In 2016 the El Limon Mine produced 45,483 ounces of gold (100% basis) based on a milled tonnage of 467,404 tonnes at an average grade of 3.22 g/t Au. Mill recovery was 94.1%.

(c) Developments in 2017

The 2017 exploration program at the El Limon Mine focused on the newly-discovered El Limon Central area. A total of 188 drill holes (34,400 metres) were completed on several targets; however, the El Limon Central structure became the primary focus of drill activities. The El Limon Central zone, at its closest location, is approximately 150 metres from the El Limon mill facility, extending southeast and northwest, adjacent to existing plant and administrative infrastructure. Historical records indicate that parts of the El Limon Central zone have been mined underground in past decades, however B2Gold's exploration work indicated that underground mining was much more limited than previously thought. B2Gold conducted additional metallurgical testing on the Limon Central mineralized zones and a study to evaluate the potential to expand the El Limon throughput and worked to advance the permitting process for the El Limon Central area.

In addition, an initial study was completed regarding the potential re-processing of the old tailings at El Limon. Based on historic mill and drilling records, there was potential for further exploration of the tailings.

In 2017 the El Limon Mine produced 42,776 ounces of gold. Mill recovery was 94.1%.

(d) Developments in 2018

In May 2018, B2Gold purchased the remaining 5% interest from Inversiones Mineras S.A. in the El Limon Mine that it did not own for US$2.5 million, increasing its interest in the mine to 100% from 95%.

In 2018, the El Limon Mine produced 49,629 ounces of gold, as gold production was affected by national political unrest, resulting in delays for the receipt of required permits for explosives and other shipments. However, in the fourth quarter of 2018, mining operations at El Limon returned to budgeted (normal) production rates, and development of the new Limon Central pit commenced. In June 2018, El Limon's gold production was impacted by illegal road blockades. The blockades were related to local employment issues for the community and were resolved through dialogue with a newly-developed community stakeholder committee to ensure local concerns were addressed.

In 2018, a total of 184 drill holes (29,804 metres) were completed on several targets, however, the El Limon Central structure was the primary focus of drill activities. On October 5, 2018, B2Gold was granted the mine permit for the Limon Central Pit. Infrastructure development and pre-stripping operations at Limon Central commenced in late October 2018. The El Limon Central zone was delineated along a 2.2 km strike length, and positive drilling results continued to expand El Limon Central zone to the north.

In October 2018, B2Gold announced positive results of an expansion study for the El Limon Mine. The expansion study was conducted as an internal preliminary economic assessment to evaluate the LoM options for combining the remaining underground Inferred Mineral Resources with the new El Limon Central zone open-pit Inferred Mineral Resource. B2Gold announced that the recommendations from this study were to expand the existing plant from 485,000 tonnes per annum to 600,000 tonnes per annum and adding a third stage of milling to achieve a fine grind. The third stage of milling also allows for the reprocessing of old tailings at the end of the mine life. Closure and reclamation costs are estimated and updated annually. Closure and reclamation costs at the end of 2018 were estimated at US$18 million on an undiscounted basis.

(e) Current and Expected Developments in 2019

La Libertad Mine

(a) Overview

La Libertad Mine is located in the La Libertad–Santo Domingo Region of the Department of Chontales in Central Nicaragua. The mine is situated approximately 110 km due east of Managua, the capital city of Nicaragua and 32 km northeast of Juigalpa, the capital city of the Department of Chontales.

Desarollo Minero de Nicaragua S.A. (an indirect subsidiary of B2Gold) ("**Desarollo**") holds 100% of the La Libertad exploitation concession, covering an area of 10,950 ha, which was granted by Ministerial Decree No. 032-RN-MC-94 for a 40-year term, expiring in 2034. Desarollo also holds 100% of the Buenaventura and Cerro Quiroz exploration concessions, which are contiguous with the La Libertad exploitation concession and cover a total of 4,600 ha. The Ministerial Decree requires that Desarollo pays surface taxes on a semi-annual basis and pays a net 3.0% royalty on gross production revenues (ad valorem tax) to the government of Nicaragua.

The Cerro Quiros exploration concession is 100% held by Cerro Quiros Gold S.A. (an indirect subsidiary of B2Gold).

(b) Developments in 2016

La Libertad mining in 2016 focused on the Jabali Central open pit and the spent-ore stockpile, with smaller contributions to mill feed coming from material mined from underground test mining of Mineral Resources at Mojon.

The 2016 exploration program consisted of geological mapping; reconnaissance and surveys of artisanal miner workings; rock chip, soil, stream sediment, trench and channel sampling; a ground magnetic geophysical survey, and core drilling. A total of 54 core holes (7,645 metres) were completed for exploration purposes at Santa Julia North, Los Angeles–San Francisco, Chamarro, Socorro, Ceiba, Tope and Mojon. In addition, 33 core holes (3,908.3 metres) were completed as infill and geotechnical drill holes from underground or in-pit stations at Mojon Hangingwall, Jabali Antenna, and San Juan.

(c) Developments in 2017

The 2017 exploration program at La Libertad Mine included geological mapping, rock chip, stream sediment and auger sampling, trench sampling and drilling. A total of 160 core holes (21,771 metres) were completed for exploration, infill, geotechnical, or condemnation purposes at Cuernos de Oro, Calvario, Chamarro, Cosmatillo, Jabali Antena, Minerva, Mojon, San Juan, Santa Julia, Tope, and Volcan.

In 2017, La Libertad Mine produced 82,337 ounces of gold, with a mill recovery of 93.8%.

(d) Developments in 2018

The 2018 exploration program at La Libertad Mine included geological mapping, rock chip, stream sediment and auger sampling, trench sampling and drilling. A total of 109 core holes (14,991 metres) were completed for exploration, infill, or geotechnical purposes at Cosmatillo, Chamarro, Jabali Antena, Mojon, Quintana, Rosario, San Antonio, and Tope North.

During 2018, political and social unrest in Nicaragua negatively impacted B2Gold's Nicaraguan operations including lower gold production and temporary suspension of the Jabali Antenna underground project. In 2018, La Libertad Mine produced 80,963 ounces of gold.

In addition, development of the Jabali Antenna underground project in 2018 was temporarily suspended, resulting in flooding of the underground workings. The subsequent underground mine dewatering was completed in mid-August and ramp development recommenced. Mine development in the fourth quarter of 2018 extended access to three mining areas, Zones 1, 2 and 3 in the central and eastern areas of the mine. Ore production from Jabali Antenna underground consisted only of development ore in the fourth quarter, with ore production from stopes in Zone 1 and Zone 2 anticipated in the first quarter of 2019. The mine permit for the new Jabali Antenna Pit was also delayed (production had been budgeted to start from the Jabali Antenna Pit in the third quarter of 2018).

Closure and reclamation costs at the end of 2018 were estimated at US$23.6 million on an undiscounted basis.

(e) Current and Expected Developments in 2019

On February 28, 2019, public consultation was successfully completed for Jabali Antenna.

During the second quarter of 2019, B2Gold received the mining permit for the new Jabali Antenna Pit at La Libertad Mine and has commenced construction of roads and other related infrastructure. B2Gold anticipates that production will start from the pit in September 2019 (as budgeted). Mine permits are in place for all other open pit and underground operations at La Libertad.

Narrative Description of the Business

Business Description

Mineral Project Disclosure

El Limon Mine

The below summary is a direct extract and reproduction of the summary contained in the El Limon Technical Report, without material modification or revision and all defined terms in the summary shall have the meanings ascribed to them in the El Limon Technical Report. The below summary is subject to all the assumptions, qualifications and procedures set out in the El Limon Technical Report. The El Limon Technical Report was prepared in accordance with NI 43-101. For full technical details of the report, reference should be made to the complete text of the El Limon Technical Report, which has been filed with the applicable regulatory authorities and is available under the Company's SEDAR profile at www.sedar.com. The El Limon Technical Report is incorporated by reference in this Information Circular and the summary set forth below is qualified in its entirety with reference to the full text of the El Limon Technical Report. The authors of the El Limon Technical Report have review and approved the scientific and technical disclosure contained in this Information Circular.

(a) Property Description and Location

Access to the El Limón Mine area is by paved road approximately 125 km from Managua and approximately 15 km by all-season gravel road to the Village of El Limón. The total road distance from Managua is 140 km. The Talavera underground mine is situated approximately four kilometres west of the Village of El Limón, and the Santa Pancha deposit is situated approximately five kilometres east of that village. Both areas are accessible by gravel roads from the El Limón Mine site.

(b) Land Tenure

The Project consists of five contiguous blocks covering an aggregate area of 20,147 ha and the Villanueva 2 exploration permit covering an area of 1,200 ha located approximately 12 km to the north. The 12,000 ha El Limón exploitation permit is adjacent to the 5,000 ha Bonete- Limón exploration permit. Additional contiguous exploration permits include Guanacastal III, San Antonio, and Guanacastal II, which are contiguous with Bonete-Limón block, combine for a total area of 3,147 ha.

On July 2, 2019, Calibre announced that it had entered into a transaction with B2Gold whereby it would acquire the producing El Limón and La Libertad gold mines as well as the Pavon gold project and other mineral concessions in Nicaragua held by B2Gold for an aggregate consideration of $100 million, to be paid with a combination of cash, common shares, and a convertible debenture.

(c) Existing Infrastructure

Since El Limón has been in operation for many years, the infrastructure is well developed.

- A conventional processing plant consisting of agitated cyanide leaching and carbon adsorption, followed by carbon elution, electrowinning, and doré production, with an annual throughput of 500,000 tpa.
- Electrical power obtained from the national grid system with backup generators at the mine site.
- Well established transportation network.
- A conventional TSF located near the plant and office area.
- A number of waste disposal areas around the open pits.
- Industrial and potable water drawn from local sources.
- Miscellaneous infrastructure supporting mining and processing activities including warehouses, administration buildings, dry facilities, and maintenance shops.

(d) History

Historic mining and prospecting activities in the El Limón district of northwestern Nicaragua, which hosts the El Limón and other gold deposits, date back to the late 1850s.

Modern mining and exploration started in 1918. Mine production was intermittent from the 1850s to 1941, and the exact amount of gold production is unknown for this period. Since 1941, continuous production over 67 years has amounted to more than 3.0 million ounces of gold and an unrecorded quantity of silver (as a by-product) has been produced. Much of this production was when the mine was under the control of Noranda Mines from 1941 to 1979. Production rates in this period started at 200 tons per day and increased to 345 tons per day.

The Sandinistas confiscated and subsequently nationalized the mine in 1979. Production under national control was reported as 280,000 ounces of gold from an estimated 1.9 million tonnes of ore. The Limón Mine remained under national control until privatization in April 1994 at which time Triton Mining Corporation (TMC), a Canadian exploration and mining company acquired control. TMC increased production to 1,000 tpd in 1995. In May 1998, TMC was acquired by Black Hawk Mining Inc. (Black Hawk), resulting in Black Hawk having a 95% interest in the Limón Mine. Production following TMC taking possession to the end of 2002 totalled 447,000 ounces of gold from 2.6 million tonnes of ore.

Within the El Limón Mine concession, gold production has come from three sources. These are:

- Limón vein system
- Santa Pancha vein system
- Talavera vein system

Minor production has also come from three other sources: Atravesada (within Limón concession, with production of approximately 11,000 oz Au); Rincon de Garcia (approximately 23,800 oz Au), and Mina de Agua (approximately 46,600 oz Au). Mina de Agua and Rincon de Garcia are located in the Villanueva 2 concession approximately 20 km north of the El Limón Mine. Ore from these mines was trucked for processing in the El Limón mill intermittently between 1972 and 1988. There was also small-scale production in the 1920s at the La Grecia Mine located in the San Juan de Limay-La Grecia concession.

(e) Geology and Mineralization

The El Limón Mine is located along the eastern edge of the Nicaragua graben within an area of low hills that contrast with the level plain of the graben floor. Approximately 50% of the area in the general vicinity of the mine is covered by a thin layer of Quaternary to Recent deposits of volcanic ash and alluvium.

The El Limón Mine mineral concession is underlain predominantly by volcanic strata that are correlated with the Miocene-Pliocene Coyol Group that is present over extensive areas of western Nicaragua. Coyol Group rocks, exposed on the Mina El Limón mineral concession, range from intermediate to felsic volcanic and volcaniclastic rocks that are cut by minor intermediate to felsic hypabyssal intrusive bodies. From lowest to highest in stratigraphic section, these rocks are as follows:

- Interstratified, massive porphyry flows and coarse volcaniclastic rocks of intermediate composition

- Intermediate to felsic flows, domes and minor tuffs and epiclastic rocks
- Weakly stratified, intermediate to felsic tuffs and epiclastic rocks
- Massive to flow-banded, intermediate porphyritic flows

The above units appear to be conformable and generally strike east to northeast and dip gently south with local variability common.

Deformation is dominated by normal faulting with little evidence for significant internal deformation of intervening fault blocks. The faults commonly trend northeast with moderate to steep dips to the northwest as well as southeast. A second group of faults strikes north to west-northwest, dipping steeply to the east and/or northeast. Apparent displacements on these faults are tens to several hundreds of metres.

Gold mineralization in the Limón district is typical of low-sulphidation, quartz-adularia, epithermal systems. These deposits were formed at relatively shallow depth, typically from just below the surface to a little over one kilometre deep, from reduced, neutral-pH hydrothermal fluids with temperatures of <150°C to 300°C. The volcano-plutonic arc of western Nicaragua is a common tectonic setting for these deposits.

(f) Exploration Status

Exploration methods include prospecting, geological mapping, geophysical and geochemical surveys, trenching, and drilling.

In the opinion of the author's of the El Limon Technical Report, there is potential to outline additional resources in the following areas:

Extension to currently producing areas:

- Limón Central
- Santa Pancha
- Veta Nueva
- Mercedes

Existing Resource areas not currently producing;

- Limón Norte
- Pozo Bono
- Tigra/Chaparral
- Atravesada
- Historically Placed Tailings

Advanced Targets:

- Panteon
- San Antonio
- Cacao
- Ramadas
- Lourdes
- Guanacastal

Conceptual Targets

Calibre has planned a two-phase exploration program to explore for and potentially outline additional Mineral Resources at El Limón. Phase 1, at a cost of $3 million, would take place over 12 months. The Phase 2 program, C$5 million over 12 months, would depend on the results of Phase 1. Diamond drilling and assaying accounts for approximately 55% of the total cost while the remainder is for salaries, support, and technical studies. The authors of the El Limon Technical Report concur with the recommended program and budget.

(g) Mineral Resources

The June 30, 2019 El Limón Mineral Resources are summarized in Table 1-1. CIM (2014) definitions were used for Mineral Resource classification.

Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (CIM (2014) definitions) were used for Mineral Resource classification.

TABLE 1-1 MINERAL RESOURCES - JUNE 30, 2019
Calibre Mining Corp. – El Limón Mine

Area	Tonnes (000)	Grade (g/t Au)	Contained Au (oz 000)
Indicated			
Santa Pancha 1	893	5.21	150
Santa Pancha 2	445	4.13	59
Veta Nueva	505	4.07	66
Limón Central	2,016	4.24	274
Tailings	7,329	1.12	263
Total Indicated	**11,188**	**2.26**	**812**
Inferred			
Santa Pancha 1	388	4.83	60
Santa Pancha 2	166	3.63	19
Veta Nueva	83	3.59	9
Pozo Bono	977	6.29	197
Limón Sur	444	2.10	30
Limón Central	1,207	5.83	226
Limón Norte	836	5.43	146
Tigra/Chaparral	487	6.01	94
Total Inferred	4,588	5.29	781

Notes:

1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are based on 100% ownership.
3. Mineral Resources are estimated at cut-off grades of 1.25 g/t Au for the Limón open pit, 1.20 g/t Au for the Tailings, and 2.25 g/t Au for underground in Santa Pancha 1, Santa Pancha 2, and Veta Nueva.
4. Mineral Resources presented are inclusive of Mineral Reserves.
5. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
6. Mineral Resources are estimated using a long-term gold price of US$1,500 per ounce.
7. Bulk density is from 1.86 t/m^3 to 2.85 t/m^3 for the Limón open pit material, 2.50 t/m^3 for the Santa Pancha 1, and Veta Nueva underground material, from 2.45 t/m^3 to 2.50 t/m^3 for the SP2 ,and from 1.29 t/m^3 to 1.33 t/m^3 for tailings material.
8. Numbers may not add due to rounding.

The authors of the Technical Report are not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate.

The Mineral Reserves, as at June 30, 2019 for El Limón underground and surface mines, are shown in Table 1-2.

TABLE 1-2 EL LIMÓN MINERAL RESERVES – JUNE 30, 2019
Calibre Mining Corp. – El Limón Mine

Mine	Category	Tonnage (000)	Grade (g/t Au)	Contained Au (oz 000)
Santa Pancha 1	Probable	350	3.82	43
Santa Pancha 2	Probable	88	3.34	9
Veta Nueva	Probable	350	5.66	64
Sub-total Underground	**Probable**	**787**	**4.58**	**116**
Limón Central	Probable	1,472	4.09	193
Sub-total Open Pit	**Probable**	**1,472**	**4.09**	**193**
Total Open Pit and Underground	**Probable**	**2,259**	**4.25**	**309**

Notes:

1. CIM (2014) definitions were followed for Mineral Reserves.
2. Underground Mineral Reserves are estimated at a cut-off grade of 2.75 g/t Au.
3. Open pit Mineral Reserves are estimated at a cut-off grade of 1.32 g/t Au, and incorporate estimates of dilution and mining losses. Mineral Reserves are reported in dry tonnes.
4. Mineral Reserves are estimated using an average long-term gold price of US$1,350 per ounce
5. Minimum mining widths of 4 m, 5 m, and 3 m were used for Santa Pancha 1, Santa Pancha 2, and Veta Nueva, respectively.
6. A minimum mining width of 30 m was used for El Limón Central.
7. Bulk density is 2.5 t/m^3 for underground and 2.26 t/m^3 for open pit resources.
8. Numbers may not add due to rounding.
9. A mining extraction factor of 95% was applied to the underground stopes. Where required a pillar factor was also applied for sill or crown pillar. A 100% extraction factor was assumed for development.

The authors of the El Limon Technical Report are not aware of any mining, metallurgical, infrastructure, permitting, or other relevant factors that could materially affect the Mineral Reserve estimate.

The Mineral Resources at the El Limón Mine were estimated by B2Gold and reviewed and accepted by the authors of the El Limon Technical Report. The Mineral Resources are contained in ten operating or proposed open pit and underground mining areas, as well as a tailings storage area.

To fulfill the CIM requirement of "reasonable prospects for eventual economic extraction" of open pit scenarios, the authors of the El Limon Technical Report prepared a preliminary open pit shell for each mineralized zone to constrain the block model for resource reporting purposes. Each preliminary pit shell was generated using Whittle software. For deposits being, or proposed to be, mined by underground methods, a cut-off grade 2.25 g/t Au was used that reflects the mining costs based on the mining method, processing costs, and gold price. The Limón open pit and Tailings Mineral Resource estimates used cut-off grades of 1.25 g/t Au and 1.20 g/t Au respectively.

El Limón Mineral Resources are based on approximately 45,000 assays from approximately 164,000 m of diamond drilling in 985 holes.

The authors of the Technical Report are not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate.

(h) Mineral Reserves

The Mineral Reserve estimates as of June 30, 2019 for the El Limón underground and surface mines are shown in Table 1-2. Underground Mineral Reserves have been estimated for the Santa Pancha 1, Santa Pancha 2, and

Veta Nueva deposits using cut-off grades of 2.75 g/t Au. Surface Mineral Reserves have been estimated for the Limon Central deposit using a cut-off grade of 1.32 g/t Au. The underground and surface Mineral Reserves are all considered to be Probable Mineral Reserves. The total Probable Mineral Reserves are estimated to be 2.26 million tonnes grading 4.26 g/t Au containing 309,000 ounces of gold. Based on the current Mineral Reserve estimate, the LOM is 4.5 years, with an average daily production rate of 1,380 tpd.

(i) Mining Methods

El Limón mining units include the Santa Pancha 1, Santa Pancha 2, and Veta Nueva underground mines and the Limón Central open pit mine. All underground mines are ramp accessed using a variation of the longitudinal open stoping (LOS) method for ore production. Production from underground and surface mines is combined to feed the El Limón processing plant with a nominal capacity of 500,000 tpa. For the remaining life of mine (LOM), underground mines combine to produce 500 tpd, Limón Central production rates range from 850 tpd to 1,150 tpd, and the El Limón process plant is fed at a rate of approximately 1,450 tpd.

The Limón Central pit is a conventional open pit mine, with drill and blast rock breakage and truck and loader materials handling. The vein and stockwork zones will be mined selectively.

(j) Mineral Processing

The El Limón processing plant is a conventional processing plant consisting of agitated cyanide leaching and carbon adsorption, followed by carbon elution, electrowinning, and doré production. The annual throughput is approximately 500,000 tpa and the historical recovery is 94% to 95%.

(k) Environmental, Permitting and Social Considerations

According to the authors of the El Limon Technical Report, permits to operate the mine appear to be in place and exploration permits seem to be obtainable within reasonable and foreseeable timeframes. Social issues and stakeholder consultations are carried out in line with international best practice.

Daily water quality sampling takes place in the Underdrain System Collection Pond to assess if it meets water quality standards for direct discharge to the environment. According to monthly environmental reports, there were no water contamination incidents resulting from the Underdrain System Collection Pond.

The mine includes two closed TSFs (San Rosa and Santa Barbara) and the currently operating and lined, TSF (San José) which has one additional lift planned before all tailings deposition is switched to the proposed future TSF (San Pancho). The mine waste rock is non-acid generating and has been stored in a number of waste rock dumps around the open pits.

No analyses have been reviewed considering the stability of the cutback slope around the edge of the San Pancho TSF. A landslide in the TSF could result in a wave overtopping the facility dam and potentially leading to a loss of containment.

The total estimated cost to complete the El Limón Mine closure and reclamation program in 2018 is US$23.6 million, inclusive of miscellaneous contingency factors.

(l) Capital and Operating Costs

A summary of the LOM capital costs for the Project is given in Table 1-3.

TABLE 1-3 LIFE OF MINE CAPITAL COSTS
Calibre Mining Corp. – El Limón Mine

Item	Total (US$000)

Sustaining Capital Costs Summary	**22,017**
Mining	12,649
Process Plant	7,980
Site General	248
Distributable	793
G&A	348
Expansion Capital Costs Summary	**1,709**
Mining	800
Process Plant	350
Site General	170
Distributable	184
G&A	130
External Projects	75

Total mine closure costs are estimated to be US$23.6 million.

The LOM unit operating costs for the Project are listed in Table 1-4. The operating cost estimates are prepared based on recent operating performance and the current operating budget.

TABLE 1-4 LIFE OF MINE OPERATING COSTS
Calibre Mining Corp. – El Limón Mine

Item	Units	Total
Underground Mining	US$/t milled	55.00
Surface Mining	US$/t moved	2.50
Processing	US$/t milled	29.45
General and Administrative	US$/t milled	12.11

(m) *Conclusions*

(i) *Geology and Mineral Resources*

- The El Limón deposits are low-sulphidation epithermal deposits hosted by volcanic lithologies.
- The sampling, sample preparation, analyses, security, and data verification meet industry standards and are appropriate for Mineral Resource estimation.
- The composites are of regular lengths and located within mineralized wireframes for each domain in every deposit, except in Veta Nueva, where composites are whole length composites inside the mineralized domains, which may have smoothed the grade distribution. Composite lengths are reasonable in all deposits except Veta Nueva.
- The mineralization and lithology wireframes are adequate for the style of mineralization and are suitable to constrain the block model.
- There is a risk that more previously mined out areas could exist as they were built based only on drill hole intercepts.
- Block sizes are unnecessarily small for the style of mineralization and mining methods but appropriate when reblocked to a larger size.
- Capping levels are reasonable.
- The grade interpolation strategies are appropriate for the style on mineralization.

- The parameters, assumptions, and methodology used for Mineral Resource estimation are appropriate for the style of mineralization.
- Total Mineral Resources at El Limón, as of June 30, 2019, inclusive of Mineral Reserves, are:
    - Indicated – 11.4 Mt, grading 2.25 g/t Au, containing 827,000 oz Au
    - Inferred – 4.5 Mt, grading 5.21 g/t Au, containing 763,000 oz Au
    - The overall Mineral Resource classification is reasonable and conforms to CIM (2014) definitions.
- There is potential to outline additional Mineral Resources with an exploration program testing extensions of known resources and nearby targets.

(ii) *Mining and Mineral Reserves*

- All Mineral Reserves at El Limón are classified as Probable Mineral Reserves. Mineral Reserves as of June 30, 2019 include:
    - Limón Central pit – 1.5 million tonnes, grading 4.09 g/t Au, containing 193,000 oz Au
    - Santa Pancha 1 (SP1) and Santa Pancha 2 (SP2) mines – 438,000 t, grading
    - Veta Nueva 350,000 t, grading 5.66 g/t Au, containing 63,000 oz Au
- The Limón Central pit has been operational as of December 2018. Since then, a substantial portion of the overlying barren rock has been removed in a pre-stripping phase to expose the initial ore for production. The ore zone consisting of vein or quartz breccia and stockwork zones is mined selectively.
- Open pit development includes three pit phases to be mined in twelve metre high benches with ore mining in two six metre high flitches for greater ore control selectivity.
- The open pit operating life extends to mid-2023, for a total of 4.5 years.
- The contractor-operated mining is carried out using conventional open pit methods, consisting of the following activities:
    - Drilling performed by conventional production drills.
    - Blasting using ammonium nitrate/fuel oil (ANFO) and emulsion explosives and a downhole delay initiation system.
    - Loading and hauling operations performed with hydraulic shovel, and articulated haulage trucks.
- The owner's employees monitor the mining contractor and provide engineering support including survey and grade control. Operations run 24 hours per day, seven days a week, on a 12-hour shift rotation.
- Production at El Limón underground mines uses a combination of top-down and bottom-up sequenced LOS stoping methods for production. Top-down sequencing and open stoping accelerates ore availability, however, remnant rib and sill pillars reduce extraction percentages.
- Extreme high temperature conditions (up to 70°C) in Santa Pancha 1 are the result of a geothermally influenced aquifer and can have a significant impact on mine operator performance.
- Geotechnically challenging zones have been identified in Santa Pancha 2, which has resulted in increased dilution estimates for stoping methods.
- In recent operating history, underground mining has been required to contribute the majority of plant feed. Underground production shortfalls have negatively impacted overall production rates. Going forward, combined production from surface and underground mining is expected to meet plant feed requirements.

(iii) *Process*

- Modifications planned for the processing plant in 2019 to resolve downtime related to wear in the classification components of the grinding circuit should allow the plant to achieve an overall utilization of 92% to 94%. This is an increase of up to 5% from the recent historical average (excluding downtime due to blockades in 2018).

- In addition to the improved plant utilization, increases to the number of teeth on the ball mill pinion (from 23 to 24 teeth) in the first half of 2019 are expected to enable the processing plant to achieve a throughput of approximately 500,000 tpa.
- Recent historical gold recoveries at El Limón have averaged between 94% and 95%, however, test work on samples of Limón Central and Santa Pancha ore has indicated that finer grinding is required in order to achieve recoveries similar to historical recoveries. Without the implementation of finer grinding, test work indicates that gold recovery from Limón Central and Santa Pancha ore will average approximately 88% and 92%, respectively.
- Gold recovery when re-treating tailings from the historical Santa Barbara and Santa Rosa tailing storage facility (TSF) improves with finer grinding, with 80% passing (P_{80}) 10 µm to 20 µm giving the best recoveries. A feasibility study conducted by Lycopodium considered a P_{80} of 20 µm, using a vertical stirred mill to achieve this grind size. Gold recoveries of 85% for Santa Barbara tailings and 78% for Santa Rosa tailings were achieved in test work.

(iv) Environmental, Permitting and Social Considerations

- Permits to operate the site appear to be in place and social issues and stakeholder consultation are carried out in line with International Best Practice.
- The El Limón Mine site is currently operating with the San José TSF which is nearing completion. The San José TSF is a lined facility and one more raise of this facility is planned before all tailings deposition is switched to the proposed future TSF (San Pancho).
- The proposed Site Wide Closure Plan (SWCP) includes the construction of closure spillways and covers for operating (San José) and future (San Pancho) TSFs. El Limón closure costing is based on existing staff salaries and not third-party contractors as is typically done.
- No analyses have been reviewed considering the stability of the cutback slope around the edge of the San Pancho TSF. A landslide in the TSF could result in a wave overtopping the facility dam and potentially leading to a loss of containment.
- The mine waste rock on the Project is non-acid generating and has been stored in a number of waste rock dumps around the open pits.
- The total estimated cost to complete the El Limón Mine closure and reclamation program in 2018 is US$23.6 million, inclusive of miscellaneous contingency factors.

(n) Recommendations

(i) Geology and Mineral Resources

- Complete additional drilling in Inferred Mineral Resources in unsurveyed mined out areas at El Limón that contain grade-bearing material to determine a more accurate extent of the openings and material grades.
- Carry out further review of the methodology for estimation of tonnage and grade in grade-bearing material backfill classified as Inferred Mineral Resources.
- Complete a Mineral Resource estimate using 1.0 m composites for Veta Nueva so that a comparison against the existing whole length composite estimate can be made to determine if a reduction in grade smoothing is applicable.
- Conduct a two-phase exploration program to test extensions of known resources and nearby targets with Phase 2 contingent on the results of Phase 1.
  - Phase 1 – 8,000 m diamond drilling and related studies - C$3 million.
  - Phase 2 - 12,000 m diamond drilling and related studies – C$5 million.

(ii) Mining and Mineral Reserves

- Carry out a full reconciliation of actual plant feed and gold production versus mine plan prediction on an ongoing basis in order to more accurately determine the mining dilution and ore loss parameters.
- Given the availability of surface mine ore to supplement feed to the process plant, evaluate adopting underground bottom-up sequencing of underground production to optimize extraction percentage.
- Evaluate stoping method and ground support alternatives in geotechnically challenging areas in Santa Pancha 2 to maximize ore extraction.

(iii) *Process*

- Conduct additional variability test work on samples for the expansion study.

(iv) *Environmental Considerations*

- Conduct additional variability test work on samples for the expansion study.
- Continue to implement the adopted Environmental Policy (2018), Biodiversity Policy (2018), and site Environmental Management Plan, which monitors and manages potential environmental impacts resulting from the site to inform the closure plan and permit applications.
- Review existing flora and fauna studies within the mine area and the area of influence, with the aim of informing the closure plan and siting studies for future operations and site infrastructure development.
- Continue to ensure all necessary permits are obtained for operating the site in the medium and long term.
- Continue to evaluate noise and vibration impacts resulting from the mine to ensure operations are within International Best Practices.
- Implement a water balance for ongoing operations (if a water balance is not already in place) to be updated by mine operations personnel using meteorological and water monitored data on a regular basis. The water balance is an important tool to track trends and conduct short-term predictions through simulation of variable operating and/or climatic scenarios to support decision making associated with pond operation (e.g., maintaining adequate freeboard at all times) and water discharge.
- Design and construct emergency overflow spillways for the San José TSF and the future San Pancho TSF for the operations phase to mitigate potential dam overtopping and the associated dam failure risks.
- Conduct a risk assessment of the proposed San Pancho TSF facilities to identify and control risks to the mine associated with tailings disposal. Verify stability of the cutback and natural slopes around the San Pancho TSF to prevent landslides from displacing the TSF pond and potentially overtopping the dam.
- Revisit the tailings deposition plan for active and future TSFs to determine if the closure cover volume requirements can be reduced. The current San Pancho TSF closure plan calls for placement of a minimum one metre soil cover over wet tailings, which involves schedule and cost risks due to material sourcing and construction on wet tailings.
- El Limón closure costing and respective Asset Retirement Obligations (ARO) should be reviewed in detail.
- The 2014 SWCP makes the following recommendations, which are supported by the authors of the El Limon Technical Report:
    - It is important that a priority list for closure be established and that a detailed condemnation drilling plan be created to define which areas will not be further mined. This will aid in implementing a final closure plan for each facility, including pits, tailings, waste rock dumps, and other civil structures.
    - Hydrogeological conditions in the areas of Santa Pancha #1 and #2 underground operations were not well defined at the time of preparation of the SWCP. Prior to closure, engineering and hydrologic evaluations will be necessary to determine

long-term hydrogeologic conditions (e.g., discharge to surface) at closure. The evaluations should also consider the potential for subsidence.

- On a case-by-case basis, it may be necessary to conduct surface and groundwater studies such as a water balance, water quality modelling, and Screening Level Ecological Risk Assessments (SLERAs) for some of the open surface pits that will not be backfilled. These studies will evaluate the potential for, and risks associated with, pit lake formation at closure. The timing of such studies will vary and will likely be most appropriate once pit development has advanced to a point that allows a more accurate assessment to be made. Pits that should undergo the recommended additional studies include Veta Nueva, Santa Emilia, Pozo 4 North and South, and Pozo 5.

(o) Economic Analysis

An after-tax cash flow projection has been generated from the Life of Mine (LOM) production schedule and capital and operating cost estimates, and is summarized in Table 1-5. A summary of the key criteria is provided below.

(i) Economic Criteria

a. Revenue

- 1,435 tonnes per day (tpd) processing (502,000 tpa).
- Mill recovery by zone, as indicated by production history, averaging 93.7%.
- Gold at refinery 99.95% payable.
- Exchange rate: Modeled in US dollars
- Metal price: US$1,350 per ounce gold.
- Net Smelter Return (NSR) includes doré transport, refining, and insurance costs totalling US$2.36/oz doré.

b. Costs

- Mine life: 4.5 years beginning in the second half of 2019.
- Mine life sustaining capital totals US$23.7 million.
- Final closure/reclamation cost totals US$23.6 million
- Average operating cost over the mine life is US$99.79 per tonne milled. Including off-site costs such as refining, community projects, and royalties/taxes, the total production cost over the mine life is US$108.73 per tonne milled.

c. Taxation and Royalties

- The Project is subject to the following encumbrances:
  - 3% NSR royalty payable to Royal Gold Inc.
  - Mining Concession Surface Tax of US$228,000 per year calculated by total concession area of 21,347 ha multiplied by unit rate per hectare.
  - The authors of the El Limon Technical Report have relied upon Calibre management for inputs for Nicaraguan corporate income taxes (CIT) which are as follows:
    - Three-year straight-line depreciation beginning in year when placed into service with opening balance of US$31 million as of July 2019.
    - Net operating losses can be carried forward for a maximum of three years with opening balance of US$35.7 million as of July 2019.
    - Annual income tax payable amounts are the maximum of 1) standard income tax calculation at 30% tax rate or, 2) ad valorem tax rate of 3% of net revenue.

TABLE 1-5 CASH FLOW SUMMARY
Calibre Mining Corp. – El Limón Mine

Calendar Year				2019	2020	2021	2022	2023	2024	2025
Project Timeline in Years				1	2	3	4		6	7
Time Until Closure In Years		US$ & Metric Units	LOM Avg / Total	5	4	3	2		-1	-2
Market Prices										
Gold		US$/oz	**$1,350**	1,350	1,350	1,350	1,350	1,350	1,350	1,350
Silver		US$/oz	**16.00**	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Physicals										
Total Ore Mined		kt	2,260	298	492	498	530	442	-	-
Total Waste Mined		kt	28,899	5,771	11,359	9,828	1,649	293	-	-
Total Material Mined		kt	31,159	6,069	11,850	10,326	2,179	734	-	-
Strip Ratio		W:O	12.79	19.34	23.10	19.74	3.11	0.66	-	-
Total Ore Processed		kt	2,260	251	502	502	502	502	-	-
Gold Grade, Processed		g/t	4.26	3.48	4.01	4.12	4.72	4.58	-	-
Contained Gold, Processed		koz	309	28	65	66	76	74	-	-
Recoverable Gold, Processed		koz	290	26	61	62	71	69	-	-
Average Recovery, Gold		%	93.7%	93.3%	93.8%	93.8%	93.7%	94.0%	--	--
Payable Gold Sold		koz	290	26	61	62	71	69	-	-
Payable Silver Sold		koz	-	-	-	-	-	-	-	-
Cash Flow										
Gold Gross Revenue	100.0%	$000s	391,384	35,407	81,899	84,085	96,246	93,747	-	-
Silver Gross Revenue	--	$000s	-	-	-	-	-	-	-	-
Gross Revenue Before By-Product Credits	**100.0%**	**$000s**	**391,384**	**35,407**	**81,899**	**84,085**	**96,246**	**93,747**	-	-
Gold Gross Revenue		$000s	391,384	35,407	81,899	84,085	96,246	93,747	-	-
Silver Gross Revenue		$000s	-	-	-	-	-	-	-	-
Gross Revenue After By-Product Credits		**$000s**	**391,384**	**35,407**	**81,899**	**84,085**	**96,246**	**93,747**	-	-
Mining Cost		$000s	(119,234)	(19,814)	(38,803)	(35,001)	(14,657)	(10,958)	-	-
Process Cost		$000s	(66,567)	(7,396)	(14,793)	(14,793)	(14,793)	(14,793)	-	-
G&A Cost		$000s	(39,313)	(4,368)	(8,736)	(8,736)	(8,736)	(8,736)	-	-
Concurrent Reclamation		$000s	(450)	(50)	(100)	(100)	(100)	(100)	-	-
CSR Projects		$000s	(7,798)	(866)	(1,733)	(1,733)	(1,733)	(1,733)	-	-
Dore Freight/Refining Cost		$000s	(685)	(62)	(143)	(147)	(168)	(164)	-	-
Royalty		$000s	(11,721)	(1,060)	(2,453)	(2,518)	(2,882)	(2,808)	-	-
Subtotal Cash Costs Before By-Product Credits		$000s	(245,767)	(33,617)	(66,761)	(63,028)	(43,070)	(39,291)	-	-
By-Product Credits		$000s	-	-	-	-	-	-	-	-
Total Cash Costs After By-Product Credits		**$000s**	**(245,767)**	**(33,617)**	**(66,761)**	**(63,028)**	**(43,070)**	**(39,291)**	-	-
Operating Margin	**37%**	**$000s**	**145,617**	**1,790**	**15,138**	**21,057**	**53,176**	**54,456**	-	-
Income Tax		$000s	(27,681)	(1,060)	(2,453)	(2,518)	(14,089)	(7,561)	-	-
Working Capital		$000s	-	-	1,539	(227)	(992)	865	(215)	(970)
Operating Cash Flow		**$000s**	**117,936**	**729**	**14,224**	**18,312**	**38,095**	**47,760**	**(215)**	**(970)**
Sustaining Capital		$000s	(23,728)	(5,087)	(7,177)	(5,972)	(5,492)	-	-	-
Closure/Reclamation		$000s	(23,600)	-	-	-	-	(11,800)	(11,800)	-
Total Capital		**$000s**	**(47,328)**	**(5,087)**	**(7,177)**	**(5,972)**	**(5,492)**	**(11,800)**	**(11,800)**	-
Cash Flow Adj./Reimbursements		**$000s**	-	-	-	-	-	-	-	-
LOM Metrics										
Economic Metrics										
Discount Factors		EOP @ 5%		1.0000	0.9524	0.9070	0.8638	0.8227	0.7835	0.7462
a) Pre-Tax										
Free Cash Flow		$000s	**98,289**	(3,297)	9,500	14,858	46,691	43,522	(12,015)	(970)
Cumulative Free Cash Flow		$000s		(3,297)	6,203	21,061	67,752	111,274	99,259	98,289
NPV @ 5%		$000s	**85,228**	(3,297)	9,047	13,477	40,334	35,805	(9,414)	(724)
Cumulative NPV		$000s		(3,297)	5,750	19,227	59,561	95,366	85,952	85,228
b) After-Tax										
Free Cash Flow		$000s	**70,608**	(4,357)	7,047	12,340	32,603	35,960	(12,015)	(970)
Cumulative Free Cash Flow		$000s		(4,357)	2,690	15,030	47,632	83,593	71,578	70,608
NPV @ 5%		$000s	**61,157**	(4,357)	6,711	11,193	28,163	29,585	(9,414)	(724)
Cumulative NPV		$000s		(4,357)	2,354	13,547	41,710	71,295	61,881	61,157
Operating Metrics During Mining Phase										
Mine Life		Years	**5**							
Mining Cost		$ /t milled	**$52.75**	78.89	77.25	69.68	29.18	21.82	-	-
Processing Cost		$ /t milled	**$29.45**	29.45	29.45	29.45	29.45	29.45	-	-
Total G&A Cost		$ /t milled	**$17.39**	17.39	17.39	17.39	17.39	17.39	-	-
Concurrent Reclamation		$ /t milled	**$0.20**	0.20	0.20	0.20	0.20	0.20	-	-
Subtotal Operating Costs		$ /t milled	**$99.79**	125.93	124.29	116.72	76.22	68.86	-	-
Dore Freight/Refining Cost		$ /t milled	**$0.30**	0.25	0.29	0.29	0.34	0.33	-	-
CSR Projects		$ /t milled	**$3.45**	3.45	3.45	3.45	3.45	3.45	-	-
Royalty/Production Taxes		$ /t milled	**$5.19**	4.22	4.88	5.01	5.74	5.59	-	-
Total Costs During Mining		$ /t milled	**$108.73**	133.85	132.91	125.48	85.75	78.22	-	-
Sales Metrics										
LOM Au Sales		koz	**290**	26	61	62	71	69	-	-
LOM Cash Cost (nbp)		$000s	**$245,767**	33,617	66,761	63,028	43,070	39,291	-	-
LOM AISC (nbp)		$000s	**$293,095**	38,704	73,937	69,000	48,562	51,091	11,800	-
LOM Cash Cost / oz Au		$ / oz Au	**$848**	1,282	1,100	1,012	604	566	-	-
LOM AISC / oz Au		$ / oz Au	**$1,011**	1,476	1,219	1,108	681	736	-	-
LOM Avg. Annual Au Sales		koz / yr	**58**							

(ii) *Cash Flow Analysis*

Considering the Project on a stand-alone basis, the undiscounted after-tax free cash flow totals US$71 million over the mine life.

The World Gold Council Adjusted Operating Cost (AOC) is US$848 per ounce of gold. The mine life sustaining capital cost, including both operating and final closure/reclamation costs, is US$192 per ounce, for an All in Sustaining Cost (AISC) of US$1,011 per ounce of gold. Average annual gold production during the five-year operation is 58,000 ounces per year.

The after-tax Net Present Value (NPV) at a 5% discount rate is $61 million using end-of-period (EOP) discounting.

(iii) Sensitivity Analysis

Project risks can be identified in both economic and non-economic terms. Key economic risks were examined by running cash flow sensitivities:

- Head grade
- Gold recovery
- Gold price
- Operating costs
- Capital costs

NPV sensitivity over the base case has been calculated for -20% to +20% variations for gold grade and price, -10% to +10% variations for operating and capital costs, and -20% to +6% variations for gold recovery. The sensitivities are shown in Figure 1-1 and Table 1-6. The Project is equally most sensitive to gold grade, price, and recovery followed by operating and capital costs.

Figure 1-1 After-Tax NPV Sensitivity Analysis

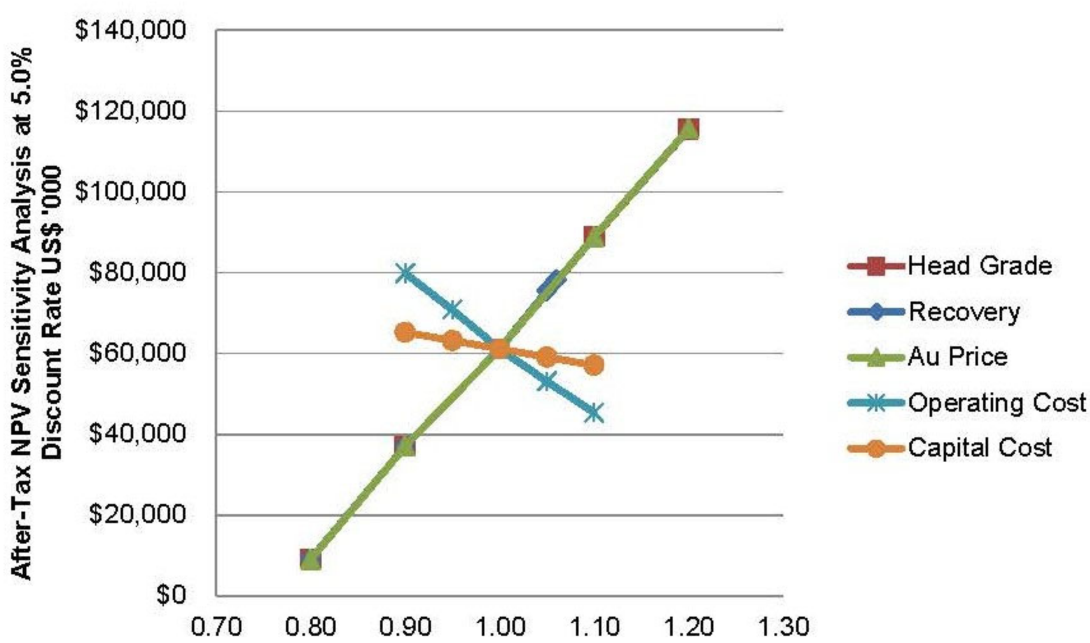


TABLE 1-6 AFTER-TAX SENSITIVITY ANALYSES
Calibre Mining Corp. – El Limón Mine

Factor	Gold Grade (g/t Au)	NPV at 5.0% (US$000)
0.80	3.41	9,115
0.90	3.83	37,082
1.00	4.26	61,157
1.10	4.68	88,831
1.20	5.11	115,485

Factor	Gold Recovery (%)	NPV at 5.0% (US$000)
0.80	75.0	9,115
0.90	84.4	37,082
1.00	93.8	61,157
1.05	98.4	75,478
1.06	99.4	78,342

Factor	Gold Price (US$/oz Au)	NPV at 5.0% (US$000)
0.80	1,080	9,001
0.90	1,215	37,041
1.00	1,350	61,157
1.10	1,485	88,878
1.20	1,620	115,578

Factor	Operating Cost (US$000)	NPV at 5.0% (US$000)
0.90	210,026	79,882
0.95	221,694	70,831
1.00	233,362	61,157
1.05	245,030	53,030
1.10	256,698	45,392

Factor	Capital Cost (US$000)	NPV at 5.0% (US$000)
0.90	42,595	65,239
0.95	44,962	63,198
1.00	47,328	61,157
1.05	49,694	59,117
1.10	52,061	57,076

La Libertad Mine

The below summary is a direct extract and reproduction of the summary contained in the La Libertad Technical Report, without material modification or revision and all defined terms in the summary shall have the meanings ascribed to them in the La Libertad Technical Report. The below summary is subject to all the assumptions, qualifications and procedures set out in the La Libertad Technical Report. The La Libertad Technical Report was prepared in accordance with NI 43-101. For full technical details of the report, reference should be made to the complete text of the La Libertad Technical Report, which has been filed with the applicable regulatory authorities and is available under the Company's

SEDAR profile at www.sedar.com. The La Libertad Technical Report is incorporated by reference in this Information Circular and the summary set forth below is qualified in its entirety with reference to the full text of the La Libertad Technical Report. The authors of the La Libertad Technical Report have review and approved the scientific and technical disclosure contained in this Information Circular.

(a) Property Description and Location

The La Libertad site is located in the municipal area of La Libertad, Chontales Department, Republic of Nicaragua, approximately 110 km due east of Managua, the capital city of Nicaragua. Access to the La Libertad Project site from Managua is via a well-maintained paved highway to Juigalpa (201 km), and subsequently via a gravel road (30 km) travelling eastward to the village of La Libertad.

(b) Land Tenure

The La Libertad Project consists of a contiguous block comprising one exploitation concession and two exploration concessions totalling 21,463 ha. On July 2, 2019, Calibre announced that it had entered into a transaction with B2Gold whereby it would acquire the producing La Libertad and El Limon gold mines as well as the Pavon gold project and other mineral concessions in Nicaragua held by B2Gold for an aggregate consideration of approximately US$100 million, to be paid with a combination of cash, common shares and a convertible debenture.

(c) Existing Infrastructure

Since La Libertad has been in operation for many years, the infrastructure is well developed and consists of:

- A processing plant consisting of comminution, agitated cyanide leaching, and carbon adsorption, followed by carbon elution, electrowinning, and doré production, with an annual throughput of approximately 2.25 Mtpa.
- Power to the mine via a dedicated 138 kVA line which is fed from a substation near Juigalpa.
- Well established transportation network.
- A conventional TSF located near the plant and office area, expected to provide capacity until end of 2020.
- A number of waste disposal areas around the open pits.

(d) History

The district has been explored by prospectors, small scale miners, and mining companies for the last 150 years.

Mining operations at La Libertad were sporadic until the mine was privatized in 1994. Effective August 26, 1994, Greenstone Resources Canada Ltd. (Greenstone) purchased an interest in the mine, and formed a new company called Minera Nicaragüence S.A. (MINISA). The new company was formed with the purpose of developing a large-scale gold mining operation out of the small La Libertad operation.

Greenstone completed a feasibility study in 1995, acquired the remaining interest in the mine in 1996, and resumed operation in 1997, using heap leach processing to recover gold. Greenstone operated the mine from 1997 to mid-1999, mining 3.1 Mt, at a grade of 1.9 g/t Au, and producing 103,000 ounces of gold.

By 1999, Greenstone was suffering financial difficulties, and Leslie Coe, an individual investor, acquired the mine by repaying Greenstone's debt to vendors. The name of the new company was Desarollo Minero de Nicaragua S.A. In early 2001, Desminic rehabilitated the heap leach operation at La Libertad, and resumed operations.

Operations from 2001 to 2007 were mostly continuous, with some temporary shutdowns reported as being for maintenance purposes. Mine production has been largely from a series of pits along the main Mojón-Crimea structure. Significant production was also achieved from the Esmeralda structure located parallel to and immediately south of the Mojón pits. Mine production for 2001 to March 2007 totalled 6.7 Mt, at a grade of 1.66 g/t Au, producing 207,000 ounces.

Ownership of Desminic passed through several companies via merger and acquisition, until July 6, 2006, when Glencairn purchased a 100% interest in La Libertad Mine.

AMEC conducted test work and studied potential for conversion of the heap leach process to conventional milling for Glencairn, completing a scoping study in May 2007. Results were positive, and open pit mining was halted in March 2007 in order to proceed with the process upgrade. Glencairn commissioned a feasibility study, and investigated sources of mill equipment.

Glencairn underwent a name change to Central Sun on November 29, 2007. Along with the corporate name change, the La Libertad operation was renamed Orosi.

B2Gold acquired Central Sun on March 26, 2009 and completed the construction of the mill in the fourth quarter of 2009 and commenced ore processing at the La Libertad Mine on December 15, 2009.

(e) Geology and Mineralization

La Libertad gold district covers an area of approximately 150 km^2 and lies within a broad belt of Tertiary volcanic rocks that have been differentiated into two major units called the Matagalpa and the Coyol Groups. The Oligocene to Miocene age Matagalpa Group consists of intermediate to felsic pyroclastic rocks. Unconformably overlying the Matagalpa Group are Miocene-aged mafic to intermediate lavas of the Lower Coyol unit.

The rocks of the Lower Coyol unit host the gold-bearing low-sulphidation epithermal quartz veins in the La Libertad gold district. Gold mineralization at La Libertad is contained within vein sets along two parallel trends separated by approximately 500 m. The Mojón-Crimea Trend is nearly four kilometres long, strikes 065°, and dips on average 80° to the southeast. The down-dip dimension is commonly in the order of 200 m to 250 m. The massive quartz veins and adjacent stockwork/stringer zones range in width from 2.0 m to 70 m for an average of 15 m, often narrowing at depth. The Santa Mariá-Esmeralda Trend is discontinuous, with the Santa Mariá and Esmeralda veins separated by approximately 1,000 m. The Santa Mariá vein averages 10 m wide and is approximately 450 m long. The Esmeralda Vein has been mined out. Additional mineralization is contained within previously mined material that has been crushed and partly processed by heap leach methods.

(f) Exploration Status

Exploration at La Libertad mostly comprises drilling. Other exploration methods include prospecting, geological mapping, geophysical and geochemical surveys, and trenching.

In the opinion of the authors of the La Libertad Technical Report, there is potential to outline additional resources in the following areas:

- Extension to currently producing areas:
  - Mojon
  - San Jua
  - Tope (San Juan)
  - Jabalí Central/West
  - Jabalí Antena UG
- Existing resource areas not currently producing:
  - Chamarro
  - Rosario
  - San Antonio
- Advanced Targets:
  - Buenos Aires (including Nancite and Tranca)
  - Esmeralda North
  - Cosmatillo

  - Volcan
  - Morales
  - Santa Julia
  - Quintana

- Conceptual Targets

Calibre has planned a two-phase exploration program to explore for and potentially outline additional Mineral Resources at La Libertad. The Phase 1 program would cost C$10M and would require 12 months to complete. The Phase 2 program, C$14M over 12 months, would be contingent on the results of Phase 1. Diamond drilling and assaying accounts for approximately 70% of the total cost while the remainder is for salaries and support, and technical studies. The authors of the La Libertad Technical Report concur with the recommended program and budget.

(g) Mineral Resources

The June 30, 2019 La Libertad Mineral Resources, effective June 30, 2019, are summarized in Table 2-1 below. Canadian Institute of Mining Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (CIM) (2014) definitions were used for the Mineral Resource classification.

TABLE 2-1 MINERAL RESOURCES – JUNE 30, 2019
Calibre Mining Corp. – La Libertad Mine

Area	Tonnes (000)	Grade (g/t Au)	Contained Au (oz 000)
Indicated			
Jabalí Central OP	381	2.22	27
Jabalí Antena	457	4.90	72
San Juan OP	124	7.19	29
Mojon UG	68	4.52	10
Tope OP	48	4.25	7
Spent Ore	902	0.77	22
Stockpile	8	0.75	0.2
Total Indicated	**1,987**	**2.61**	**167**
Inferred			
Jabalí Central OP	185	2.26	13
Jabalí Antena OP	1,135	7.81	285
Tope OP	214	2.50	17
Spent-Ore	206	0.76	5
Mojon UG	300	4.14	40
San Juan UG	326	2.88	30
Chamarro	217	1.56	11
Rosario	260	2.08	17
San Antonio	374	2.75	33
Total Inferred	**3,216**	**4.37**	**452**

Notes:
1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are based on 100% ownership.

3. Mineral Resources are estimated at cut-off grades ranging from 0.62 g/t Au to 0.68 g/t Au for open pits and 2.80 g/t Au to 2.85 g/t Au for underground.
4. Mineral Resources are estimated using a long-term gold price of US$1,400 per ounce.
5. Bulk density is 1.70 t/m^3 to 2.65 t/m^3.
6. Numbers may not add due to rounding.

The authors of the La Libertad Technical Report are not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate.

Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (CIM (2014) definitions) were used for Mineral Resource classification.

The Mineral Resources at La Libertad Mine were estimated by B2Gold and reviewed and accepted by the authors of the La Libertad Technical Report. The Mineral Resources are contained in nine proposed open pit and underground mining scenarios as well as spent ore from a previous heap leach operation and surface stockpiles.

To fulfill the CIM requirement of "reasonable prospects for eventual economic extraction" of open pit scenarios, The authors of the La Libertad Technical Report prepared a preliminary open pit shell for each mineralized zone to constrain the block model for resource reporting purposes. Each preliminary pit shell was generated using Whittle software. For deposits designated as underground scenarios, a range of cut-off grades from 2.80 g/t Au to 2.85 g/t Au was developed that reflects the mining costs based on the likely mining method, processing costs, and gold price.

La Libertad Mineral Resources are based on approximately 92,039 assays from 124,929 m of diamond drilling, RC drilling, and channel samples in 1,364 holes. The drilling was conducted almost exclusively from surface, with the exception of a small number of diamond drill holes completed from underground.

Mill feed is processed through a grinding circuit consisting of a semi-autogenous grinding (SAG) mill, pebble crusher, and two ball mills, then classified by cyclones, thickened, and passed to a series of leach tanks. The leached slurry is processed in a carbon-in-pulp (CIP) circuit; then loaded carbon is delivered to the absorption, desorption, and refining (ADR) plant for stripping, electrowinning, and production of gold and silver doré bars. The annual throughput is approximately 2.25 Mtpa and current gold recoveries are approximately 94% to 95%.

(h) Environmental, Permitting and Social Considerations

Permits to operate the site appear to be in place. Discussions with regulators should be held to find ways to more efficiently approve exploration EIAs.

Social issues and stakeholder consultation are carried out in line with international best practice.

According to the monthly environmental reports, there were no water contamination incidents and no erosion/subsidence incidents during the reviewed period.

The Esperanza TSF has been used since 2008 and the mined out Crimea pit has also been used for tailings storage. The proposed TSF facility raise (stage 7a) would provide capacity until end of 2020. The Esperanza TSF is nearly at the design capacity of its current raise, stage 7, and has a large pond with little freeboard to the crest. The final tailings deposition plan snapshots indicate that the plan places the pond against the dam, which does not mitigate dam safety risks. The proposed closure plan calls for a soil cover over the interior of the TSF, including through the current pond area, but this involves schedule and cost risks due to material sourcing and construction on wet tailings. Closure planning documents indicate that a three metre Stage 7a raise of the TSF is being considered.

The mine waste rock on the La Libertad Project is non-acid generating and has been stored in a number of waste rock dumps around the open pits.

The total estimated cost to complete La Libertad and Santo Domingo Mines Closure and Transition Plan by 2028 is US$30.5 million, inclusive of five-year post-closure monitoring (2023-2028) and factors indirect costs.

(i) Conclusions

Based on the site visit and subsequent review, the authors of the La Libertad Technical Report offer the following conclusions:

(i) Geology and Mineral Resources

- The La Libertad deposits are low-sulphidation epithermal deposits hosted by volcanic lithologies.
- The sampling, sample preparation, analyses, security, and data verification meet industry standards and are appropriate for Mineral Resource estimation.
- The composite lengths are reasonable.
- The interpretation of the mineralization, wireframes, and block sizes are appropriate.
- Capping restrictions are reasonable, however, a distance restriction should be considered to control the smearing of high grade in some deposits.
- The grade interpolation strategies are appropriate for style on mineralization.
- The parameters, assumptions, and methodology used for Mineral Resource estimation are appropriate for the style of mineralization.
- Total Mineral Resources at La Libertad are:
  - Indicated – 2 Mt, grading 2.61 g/t Au, containing 167,000 oz Au
  - Inferred – 3.2 Mt, grading 4.37 g/t Au, containing 452,000 oz Au

- The overall Mineral Resource classification is reasonable.
- There is potential to outline additional Mineral Resources with an exploration program.

(ii) Process

- The La Libertad processing plant can treat approximately 2.25 Mtpa, and current gold recoveries are approximately 94% to 95% for a blend of spent ore and ROM ore.
- Feed grades to the processing plant were significantly below budget in 2017 and 2018, a trend which has continued into 2019. In the authors of the Technical Report's opinion, this trend is likely to continue unless mitigating strategies are implemented.

(iii) Environmental Considerations

- La Libertad has adopted an Environmental Policy (2018) and a Biodiversity Policy (2018) designed to ensure that environmental risks continue to be identified and are adequately addressed while committing to environmental protection for all its activities. In addition, La Libertad has established an Occupational, Health and Safety Policy (2018) aimed at minimizing risks to its workers and a Corporate Social Responsibility policy to openly and respectfully engage with community stakeholders. These policies are, in part, implemented through the site Health, Safety and Environment Management System and Social Management System. These systems provide La Libertad staff with a clear understanding of the company's expectations regarding how to effectively manage the key risks associated with La Libertad, which leads to positive environmental and social outcomes.
- This management system is based on international standards including compliance with in-country regulations, relevant International Organization for Standardization (ISO) and Occupational Health, Safety and Security standards, and reliance on the International Finance Corporation (IFC) Performance Standards and international best practices in cases where national regulatory systems are not sufficiently stringent.
- According to the monthly environmental reports, there were no water contamination incidents and no erosion/subsidence incidents during the reviewed period.
- The Esperanza tailings storage facility (TSF) at La Libertad is nearly at the design capacity of its current raise, stage 7, and has a large pond with little freeboard to the crest. For future

tailings management, Calibre is looking into in-pit tailings deposition, which is a good opportunity for the Project due to the numerous completed pits and the typically low risk posed by in-pit tailings deposition.

- A Care and Maintenance (C&M) strategy has been developed to minimize closure cost activities while options for continued operation, full closure, or suitable alternatives are developed. The C&M strategy carries a US4.5 million dollar annual capital cost. The total estimated cost to complete La Libertad and Santo Domingo Mines Closure and Transition Plan by 2028 is US$30.5 million, inclusive of five-year post-closure monitoring (2023-2028) and factors indirect costs. It accounts for social closure costs, severance, closure monitoring, and additional studies.

(j) Recommendations

The authors of the La Libertad Technical Report provide the following recommendations:

(i) Geology and Mineral Resources

- Complete additional drilling of mined out areas in open pit resources that were not surveyed and host backfill that is classified as Inferred Mineral Resources to determine the true extent of the openings and grade of the material contained therein.
- Complete further review of the methodology for estimation of tonnage and grade in grade material backfill classified as Inferred Mineral Resources.
- Conduct a study on reconciliation of grade material backfill.
- Apply minimum thickness constraints to narrow areas of selected wireframes in the La Libertad deposit.
- In addition to capping high grade outliers, consider using a distance restriction to control the smearing of high grade in some deposits.
- Conduct a two-phase exploration program with Phase 2 contingent on the results of Phase 1.
    - Phase 1 – 30,000 m diamond drilling and related studies - C$10 million.
    - Phase 2 - 40,000 m diamond drilling and related studies – C$14 million.

(ii) Process

- Analyze the strategic and financial benefits of reduced plant throughput to accommodate reduced ROM ore production, or the exhaustion or exclusion of spent ore from the processing plant. This can be achieved by the implementation of various grinding circuit configurations.

(iii) Environmental Considerations

- Discuss, with regulators, the opportunity of providing an Umbrella Semi-detailed Environmental Impact Assessment (EIAsd) that covers all foreseeable exploration activities for any given calendar year, in order to minimize permitting activities.
- Continue to evaluate noise and vibration impacts resulting from the Project to ensure operations are within International Best Practices.
- Continue to implement the site Environmental Management Plan which monitors and manages potential environmental impacts resulting from the Project to inform permit applications and the closure plan.
- Continue to evaluate noise and vibration impacts resulting from the Project and include limits in all monitoring with corrective actions for compliance.
- Air quality monitoring indicates consistent particulate matter exceedances. Review management and mitigation corrective actions for compliance.
- Review existing flora and fauna studies within the Project footprint and the area of influence, with the aim of informing the closure plan and siting studies for future operations and site infrastructure development.

- Continue to ensure all necessary permits are obtained for operating the site in the medium and long term.
- Carry out studies regarding the presence of known or registered archaeological sites or other cultural heritage features on the La Libertad property.
- Update implementation of a water balance for ongoing operations (if a water balance is not already in place) by mine operations personnel using meteorological and water monitoring data on a regular basis. The water balance is an important tool to track trends and conduct short-term predictions through simulation of variable operating and/or climatic scenarios to support decision making associated with pond operation (e.g., maintaining adequate freeboard at all times) and water discharge.

- La Libertad Esperanza TSF closure costs require additional consideration and review. The existing tailings deposition plan up to closure may have significant fill volume requirements for regrading and potential construction challenges associated with placing fill over soft wet tailings.
- To improve dam safety and to simplify closure cover requirements, deposition planning in the Esperanza TSF should be revised to displace the pond away from the dam using tailings and to promote drainage towards the spillway. Additional capacity at the Esperanza TSF should be considered if beneficial for reducing the facility closure costs and risk.
- Opportunities for in-pit tailings depositions should be investigated for future tailings management strategies.

Selected Consolidated Financial Information and Management's Discussion and Analysis

Annual Information

The following table summarizes certain financial information relating to the Target Subsidiaries for the fiscal years ended December 31, 2018, and December 31, 2017 and the six month period ended June 30, 2018, based on the Target Carve-out Annual Financial Statements and Target Carve-Out Interim Financial Statements attached to this Information Circular as Appendix "C".

	Six Months Ended June 30, 2019 ('000's)	**Year Ended December 31, 2018 ('000's)**	**Year Ended December 31, 2017 ('000's)**
Total Revenues	US$80,715	US$173,637	US$154,363
Loss from Continuing Operations	US$8,625	US$73,144	US$29,658
Net Loss	US$13,769	US$89,038	US$44,123
Total Assets	US$166,445	US$184,736	US$202,905
Total Financial Liabilities	US$287,947	US$210,442	US$186,848
Cash Dividends Declared	Nil	Nil	Nil

Quarterly Information

The following table summarizes the total revenue of the Target Subsidiaries for the six most recently ended quarters as at December 31, 2018, based on the Target Annual Carve-out Financial Statements and Target Interim Carve-out Financial Statements attached to this Information Circular as Appendix "C". "Income from continuing operations" and "net income" is not presented below as such information is not available on a carve-out basis for the Target Subsidiaries.

(‘000’s)	Quarters Ended in 2018 December 31	September 30	(‘000’s)	June 30	March 31	(‘000’s)	Quarters Ended in 2017 December 31	September 30
Total Gold Revenues	US$41,202	US$43,811	Total Gold Revenues	US$42,495	US$46,129	Total Gold Revenues	US$37,521	US$34,714

Management’s Discussion and Analysis

Management’s Discussion and Analysis of the Target Assets for the years ended December 31, 2018 and 2017 and for the three and six months ended June 30, 2019 are attached hereto as Appendix “C”.

Trends

Other than as disclosed in this Information Circular, there are no current trends in the business of the Target Subsidiaries that are likely to impact the performance of the Target Assets or of the Resulting Issuer.

Authorized, Issued and Outstanding Securities of the Target Subsidiaries

None of the equity securities of the Target Subsidiaries currently trade on, or ever have traded on, any stock exchange, quotation system or other securities market. Except as described in this Information Circular, all of the equity securities of the Target Subsidiaries are directly or indirectly owned by B2Gold and have been owned by B2Gold for at least the last 12 months.

Consolidated Capitalization

Designation of Security	Amount Authorized	Amount Outstanding as of December 31, 2018 (‘000’s)	Amount Outstanding as at August 30, 2019 (‘000’s)
Equity securities	N/A	Nil	Nil
Loan Capital	Nil	176,368	209,253

Management Contracts

As subsidiaries of B2Gold, the management functions of the Target Subsidiaries are carried out by the management of B2Gold. Following the completion of the Transaction, the management functions of the Target Subsidiaries will be carried out by the management of the Resulting Issuer.

Non-Arm’s Length Party Transactions

No director, officer or promoter of a Target Subsidiaries has had a material interest, direct or indirect, in any transaction in which the Target Subsidiary or any subsidiary of the Target Subsidiaries has obtained such assets and services from (i) any director, officer or Promoter of the Target Subsidiaries, (ii) a securityholder disclosed in the information circular as a principal securityholder, either before or after giving effect to the Transaction or, (iii) an associate or affiliate of the persons or companies referred to above.

Legal Proceedings

There are no claims, actions, proceedings or investigations pending against any of the Target Subsidiaries or, to the knowledge of Calibre, threatened against any of the Target Subsidiaries that, individually or in the aggregate, are material to the Target Subsidiaries or the Target Assets or that would prevent or materially delay the consummation of the Transaction. To the knowledge of Calibre, as of the date of this Information Circular, the Target Subsidiaries, and the Target Assets are not subject to any outstanding judgment, order, writ, injunction or decree that has had or would be reasonably expected to have a material adverse effect on the Target Subsidiaries or the Target Assets or that would prevent or materially delay consummation of the Transaction.

Material Contracts

The following is a summary of each contract material to the Target Subsidiaries, other than contracts entered into in the ordinary course of business that was entered into in the two years previous to the date of this Information Circular by the Target Subsidiaries. The contracts may be inspected without charge at the office of B2Gold in Vancouver, British Columbia during normal business hours until the date of closing of the Transaction and for a period of 30 days thereafter:

(a) the Share Purchase and Consolidation Agreement (see "*Particulars of Matters to be Acted Upon at the Meeting – Approval of the Transaction – Share Purchase and Consolidation Agreement*").

INFORMATION CONCERNING THE RESULTING ISSUER

The following information is presented on a post-Transaction basis and reflects the anticipated business, financial and share capital position of the Resulting Issuer. In this Information Circular, "Resulting Issuer" means Calibre, after Closing. As the Resulting Issuer will be the same corporate entity as Calibre, this information in this section only provides information relating to Calibre, and the Target Assets, as applicable, on a post-Transaction basis that is expected to be materially different from information provided about Calibre and the Target Assets on a pre-Transaction basis.

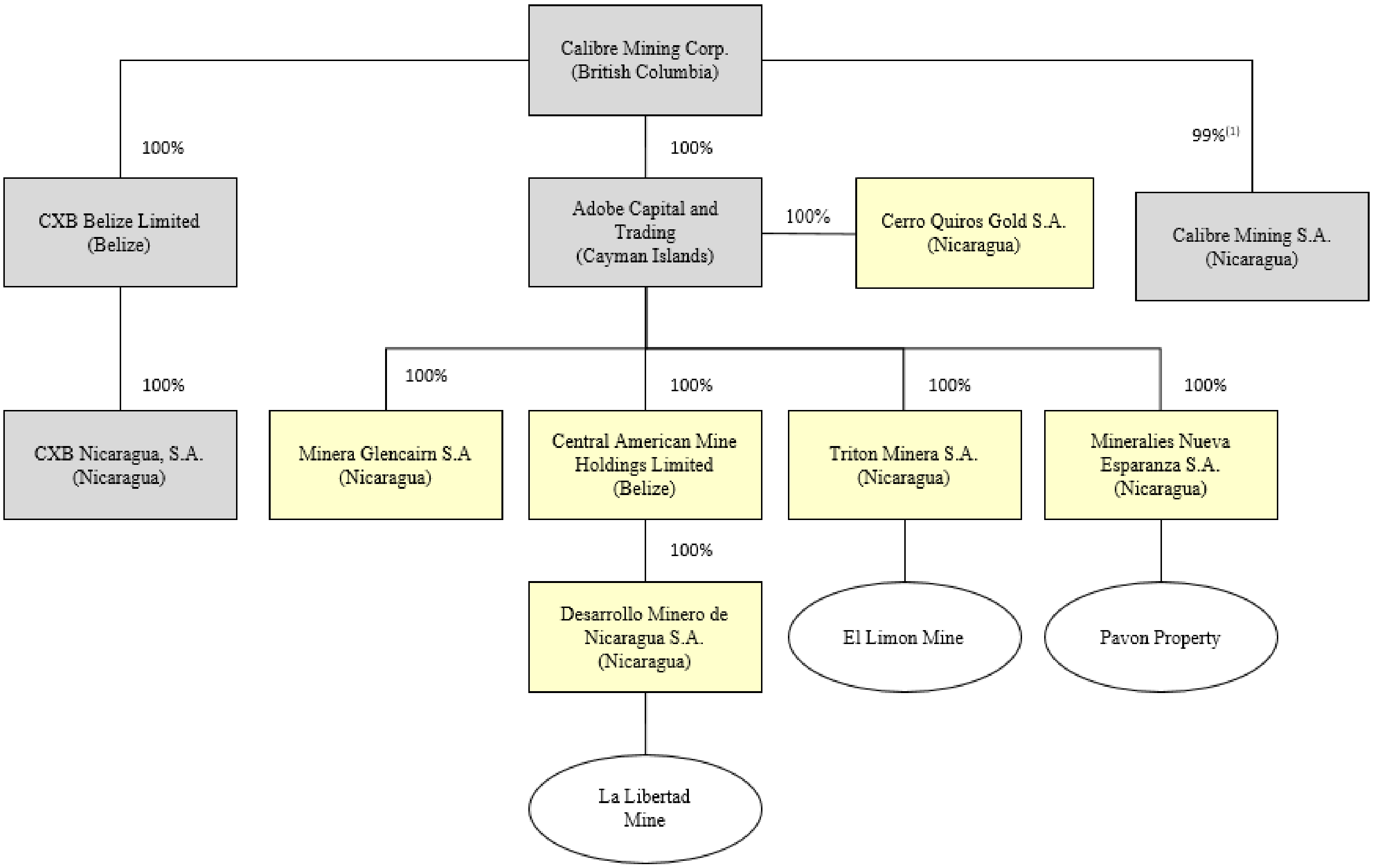
Corporate Structure

Name and Incorporation

Calibre will be the Resulting Issuer on closing of the Transaction. As the Resulting Issuer, Calibre will continue to be subject to the BCBCA and will be a publicly traded company listed on the TSX-V under the symbol CXB.V. Shortly after the Closing of the Transaction and subject to the listing requirements of the TSX, the Resulting Issuer intends to graduate to the TSX, where it expects to be listed under the symbol "CXB". Although the Resulting Issuer expects that it will be able to satisfy the listing conditions of the TSX, there is no assurance that the TSX will grant listing approval, or that listing approval will be granted immediately in connection with Closing. The Resulting Issuer's corporate head office location will remain unchanged and the Company will continue to be a reporting issuer in the provinces of British Columbia and Alberta.

Intercorporate Relationships

Upon completion of the Transaction, the Resulting Issuer's post-Transaction structure will be as follows:



Notes:
(1) Calibre owns 998 common shares, Greg Smith owns 1 common share and Leslie Coe owns 1 common share.

Narrative Description of the Business

Upon completion of the Transaction, Calibre will own and operate the Target Assets and will continue to own and operate Calibre's pre-Transaction interests in the Borosi Concessions.

See "*Information Concerning the Target Subsidiaries – General Development of the Business*" and "*Information Concerning Calibre – General Development of the Business*".

Stated Business Objectives

Upon the Closing of the Transaction, the Resulting Issuer's key business objectives will include the optimization of existing operations to improve operational efficiency and increase the free cash flow, the investment of both labour and financial capital in exploration at La Libertad and El Limon in order to extend mine life and improve head grades at the mill and to establish a platform for future growth with the strategic objective of becoming the next premier mid-tier gold producer.

Milestones

In order to achieve the above listed business objectives, the Resulting Issuer must successfully integrate the Target Assets into its portfolio while gaining an understanding of the near-term opportunities to reduce the all-in-sustaining costs and while continuing to deliver on the stated operational commitments. Calibre anticipates completing these milestone within six to nine months of Closing. Calibre also intends to develop an extensive exploration program at both El Limon and La Libertad with the goal of identifying high priority targets. Calibre expects to complete the plan within three months of Closing and expects it will commence drilling on within six months of Closing. Calibre will also continue as an ongoing priority to opportunistically explore accretive M&A opportunities that fit its strategic objective of making the Resulting Issuer the next premier mid-tier gold producer.

Exploration and Development

El Limon

Exploration is on-going on the El Limon Property including: (i) in-fill drilling designed to upgrade Inferred Mineral Resources to Indicated Mineral Resources, (ii) follow-up drilling on targets which have previously returned potentially economic drill intercepts; (iii) first pass drilling on new targets which have been prioritized based on previous exploration results and (iv) surface exploration and sampling directed at identifying of new drill targets. It is anticipated that concurrent exploration programs will occur simultaneously directed at: (i) identifying near-term sources of potential ore for the operations; (ii) defining and expanding reserves and resources for mid-term mine planning and (iii) exploration and drilling targeted at understanding the overall potential of the El Limon Property. This exploration and drilling activity will continue throughout 2019 and exploration and drilling budgets and work programs have been prepared for 2020 and 2021.

Exploration and drilling budgets and programs are prepared on a yearly basis with a mid-year review of results and advancements with modification completed as required. Results are received on a continual basis and it is anticipated that exploration and drilling results will be released on at least a quarterly basis and possibly more regularly depending on the advancement of drilling and receipt of assay results from the laboratories.

Permits and regulatory authorization are in hand for certain areas, have been applied for in other areas with approval pending, and it is anticipated that submissions for approval with be completed for additional areas.

The budget for exploration and drilling on the El Limon Property in 2019 is approximately $US 3.0 – US$5.0M. The El Limon Property has current Reserves as well as Indicated and Inferred Resources.

La Libertad

Exploration is on-going on the La Libertad Property including: (i) in-fill drilling designed to upgrade Inferred Resources to Indicated Resources; (ii) follow-up drilling on targets which have previously returned potentially economic drill intercepts; (iii) first pass drilling on new targets which have been prioritized based on previous exploration results and (iv) surface exploration and sampling directed at identifying of new drill targets. It is anticipated that concurrent exploration programs will occur simultaneously directed at: (i) identifying near-term sources of potential ore for the operations; (ii) defining and expanding reserves and resources for mid-term mine planning, and (iii) exploration and drilling targeted at understanding the overall potential of the La Libertad Property. This exploration and drilling activity will continue throughout 2019.

Exploration and drilling budgets and work programs have been prepared for 2020 and 2021. Exploration and drilling budgets and programs are prepared on a yearly bases with a mid-year review of results and advancements with modification completed as required. Results are received on a continual basis and it is anticipated that exploration and drilling results will be released on at least a quarterly basis and possibly more regularly depending on the advancement of drilling and receipt of assay results from the laboratories.

Permits and regulatory authorization are in hand for certain areas, have been applied for in other areas with approval pending, and it is anticipated that submissions for approval with be completed for additional areas.

The budget for exploration and drilling on the La Libertad Property in 2019 is approximately US$3.0 – US$5.0M.

Pavon Gold Project

Previous exploration on the Pavon Gold Property has been successful in identifying and defining several zones of gold mineralization. The El Pavon Project is located 150km to the north of the La Libertad Project. Gold mineralization is hosted in two zones; El Pavon Norte and El Pavon Central. B2Gold estimated Mineral Resources in the El Pavon project effective 2015 and disclosed in the AIF dated March 27, 2015. A total of 16,155 metres of drilling in 133 holes has been completed on the Project.

Historical Mineral Resources as reported in B2Gold AIF dated March 27, 2015 are: Indicated Mineral Resource – 290,000 t, grading 5.82 g/t Au, containing 55,000 oz Au, and Inferred Mineral Resource – 130,000 t, grading 5.50 g/t Au, containing 23, 000 oz Au.

These historical resource estimates are historical in nature and should not be relied upon. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves and the historical estimate is not being treated as a current mineral resources. The historical resource is considered both relevant and reliable based on extensive exploration and drilling completed by B2Gold. Additional exploration work consisting of an additional 5,000 metres of drilling estimated to cost $1,000,000 with a view towards confirming and expanding the historical resource at the Pavon Gold Project and evaluating the project as a possible source of ore that can be trucked to La Libertad for processing.

Permits and regulatory authorization are in hand for certain areas of the Pavon Gold Project and have been applied for in other areas with approval pending. It is anticipated that the Resulting Issuer will submit additional permit and regulatory applications for approval for the Pavon Gold Project.

The budget for exploration and drilling on the Pavon Gold Property in 2019 is approximately US$150,000 to US$300,000.

The Pavon Gold Property does not host current Mineral Reserves or Mineral Resources.

Other Calibre properties

Exploration is on-going on the other Calibre properties including: (i) follow-up drilling on targets which have previously returned potentially economic drill intercepts; (ii) first pass drilling on new targets which have been prioritized based on previous exploration results and (iii) surface exploration and sampling directed at identifying of new drill targets. It is anticipated that concurrent exploration programs will occur simultaneously directed at: (i) identifying additional resources; (ii) defining and expanding existing resources and (iii) exploration and drilling targeted at understanding the overall potential of the other Calibre properties. This exploration and drilling activity will continue throughout 2019 and exploration and drilling programs are anticipated in 2020 and 2021.

Exploration and drilling budgets and programs are prepared on a yearly bases with a mid-year review of results and advancements with modification completed as required. Results are received on a continual basis and it is anticipated that exploration and drilling results will be released on at least a quarterly basis and possibly more regularly depending on the advancement of drilling and receipt of assay results from the laboratories.

Permits and regulatory authorization are in hand for certain areas and have been applied for in other areas with approval pending. It is anticipated that the Resulting Issuer will submit additional permit and regulatory applications for approval for additional areas.

Calibre owns a 100% interest in over 518 km^2 of mineral concessions in the mining triangle of Northeast Nicaragua including the Primavera Gold-Copper Project and Santa Maria Gold Project. Additionally, the Company has optioned to IAMGOLD (176 km^2) and is party to a joint venture on the 33.6 km^2 Rosita District gold-copper-silver project with Rosita Mining and Century Mining. Calibre's resources total 2.44 million AuEq ozs (55Mt @ 1.38 AuEq g/t) of Inferred Mineral Resources in four deposits on the Borosi gold-silver projects.

Authorized, Issued and Outstanding Securities of the Resulting Issuer

The authorized capital of the Resulting Issuer will be the same as the authorized capital of the Company. Refer to "*Information Concerning Calibre – Selected Consolidated Financial Information and Management's Discussion and Analysis - Description of the Securities*".

Pursuant to the Subscription Receipt Private Placement and the Transaction, it is anticipated that the issued and outstanding capital of the Resulting Issuer will consist of up to 335,362,966 Resulting Issuer Shares (of which up to 201,652,500 Resulting Issuer Shares will be issued in connection with the Subscription Receipt Private Placement assuming exercise of the over-allotment option in full and the election by the Agents to receive their commission in Agents' Shares). On an undiluted basis, it is expected that current Calibre Shareholders (other than B2Gold) will own approximately 11.7% of the issued and outstanding Resulting Issuer Shares, subscribers of the Subscription Receipt Private Placement will hold approximately 57.3% of the issued and outstanding Resulting Issuer Shares and B2Gold will own approximately 28.1% of the issued and outstanding Resulting Issuer Shares (assuming exercise of the over-allotment option in full and the issuance of the Agents' Shares).

Pro Forma Consolidated Capitalization

The following table summarizes the pro forma share capital of the Resulting Issuer on a consolidated basis after giving effect to the Transaction and, where specified, the Subscription Receipt Private Placement.

Designation of Security	**Amount Authorized or to be Authorized**	**After Giving Effect to the Conversion of the Subscription Receipts(1)**	**After giving effect to the Subscription Receipts and the Transaction(2)**
Common Shares (1)	Unlimited	$170,402,820 (1)	$223,736,153
Convertible Debenture	N/A	Nil	US$10 million

Notes:

(1) Assuming the full exercise of the Agent's Option and the issuance of the Agent's Shares for the maximum amount of commission.

(2) Assuming the August 29, 2019 exchange rate of US$1.00 = $0.7521.

(3) The accumulated deficit of the Resulting Issuer is expected to be US$31 million and the total shareholders' equity of the Resulting Issuer is expected to be US$35 million. See "*Pro Forma Consolidated Financial Statements*" included as Appendix A to this Information Circular.

The following table summarizes the number and percentage of the common shares of the Resulting Issuer proposed to be outstanding on a partially diluted basis after giving effect to the Transaction and the Subscription Receipt Private Placement:

	Number of Resulting Issuer Shares	**Percentage of Resulting Issuer Shares**
Current Calibre Shareholders	44,821,578	11.4%
Resulting Issuer Shares issued pursuant to the Subscription Receipt Private Placement(1)	192,050,000	48.6%
Resulting Issuer Shares that may be issued as consideration payable to the Agents in respect of the Subscription Receipt Private Placement(1)	9,602,500	2.4%
Resulting Issuer Shares issued to B2Gold	88,888,888	22.5%
Resulting Issuer Shares issuable upon exercise of Resulting Issuer Options(2)	32,149,999	8.1%
Resulting Issuer RSUs and DSUs(3)	5,300,000	1.3%

Resulting Issuer Share Purchase Warrants	13,769,896	3.5%
Resulting Issuer Debenture	7,977,662	2.0%
Total Fully Diluted Resulting Issuer Shares	**394,560,523**	**100%**

Notes:

(1) Presented figures assume the exercise in full of the Agents' Option. The maximum number of Subscription Receipts that will be offered under the Subscription Receipt Private Placement is approximately $115 million; there is no minimum.

(2) Includes the 29,700,000 Resulting Issuer Stock Options to be issued concurrently with Closing.

(3) This number represents the total number of Resulting Issuer RSUs and DSUs to be issued concurrently with Closing, with the exact allocation between RSUs issued and DSUs issued to be determined at a later date.

Available Funds and Principal Purposes

Funds Available

The Resulting Issuer estimates that upon giving effect to the Transaction and the Subscription Receipt Private Placement, it will have available funds of approximately $120.7 million as set out in the following table:

	Amount ($)
Calibre's estimated working capital (1)	$910,783
Target Assets estimated working capital	$13,939,798
Net proceeds from the Subscription Receipt Private Placement (2)	$105,899,093
Resulting Issuer's Total Estimated Available Funds	$120,749,674

Notes:

(1) Estimated as at the most recent month end prior to the date of this Information Circular.

(2) Following the deduction of estimated expenses in connection with the Subscription Receipt Private Placement (assuming subscriptions for gross proceeds of approximately $115 million) of $9 million representing transaction fees, brokers fees and estimated cash finder's fees payable on that portion of the gross proceeds of the Subscription Receipt Private Placement that management expects to be raised from subscriptions introduced by arm's length parties to Calibre.

Principal Purposes of Funds

Upon completion of the Transaction and the Subscription Receipt Private Placement, the Resulting Issuer expects to use its available funds as follows:

Use of Funds	**Estimated Amount**
Payment of the Cash Consideration	$53,276,505
Payment of the Delayed Cash Consideration	$13,319,126
General and Administrative Expenses	$5,418,096
Exploration	$13,154,433
Working Capital	$35,581,514
TOTAL	$120,749,674

Administration Expenses

The Resulting Issuer estimates its aggregate administration costs for the 12-month period after the Closing Date to be $5,418,096. The following table sets out further details with respect to estimated administrative costs:

General and Administrative Expenses	Estimated Amount ($)
Executive Compensation	1,320,000
Professional Fees	387,500
Transfer Agent & Regulatory Fees	323,179
Investor Relations	1,632,660
Office Rental and Administration	277,790
Other(1)	1,476,967
TOTAL	5,418,096

Note:

(1) Expenses in this category include non executive salaries, health and dental benefits and estimated expenses for corporate staff travel.

Dividends

The Resulting Issuer will not have a formal dividend policy upon completion of the Transaction and it is not expected that one will be implemented until such time as the Resulting Issuer Board considers it advisable.

Resulting Issuer Shareholders will be entitled to receive such dividends as may be declared by the Resulting Issuer Board from time to time. Under the BCBCA, the Resulting Issuer will be unable to declare or pay a dividend if there are reasonable grounds for believing the Resulting Issuer is insolvent or the payment of the dividend would render the Resulting Issuer insolvent.

Principal Securityholders

To the knowledge of the directors and senior officers of Calibre, after completion of the Subscription Receipt Private Placement and the Transaction, no person or company will beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the Resulting Issuer Shares other than the following:

Name and Municipality of Residence	Number of Resulting Issuer Shares Owned or Controlled	Percentage of Outstanding Resulting Issuer Shares
B2Gold	93,037,760	28.1%(1)

Note:

(1) Assuming the full exercise of the Agent's Option and the issuance of the Agent's Shares for the maximum amount of commission.

Directors, Officers and Promoters

Name, Address, Occupation and Security Holdings

Upon completion of the Transaction and as a result of the Calibre Board Changes, the Resulting Issuer Board will consist of eight individuals, being, Russell Ball, Blayne Johnson, Douglas Forster, Raymond Threlkeld, Doug Hurst, Edward Farrauto, Audra B. Walsh and Dale Craig, the B2Gold nominee. The officers of the Resulting Issuer will be Russell Ball, as Chief Executive Officer, Darren Hall, as Senior VP and Chief Operating Officer, John Seaberg, as Senior VP and Chief Financial Officer, Greg Smith, as VP, Exploration, Ryan King, as VP, Corporate Development and Investor Relations.

The following table sets out the names of the proposed directors and officers of the Resulting Issuer following the Calibre Board Changes and completion of the Transaction, the province or state and country in which each is ordinarily resident, the period or periods during which each has served as a director or officer, their respective principal occupations within the five preceding years, and the number of Resulting Issuer Shares beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the date of this Information Circular.

Name, municipality of residence and proposed position and office to be held	Principal Occupation within the past five years	Director / Officer Since	Number of Resulting Issuer Shares to be Held Directly or Indirectly(4)(5)
Russell Ball British Columbia, Canada *CEO and Director*	Founding Partner of QDBS Resources Inc.; Director, Columbus Gold Corp.; Director, Trevali Corporation; and Director, Lydian International Ltd.	November 6, 2018	2,402,400 (0.72%)
Blayne Johnson (1) British Columbia, Canada *Chairman and Director*	Chairman of Featherstone Capital Inc.	May 18, 2005	4,152,146 (1.24%)
Douglas Forster (2) British Columbia, Canada *Director*	Director, Edgewater Exploration Ltd.; Director, Pinecrest Resources Ltd.; President and Chief Executive Officer, Featherstone Capital Inc.; President and Chief Executive Officer, Quarry Capital Corp.	December 10, 2003	3,920,563 (1.17%)
Raymond Threlkeld (1)(3) Virginia, USA *Director*	Director of Kirkland Lake Gold Ltd. and Director of Euromax Resources Ltd.	November 6, 2018	550,000 (0.16%)
Douglas Hurst (2)(3) British Columbia, Canada *Director*	Director of Pinecrest Resources Ltd.	September 6, 2016	1,1034,167 (0.31%)
Edward Farrauto (2)(3) British Columbia, Canada *Director*	President of Sail View Capital Ltd.	December 2003 to March 2005; May 18, 2005 to present	819,773 (0.24%)
Audra Walsh La Huelva, Spain *Director*	Chief Executive Officer of Minas de Aguas Tenidas S.A.U.	October 8, 2019	417,000 (0.12%)
Dale Craig *Vancouver, British Columbia* *Director*	Vice President of B2Gold Corp.	N/A	Nil
Darren Hall *Senior VP and Chief Operating Officer*	Chief Operating Officer of Newmarket Gold Inc.	October 15, 2019	500,000 (0.15%)
John Seaberg *Senior VP and Chief Financial Officer*	Executive Chairman of Paramount Gold Nevada Corp.; Senior Vice President of Strategic Relations of Klondex Mines Ltd.	October 15, 2019	334,000 (0.10%)
Gregory Smith British Columbia, Canada *VP, Exploration*	Vice President of Edgewater Exploration Ltd.; Vice President of Pinecrest Resources Ltd.	June 15, 2012	196,200 (0.06%)
Ryan King British Columbia, Canada *VP, Corporate Development and Investor Relations*	Vice President of Edgewater Exploration Ltd.; Chief Executive Officer and President of Pinecrest Resources Ltd.	June 17, 2012	482,150 (0.14%)
Kristian Dagsaan British Columbia, Canada *Corporate Secretary*	Chief Financial Officer of Calibre	August 19, 2015	61,340 (0.02%)

Notes:

(1) Member of the Resulting Issuer's compensation committee.

(2) Member of the Resulting Issuer's audit committee.

(3) Member of the Resulting Issuer's corporate governance committee.

(4) Includes the Calibre Shares to be issued upon the conversion of the Subscription Receipt in connection with the Subscription Receipt Private Placement.

(5) Assuming the full exercise of the Agent's Option and the issuance of the Agent's Shares for the maximum amount of commission.

Management Biographies

The following are brief biographies of the directors, executive officers and senior management of the Resulting Issuer.

Blayne Johnson: *Director*, age 60

Blayne Johnson has been involved in the investment community for over 31 years. He is currently Founder and Lead Director of Calibre and Chairman of Featherstone Capital Inc., a corporate development and financial advisory firm focused on the mining industry. Prior to this, Mr. Johnson was Founder, Director and Executive VP of Newmarket Gold Inc., which operated three gold mines in Australia with annual production of over 225,000 oz/year. Newmarket was acquired by Kirkland Lake Gold in November 2016 for $1.0 billion. Prior to that, Mr. Johnson was a Vice President of First Marathon Securities, where he played a key role in providing institutional financing to junior resource companies. During his tenure at that firm, First Marathon participated in over $5 billion of equity financings for natural resource companies. His work at First Marathon also involved debt financings as well as mergers and acquisitions. Mr. Johnson also advised institutional clients on investments. Mr. Johnson was also a founder of Terrane Metals, which was acquired by Thompson Creek in 2010 for $750 million.

Douglas Forster: *Director*, age 59

Douglas Forster has been associated with the mining industry for over 38 years as a geologist, senior executive, director and company founder. He holds a B.Sc. (1981) and M.Sc. (1984) in Economic Geology from the University of British Columbia. He is currently a director of Calibre, Edgewater Exploration Ltd., Victoria Metals Inc. and Pinecrest Resources Ltd. and serves as the President and Chief Executive Officer of Featherstone Capital Inc.. Mr. Forster has been a founder, director or senior executive with numerous companies including Terrane Metals, which was acquired by Thompson Creek in 2010 for $750 million and Potash One, which was acquired by K+S AG in 2011 for $434 million. Mr. Forster was Founder, President and CEO and Director of Newmarket Gold Inc., which operated three gold mines in Australia with annual production of over 225,000 oz gold/year. Newmarket was acquired by Kirkland lake Gold in November 2016 for $1.0 billion. Over the past 25 years Mr. Forster has been involved in a number of large-scale Canadian mine development projects including the Mt. Milligan gold-copper mine, the Kemess South gold-copper mine, the Golden Bear Gold Mine and the Legacy potash project. Mr. Forster has a proven track record in resource project development, mine operations, mergers and acquisition, equity finance and public company management. He is a registered member of the Association of Professional Engineers and Geoscientists of British Columbia.

Raymond Threlkeld: *Director*, age 72

Raymond Threlkeld is a seasoned mining professional with more than 36 years of experience in mineral exploration, mine operations and construction and executive management. He is currently a director of Calibre, Kirkland Lake Gold Ltd. and Euromax Resources Ltd. Mr. Threlkeld was President and CEO of Rainy River Resources, which was developing the 4.0 million ounce Rainy River gold deposit in Ontario. New Gold purchased Rainy River for $310 million in 2013. From 2006 to 2009 Mr. Threlkeld led the team that acquired, developed and put into operation the Mesquite Gold Mine in California, with Western Goldfields subsequently being purchased by New Gold for $314 million in 2009. From 1996 to 2004 Mr. Threlkeld held a variety of senior executive positions with Barrick Gold Corporation, rising to the position of Vice President, Project Development. During Mr. Threlkeld's tenure at Barrick Gold Corporation he was responsible for placing more than 30 million ounces of gold resources into production in Africa, South America and Australia. Among his accomplishments were the Pierina Mine in Peru, Bulyanhulu Mine in Tanzania, Veladero Mine in Argentina, Lagunas Norte Mine in Peru and the Cowal Mine in Australia. Mr. Threlkeld holds a B.Sc. degree in Geology from the University of Nevada.

Doug Hurst: *Director*, age 56

Douglas Hurst has over 25 years of experience in the mining and resource industries, having acted as geologist, consultant, mining analyst, senior executive and director. He is currently a director of Calibre and of Pinecrest Resources Ltd. Previously, Mr. Hurst was one of the founders of Newmarket Gold Inc. which was purchased for $1.0 billion by Kirkland Lake Gold Ltd. in November 2016. Prior to that, he was a founding executive of International Royalty Corporation, from 2003 to 2006, and a director of the company until 2010, when the company was purchased by Royal Gold for $700 million. From 1995 to 2003 Mr. Hurst operated D.S. Hurst Inc. a company offering corporate, evaluation and financing consulting services to the mining industry. Prior to that, he was a mining analyst with McDermid St. Lawrence and Sprott Securities and a contract analyst to Pacific International Securities and Octagon Capital up until 1995. Mr. Hurst holds a Bachelor of Science in geology from McMaster University (1986).

Edward Farrauto: *Director*, age 62

Edward Farrauto has 25 years of experience as a senior financial officer with public companies. His experience encompasses financial and regulatory compliance and public company management. Mr. Farrauto is currently a director of Calibre and is the CFO of Edgewater Exploration Inc., a role he has held since 2010. Over the course of his career Mr. Farrauto has been directly responsible for overseeing private placement financings, prospectus filings, reverse takeovers and merger and acquisition transactions. Mr. Farrauto has been involved in over $500 million in equity and debt financings which included $150 million with Terrane Metals (acquired by Thompson Creek Metals in 2010, valued at $750 million) and with Newmarket Gold, which was acquired by Kirkland Lake Gold in 2016 for $1.0 billion. Mr. Farrauto was a Chartered Professional Accountant from 1991 to 2018.

Audra Walsh: *Director,* age 47

Audra Walsh is a Professional Engineer with over 20 years of technical, operating, management and board experience in the mining industry. She is CEO of Minas de Aguas Tenidas S.A.U. (MATSA), a privately held company owned by Trafigura and Mubadala, located in the Huelva Province, Spain. She formerly served as a member of the Board of Directors of Orvana Minerals Corp., and was Chair of their Technical, Safety, Health, Environment and Sustainability Committee. She also formerly held the position of President and CEO of Sierra Metals Inc., Minera S.A. and A2Z Mining Inc. She has held senior positions with Barrick Gold Corporation and Newmont Mining Corporation. Ms. Walsh is a graduate with a Bachelor of Science (Mine Engineering) from the South Dakota School of Mines and Technology in Rapid City, South Dakota, United States of America. She is a registered member of the Society of Mining, Metallurgy and Exploration.

Dale Craig: *Director*, age 66

Dale Craig has been involved in the mining industry for more than thirty years and has worked in a variety of mine operations including lead/zinc/copper, coal and gold. Dale is responsible for the operations of B2Gold in Nicaragua and the Masbate operation in the Philippines. Over the last seventeen years, he has participated in development and operation of gold mines in Northern British Colombia, Guyana, Mongolia, Peru and Nicaragua. Dale has been associated with B2Gold since 2009, initially as General Manager for the La Libertad Mine. In 2010, he was appointed Country Manager for B2Gold in Nicaragua and in 2013 was appointed to his current role as Vice President of Operations. He has a BSC (Mining Engineering) from Michigan Technological University, BSc (Biology) from University of Toronto, and is a graduate of Haileybury School of Mines. Dale is a registered professional engineer in Alberta, Canada (APEGGA) and in Peru (IIMP).

Russell Ball: *Chief Executive Officer*, age 50

Russell Ball has a proven track record with over 25 years of experience in the mining industry. He is currently a director of Calibre**,** Columbus Gold Corp., Tevali Corporation, Lydian International Ltd. and Allegiant Gold Ltd. He previously served as CFO and Executive VP of Corporate Development at Goldcorp. Prior to joining Goldcorp, Mr. Ball served as Executive Vice-president and Chief Financial Officer of Newmont. Over his 19 years with

Newmont, Mr. Ball worked in internal audit, finance, treasury, operations/project and investor relations before joining the executive team as Chief Financial Officer. Mr. Ball qualified as both a Chartered Accountant from the Institute of Chartered Accountants of South Africa and a Certified Public Accountant in Colorado. He currently serves as the Executive Chairman of Calibre.

Darren Hall: *Senior VP and Chief Operating Officer*, age 53

Darren Hall has over 30 years of experience in the mining industry with a track record of increasing production, reducing costs, improving capital effectiveness, and promoting health, safety and business excellence. Since August 2017 he has been Principal at Hall Mining Services, a provider of operating and technical assessments, among other things, to the international mining industry. Prior to that (in 2017) he served as Chief Operating Officer of Kirkland Lake Gold, which acquired Newmarket Gold, where Mr. Hall served as the Chief Operating Officer throughout 2016. Prior to Newmarket Gold, Mr. Hall worked for Newmont Mining Corporation where he held roles of increasing responsibility throughout the organization for almost 30 years. Mr. Hall graduated with a Bachelor of Mining Engineering (Hons) from the Western Australia School of Mines in Kalgoorlie.

John Seaberg: *Senior VP and Chief Financial Officer*, age 51

John Seaberg has held a number of roles within the mining industry throughout his career. Since June 2018 he has been the Executive Chairman of Paramount Gold Nevada Corp. Prior to that he was Senior Vice President of Strategic Relations at Klondex Mines Ltd. In this role Mr. Seaberg was responsible for global investor relations and corporate development initiatives as an acting member of the senior executive team. Prior to Klondex, Mr. Seaberg was employed for more than 10 years by Newmont Mining Corporation where he last held the position of Vice President, Investor Relations. Mr. Seaberg has an MBA from the University of Denver, Colorado.

Greg Smith: *VP, Exploration*, age 53

Greg Smith has over 25 years of experience as an exploration geologist working with both junior and senior mining companies in various parts of the world. He is currently Chief Executive Officer and director of Calibre, roles he has held since 2012 (and both of which he will resign from in connection with Closing in order to assume the position of VP, Exploration of Calibre). Mr. Smith brings a broad range of experience from the evaluation of grass roots properties, to supervision of advanced projects including resource and reserve estimation, oversight of geological and technical activities for active underground and open pit mining operations including grade control, QA/QC programs, NI 43-101 compliance, and advanced technical and economic studies, including Preliminary Assessments (Scoping Studies), Prefeasibility, and Feasibility Studies. Mr. Smith has a Bachelor of Science in Geology from St. Francis Xavier University (1987) and is a Professional Geologist.

Ryan King: *VP, Corporate Development and Investor Relations*, age 40

Ryan King has over 15 years of experience in increasingly senior capacities in capital markets in the resource sector. He is currently VP, Corporate Development at Calibre and Chief Executive Officer, President and director of Pinecrest Resources Ltd., roles he has held since 2014. He previously held a role at Newmarket Gold, where he was responsible for leading the investor relations activities for the company as it completed a $1 billion transformational merger with Kirkland Lake Gold**.** Prior to joining Newmarket Gold, Mr. King was involved in starting Terrane Metals, which was acquired by the Mount Milligan Copper-Gold Project in British Columbia. From 2006 through to 2010, Mr. King's role with Terrance Metals involved financing matters, corporate development, all investor relation activities and assisting with the 2010 acquisition of Terrane Metals by Thompson Creek for $800 million. Ryan holds a Bachelor of Commerce from Royal Roads University in British Columbia, Canada.

Kristian Dagsaan: *Corporate Secretary*, age 40

Mr. Dagsaan is a Chartered Accountant with over ten years of experience with public accounting, auditing, and regulatory compliance. He articled with PricewaterhouseCoopers LLP from 2005 to 2007 and has an undergraduate business degree from Vancouver Island University.

Promoter Consideration

No person or company will be considered a Promoter of the Resulting Issuer, or has been within the two years immediately preceding the date of this Information Circular, a Promoter of Calibre or B2Gold, that is not also a director or officer of the Resulting Issuer upon completion of the Transaction.

Corporate Cease Trade Orders or Bankruptcies

No proposed director, officer or Promoter of the Resulting Issuer or a security holder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, within 10 years before the date of this Information Circular, has been, a director, officer or Promoter of any person or company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No proposed director, officer or Promoter of the Resulting Issuer, or a security holder anticipated to hold sufficient securities of the Resulting Issuer to materially affect the control of the Resulting Issuer, has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision about the Transaction.

Personal Bankruptcies

No proposed director, officer or Promoter of the Resulting Issuer or a security holder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

Conflicts of Interest

The directors of the Resulting Issuer will be required by law to act honestly and in good faith with a view to the best interests of the Resulting Issuer and to disclose any interests, which they may have in any project or opportunity of the Resulting Issuer. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. To the best of management's knowledge, and other than as disclosed herein, there are no known existing or potential conflicts of interest between the Resulting Issuer and its proposed directors, officers and Promoters or other proposed members of management of the Resulting Issuer as a result of their outside business interests except that certain directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Resulting Issuer and their duties as a director or officer of such other companies.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and Promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or Promoters of other reporting issuers:

Other Reporting Issuer Experience					
Name	**Name and Jurisdiction of Reporting Issuer**	**Name of Trading Market**	**Position**	**From**	**To**
Russell Ball	Columbus Gold Corp.	TSX	Director	January 19, 2018	Present
	Trevali Corporation	TSX	Director	October 11, 2017	Present
	Lydian International Ltd.	TSX	Director	June 28, 2018	Present
	Allegiant Gold Ltd.	TSX-V	Director	January 25, 2018	Present
	Goldcorp Inc.	TSX	Officer	May 21, 2013	January 2, 2018
	Leagold Mining Corporation	TSX	Director	April 7, 2017	May 3, 2018
Blayne Johnson	Edgewater Exploration Ltd.	TSX-V	Director	November 2, 2009	Present
	Pinecrest Resources Ltd.	TSX-V	Director	May 16, 2012	Present
	Kirkland Lake Gold Ltd.	TSX	Director	January 27, 2011	November 30, 2016
Douglas Forster	Edgewater Exploration Ltd.	TSX-V	Director	November 2, 2009	Present
	Victory Metals Inc.	TSX-V	Director	February 12, 2019	Present
	Pinecrest Resources Ltd.	TSX-V	Director	June 23, 2010	Present
	Kirkland Lake Gold Ltd.	TSX	Director	January 27, 2011	November 30, 2016
Raymond Threlkeld	Kirkland Lake Gold Ltd.	TSX	Director	April 8, 2014	Present
	Euromax Resources Ltd.	TSX	Director	March 21, 2016	Present
	Northern Empire Resources Corp.	TSX-V	Director	October 18, 2017	October 1, 2018
	New Gold Inc.	TSX	Director	June 1, 2009	September 12, 2018
Douglas Hurst	Pinecrest Resources Ltd.	TSX-V	Director	April 13, 2017	Present
	Kirkland Lake Gold Ltd.	TSX	Officer	October 4, 2013	November 30, 2016
	Northern Empire Resources Corp.	TSX-V	Director	June 9, 2015	October 1, 2018
Edward Farrauto	Edgewater Exploration Ltd.	TSX-V	Officer	November 30, 2001	Present
	Pinecrest Resources Ltd.	TSX-V	Director	June 9, 2010	Present
	Kirkland Lake Gold Ltd.	TSX	Director	May 25, 2003	November 30, 2016
Darren Hall	Kirkland Lake Gold Ltd.	TSX	Officer	December 7, 2015	November 30, 2016
John Seaberg	Klondex Mines Unlimited Liability Company	TSX	Officer	July 28, 2015	January 8, 2018
	Blackrock Gold Corp.	TSX-V	Director	October 30, 2018	Present
	Paramount Gold Nevada Corp.	NYSE	Director	June 25, 2018	Present
Audra Walsh	Orvana Metals Corp.	TSX	Director	October 2012	May 19, 2016
	Argonaut Gold Inc.	TSX	Director	April 2016	Present
	Sierra Metals Inc.	TSX, AMX	Director, Officer	July 28, 2014	April 12, 2015
Ryan King	Edgewater Exploration Ltd.	TSX-V	Director	November 30, 2007	Present
	Pinecrest Resources Ltd.	TSX-V	Director	June 23, 2010	Present
	Latin Metals Inc.	TSX-V	Director	April 26, 2019	Present

Other Reporting Issuer Experience					
Name	**Name and Jurisdiction of Reporting Issuer**	**Name of Trading Market**	**Position**	**From**	**To**
	Kirkland Lake Gold Ltd.	TSX	Officer	July 10, 2015	May 23, 2017

Executive Compensation

The statement of executive compensation contained in this section relates only to the proposed executive compensation of the Resulting Issuer assuming completion of the Transaction, and should be read and interpreted as though the Transaction has been completed.

Under applicable TSX-V Policy, the Resulting Issuer is required disclose the compensation expected to be paid to its CEO, CFO, and three most highly compensated officers other than the CEO and CFO (the "**Resulting Issuer NEOs**"). Assuming the completion of the proposed Transaction, it is expected that the Resulting Issuer NEOs will be the individuals identified in the table below. The following table sets forth the proposed compensation for the Resulting Issuer NEOs for the 12-month period following completion of the Transaction to the extent known:

Name and Principal Position	Salary ($)	Share-based Awards ($)	Option-based Awards ($)	Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All other Compensation ($)	Total Compensation ($)
				Annual Incentive Plan	Long Term Incentive Plans			
Russell Ball *CEO*	300,000	Nil	Nil	Nil	Nil	Nil	Nil	300,000
Darren Hall *Senior VP and COO*	260,000	Nil	Nil	Nil	Nil	Nil	Nil	260,000
John Seaberg *Senior VP and CFO*	260,000	Nil	Nil	Nil	Nil	Nil	Nil	260,000
Gregory Smith *VP, Exploration*	250,000	Nil	Nil	Nil	Nil	Nil	Nil	250,000
Ryan King *VP, Corporate Development and Investor Relations*	250,000	Nil	Nil	Nil	Nil	Nil	Nil	250,000

Compensation Discussion and Analysis

It is currently expected that the Resulting Issuer will continue the executive compensation practice of Calibre upon Closing. See "*Information Concerning Calibre – Executive Compensation*" for a discussion of the policies which will be adopted by the Resulting Issuer in setting annual compensation for services in all capacities, including in respect of individuals acting in capacities of Chief Executive Officer and Chief Financial Officer of the Resulting Issuer.

At the Meeting, Calibre will seek approval for the Resulting Issuer LTIP, which amends the existing LTIP which permits the granting of Options, PSUs, RSUs and DSUs from time to time to provide an incentive to the participants, to achieve the longer-term objectives of the Resulting Issuer; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Resulting Issuer and to attract and retain persons of experience and ability by providing them with the opportunity to acquire an increased proprietary interest in the Resulting Issuer. See *"Resulting Issuer LTIP*" below for a discussion of the Resulting Issuer LTIP.

Resulting Issuer LTIP

Subject to TSX-V, TSX and shareholder approval, on September 6, 2019, the Calibre Board approved amendments to the LTIP (the "**Resulting Issuer LTIP**") which increased the number of Resulting Issuer Shares subject to awards under the Resulting Issuer LTIP to 44,500,000 Calibre Shares, of which a maximum of 10,000,000 Resulting Issuer Shares may be set aside for issue upon the exercise or redemption and settlement of DSUs, PSUs and RSUs. The amendments also provide that the number of Resulting Issuer Shares issuable upon the settlement of DSUs, PSUs and RSUs to all non-executive directors shall not at any time, exceed 1% of the issued and outstanding Resulting Issuer Shares. Further, the number of Resulting Issuer Shares issuable upon the settlement of DSUs, PSUs and RSUs to any one non-executive director within a one year period, shall not exceed an award value of $150,000 per such non-executive director, of which not more than $100,000 may comprise Calibre Options, based on a valuation method acceptable to the Calibre Board.

If the Resulting Issuer LTIP and the Transaction are approved at the Meeting, upon the closing of the Subscription Receipt Financing and the Transaction, the Resulting Issuer intends to issue 29,700,000 Options and 5,300,000 RSUs and DSUs (with the exact allocation between RSUs and DSUs to be determined at a later date), which together with the outstanding Options will represent approximately 11.5% of the issued and outstanding Resulting Issuer Shares (assuming the Agent's Option is exercised in full and no Agents' Shares are issued as compensation). Upon the issuance of these Options, RSUs and DSUs concurrently with Closing, there will be 7,050,001 Options (or 2.2% of the issued and outstanding Resulting Issuer Shares) that remain eligible for issue under the LTIP.

For a full description of the LTIP see *"Information Concerning Calibre - Long Term Incentive Plan"*.

Director Compensation

Upon completion of the Transaction, the directors of the Resulting Issuer will determine the compensation that will be paid to directors for services rendered to the Resulting Issuer by them in that capacity. It is anticipated that the Resulting Issuer will pay compensation to its directors in the form of annual fees for attending meetings of the Resulting Issuer Board. Directors may receive additional compensation for acting as chairs of committees of the Resulting Issuer board. Directors will also be entitled to received equity compensation pursuant to the Resulting Issuer's LTIP and TSX-V requirements and will be reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings of the Resulting Issuer Board, committees of the Resulting Issuer Board or meetings of the shareholders of the Resulting Issuer. It is also anticipated that the Resulting Issuer will obtain customary insurance for the benefit of its directors and enter into indemnification agreements with its directors pursuant to which the Resulting Issuer will agree to indemnify its directors to the extent permitted by law.

Indebtedness of Directors and Officers

No individual who is (or who was at any time in the most recently completed financial year) a director or officer of Calibre or the Target Subsidiaries or who is proposed to be a director or officer of the Resulting Issuer, or who is an associate of any such individual, is indebted to Calibre or to any of the Target Subsidiaries as of the date of this Information Circular.

Investor Relations Arrangements

No written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations services for the Resulting Issuer.

Options to Purchase Securities

Upon completion of the Transaction, the following stock options of the Resulting Issuer will be outstanding

	Number of Resulting Issuer Options
Proposed directors of the Resulting Issuer(1)(2)	
Douglas Forster	3,247,500
Blayne Johnson	3,247,500
Edward Farrauto	1,147,500
Douglas Hurst	1,375,000
Raymond Threlkeld	1,375,000
Proposed officers of the Resulting Issuer(1)(2)	
Russell Ball	3,400,000
John Seaberg	1,500,000
Darren Hall	1,600,000
Gregory Smith	1,247,500
Ryan King	1,147,500
All employees of the Resulting Issuer (other than the officers)(3)(4)	10,667,499
All consultants of the Resulting Issuer(5)(6)	2,195,000
Total	32,149,999

Notes:

(1) In total, all officers and past officers of Calibre, being Russell Ball, John Seaberg, Darren Hall, Gregory Smith, Ryan King and Kristian Dagsaan, will hold 9,495,000 stock options, and in total, all directors and past directors of Calibre who are not also officers, being Douglas Forster, Blayne Johnson, Edward Farrauto, Douglas Hurst, Raymond Threlkeld, and George Salamis will hold 10,515,000 Resulting Issuer stock options upon completion of the Transaction.

(2) No current or former officer or director of the Target Subsidiaries or of any subsidiaries thereof will hold any Resulting Issuer stock options upon completion of the Transaction.

(3) In total, all current and past employees of Calibre as a group (other than officers) will hold 10,667,499 Resulting Issuer stock options upon completion of the Transaction.

(4) No current or former employee of the Target Subsidiaries or of any subsidiaries thereof will hold any Resulting Issuer stock options upon completion of the Transaction.

(5) In total, all consultants of Calibre will hold 2,195,000 Resulting Issuer stock options upon completion of the Transaction.

(6) No current or former consultant of the Target Subsidiaries will hold any Resulting Issuer stock options upon completion of the Transaction.

Escrowed Securities

As at the date of this Information Circular, there are no Resulting Issuer Shares currently subject to escrow or contractual hold restrictions. In connection with the Transaction, Calibre applied to the TSX-V for a waiver from any escrow requirements of TSX-V Policy 5.4 –*Escrow, Vendor Consideration and Resale Restrictions* on the principals of the Resulting Issuer. The TSX-V granted the waiver subject to the TSX accepting the listing of the Resulting Issuer on a post Closing basis.

Auditor, Transfer Agent and Registrar

Auditor

The auditor of Calibre is PricewaterhouseCoopers LLP, Chartered Accountants, PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, V6C 3S7**.** PricewaterhouseCoopers LLP was appointed as auditor of Calibre on February 1, 2007.

Transfer Agent and Registrar

The Resulting Issuer's transfer agent and registrar will be Computershare Trust Company of Canada located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

RISK FACTORS

Some of the significant risk factors associated with the Transaction and the current and future business and operations of Calibre and, following completion of the Transaction, the Resulting Issuer, are listed below, however, these are not necessarily all of the risks that Calibre now faces or will face (as the Resulting Issuer following Closing). The exploration, development and mining of natural resources are highly speculative in nature and Calibre's (and after Closing, the Resulting Issuer's) operations, investments and prospects are subject to significant risks and involve risks that a combination of experience, knowledge and careful evaluation may not overcome. In evaluating the Transaction, readers should carefully consider the risks and uncertainties described below, in addition to the other information contained in this Information Circular. If any such risks materialize, the business, financial condition, liquidity and results of operations of Calibre (as the Resulting Issuer) could be materially adversely affected. If this occurs, the value of Resulting Issuer Shares could decline after the completion of the Transaction and Resulting Issuer Shareholders could lose all or part of their investment. In addition, even if Closing does not occur, Calibre will be subject to a number of the same risks as the Resulting Issuer because of its present business and operations in Nicaragua as a mineral resource exploration and development company. Additional risks and uncertainties not presently known to Calibre or that Calibre currently considers immaterial may also impair the business, operations, investments and prospects of Calibre or, following Closing, the Resulting Issuer.

Risks Relating to the Transaction

There is no certainty that all conditions to the Company Consolidation and Share Purchase and Consolidation Agreement will be satisfied. Failure to complete the Transaction could negatively impact the share price of Calibre or otherwise adversely affect the business of Calibre.

Each of Calibre and B2Gold has the right to terminate the Share Purchase and Consolidation Agreement in certain circumstances. Accordingly, there can be no certainty, nor can Calibre provide any assurance, that the Company Consolidation and Share Purchase and Consolidation Agreement will not be terminated by either Calibre or B2Gold before the completion of the Transaction. In addition, the completion of the Transaction is subject to a number of conditions precedent, certain of which are outside the control of Calibre and B2Gold, including shareholders approving the Transaction Resolution and required regulatory approvals being obtained by the parties. There can be no certainty, nor can Calibre provide any assurance, that these conditions will be satisfied. If for any reason the Transaction is not completed, the market price of Calibre Shares may be adversely affected. Certain costs related to the Transaction, such as legal, accounting and certain financial advisor fees, must be paid by Calibre even if the Transaction is not completed.

There is no certainty that the Subscription Receipt Private Placement will close and that, if it does close, it will raise sufficient funds for Calibre to complete the Transaction.

If Closing does not occur because of Calibre's inability to raise sufficient funds via the Subscription Receipt Private Placement, Calibre may be obligated to pay a financing failure fee (as described elsewhere in this Information Circular). Any of the failure of the Subscription Receipt Private Placement to close, the obligation to pay the financing failure fee, and the failure to complete the Transaction may cause the value of Calibre Shares to go down, and that decline may be material.

Equity dilution associated with the Transaction could negatively affect share prices.

Calibre will issue up to an aggregate of 280,938,888 Calibre Shares in connection with Transaction and the Subscription Receipt Private Placement. This represents 88,888,888 Calibre Shares issuable to B2Gold as partial consideration under the terms of the Consolidation and Share Purchase and Consolidation Agreement and up to 192,050,000 Calibre Shares issuable to purchasers of Subscription Receipts under the Subscription Receipt Private Placement upon conversion of the Subscription Receipts. The issuance of up to 280,938,888 Calibre Shares in the aggregate will represent approximately 626% of the current number of issued and outstanding Calibre Shares on closing of the Transaction and will be dilutive to Calibre. The future sale of a substantial number of Resulting Issuer Shares by B2Gold or the perception that such sale could occur could adversely affect prevailing market prices for Resulting Issuer Shares.

The unaudited pro forma consolidated financial statements of Calibre are presented for illustrative purposes only and may not be an indication of Calibre's financial conditions or results of operations following Closing.

The unaudited pro forma consolidated financial statements contained in this Information Circular are presented for illustrative purposes only as of their respective dates and may not be an indication of the financial condition or results of operations of Calibre following Closing. For example, the unaudited pro forma consolidated financial statements have been derived from the respective historical financial statements of Calibre and the Target Subsidiaries and certain adjustments and assumptions made as of the dates indicated therein have been made to give effect to the Transaction and the other respective relevant transactions. The information upon which these adjustments and assumptions have been made is preliminary and these kinds of adjustments and assumptions are difficult to make with complete accuracy. See "*Cautionary Statement Regarding Forward Looking Information*". Moreover, the unaudited pro forma consolidated financial statements do not reflect all costs expected to be incurred by Calibre in connection with the Transaction. For example, the impact of any incremental costs incurred in integrating Calibre and the Target Subsidiaries is not reflected in the unaudited pro forma consolidated financial statements.

B2Gold will obtain significant governance and Resulting Issuer Board representation rights.

Pursuant to the terms of the Investor Rights Agreement, B2Gold will, upon Closing, obtain significant governance and Resulting Issuer Board representation rights. There can be no assurance that such rights will result in action or failure to take action by the Resulting Issuer Board that prevents a material adverse effect on the business, financial condition and operating results of the Resulting Issuer from occurring.

Title over the Target Assets cannot be guaranteed.

Although Calibre has carried out due diligence in connection with the Transaction to verify the title to the properties owned by the Target Subsidiaries, in accordance with industry standards for the current stage of development and exploration of such mines, these procedures do not guarantee title. Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples or local communities.

There may be potential undisclosed liabilities associated with the Transactions.

Although Calibre has carried out due diligence in connection with the Transaction, there may be liabilities that Calibre failed to discover or was unable to quantify in its due diligence. The representations, warranties and indemnities contained in the Share Purchase and Consolidation Agreement have certain survival periods and indemnification thresholds that would need to be met before a misrepresentation would be actionable.

The Resulting Issuer may not realize the benefits of the growth projects of the El Limon Mine and La Libertad Mine.

As part of its strategy, the Resulting Issuer will continue its efforts to develop new base metal projects and will have an expanded portfolio of such projects as a result of the Transaction. A number of 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 the Resulting Issuer'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 Resulting Issuer's business, results of operations, financial condition and liquidity could be materially adversely impacted.

The integration of the Target Subsidiaries may not occur as planned.

The Share Purchase and Consolidation Agreement has been entered into with the expectation that the successful completion of the Transaction will result in enhanced growth opportunities for Calibre (as the Resulting issuer). The anticipated benefits will depend in part on whether the operations of the Target Subsidiaries can be integrated in an efficient and effective manner. Most operational and strategic decisions and certain staffing decisions with respect to the integration of the Target Subsidiaries have not yet been made. These decisions and the integration of the companies will present challenges to management, including the integration of systems and personnel of the companies, and special risks, including possible unanticipated liabilities, unanticipated costs, and the loss of key employees. The performance of the Target Subsidiaries after Closing could be adversely affected if Calibre cannot retain key employees to assist in their integration and operation. As a result, it is possible that the benefits expected from the acquisition of the Target Subsidiaries will not be realized.

There is no assurance that the TSX will provide final approval for the Resulting Issuer to graduate to the TSX.

Immediately upon Closing, the Resulting Issuer intends to graduate to the TSX. Listing on the TSX is subject to final listing approval from the TSX, which has not yet been granted. Although the Calibre Board expects that Calibre and the Resulting Issuer (as applicable) will be able to satisfy the listing conditions of the TSX, there is no assurance that the TSX will grant listing approval, or that listing approval will be granted immediately in connection with Closing. A delay in the Resulting Issuer graduating to the TSX, or the failure of the TSX to permit the Resulting Issuer to graduate at all, may limit the Resulting Issuer's access to equity markets. This may negatively affect the value of Resulting Issuer Shares and this affect may be significant.

Risks Relating to Operating in Nicaragua

Operations in Nicaragua subject Calibre and the Target Subsidiaries to political, economic and other risks that could negatively impact their operations and financial condition.

Calibre's exploration, development and production activities and those of the Target Subsidiaries are conducted in Nicaragua and, as such, are exposed to political, economic and other risks and uncertainties. These risks and uncertainties vary and include, but are not limited to, the existence or possibility of political or economic instability; conflict; terrorism; hostage taking; military repression; high rates of inflation; labour unrest; war or civil unrest; expropriation and nationalization; changes in taxation laws or policies; uncertainty as to the outcome of any litigation in foreign jurisdictions; uncertainty as to enforcement of local laws; environmental controls and permitting; restrictions on the use of land and natural resources; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; restrictions on foreign exchange and repatriation; corruption; unstable legal systems; changing political conditions; changes in mining and social policies; social unrest on account of poverty or unequal income distribution; local ownership legislation; currency controls and governmental regulations that favor or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or require equity participation by local citizens; and other risks arising out of foreign sovereignty issues.

Calibre and the Target Subsidiaries have interests in exploration and development properties that are located in Nicaragua. As such, Calibre's mineral exploration and mining activities and those of the Target Subsidiaries may be affected by political instability and governmental legislation and regulations relating to foreign investment and the mining industry in Nicaragua. Nicaragua is currently experiencing some level of civil unrest and instability. Changes, if any, in mining or investment laws or policies, political attitude or the level of stability in Nicaragua may adversely affect Calibre's operations or profitability and, after Closing, those of the Resulting Issuer.

Moreover, governments throughout the world are continuing to target the mining and metals sector to raise government revenue. This trend is more common in the developing world. Numerous countries, including Nicaragua, have introduced changes to their respective mining regimes that reflect increased government control or participation in the mining sector, including, but not limited to, changes of laws or governmental regulations affecting foreign ownership, mandatory state participation, taxation and royalties, exchange controls, permitting and licensing of exploration, development and production, land use restrictions, price controls, export controls, export and import duties, restrictions on repatriation of income or return of capital, requirements for local processing of mineral products, environmental protection, as well as requirements for employment of local staff or contractors, and requirements for contributions to infrastructure and social support systems. The impact of resource nationalization may have a material adverse effect on Calibre and the Target Subsidiaries.

There can be no assurance that Nicaragua will not adopt a nationalization framework or regime. Furthermore, there can also be no assurance that the terms and obligations of potential resource nationalization regimes to which Calibre's or the Target Subsidiaries operations are subject to will not increase or become more onerous. Government policy is beyond the control of Calibre and as such may change without warning and could have the effect of discouraging further investment in Calibre's (or the Resulting Issuer's) operations or limit the economic value Calibre (or the Resulting Issuer) may derive therefrom. Furthermore, there can also be no assurance that Calibre's (or the Resulting Issuer's) assets will not be subject to specific nationalization or expropriation measures, whether legitimate or not, by any authority or body, whether state sanctioned or otherwise. While there are often frameworks and mechanisms to seek compensation and reimbursement for losses in these kinds of circumstances, there is no assurance that such measures will effectively or sufficiently compensate Calibre (or the Resulting Issuer), and its investors, nor is there any assurance that such would occur in a timely fashion.

Fluctuations in foreign currency exchange rates could materially affect the Resulting Issuer's business, financial condition, results of operations and liquidity.

The principal assets of the Resulting Issuer will be located in Canada and Nicaragua. As a result, the Resulting Issuer will have foreign currency exposure with respect to items not denominated in U.S. dollars. The three main types of foreign exchange risk the Resulting Issuer will face are as follows:

- Transaction exposure: the Resulting Issuer's operations will sell commodities and incur costs in different currencies. This creates exposure at the operational level, which may affect the Resulting Issuer's profitability as exchange rates fluctuate;

- Exposure to currency risk: the Resulting Issuer will be exposed to currency risk through a portion of the following assets and liabilities denominated in currencies other than the U.S. dollar: cash and cash equivalents, trade and other receivables, trade and other payables, reclamation and closure costs obligations; and

- Translation exposure: the functional and reporting currency of the Resulting Issuer will be U.S. dollars. The Resulting Issuers operations in Nicaragua may have assets and liabilities denominated in currencies other than the U.S. dollar, with translation foreign exchange gains and losses included from these balances in the determination of profit or loss. Therefore, as the exchange rates between the Canadian dollar and the Nicaraguan Córdoba fluctuate against the U.S. dollar, the Resulting Issuer will experience foreign exchange gains and losses, which can have a significant impact on its consolidated operating results. As of December 31, 2018, the exchange rate between the Córdoba and the U.S. dollar varied according to a pattern set by the Nicaraguan Central Bank. The Córdoba has been annually devalued versus the U.S. dollar by means of a crawling peg mechanism, which currently stands at approximately 5%.

As a result, fluctuations in currency exchange rates could significantly affect the business, financial condition, results of operations and liquidity of the Resulting Issuer.

The Target Assets may be subject to operating risks caused be social unrest.

From April to July 2018, Nicaragua saw significant social unrest. This development resulted in significant protests by citizens and ultimately led to roadblocks being established near the La Libertad Mine, which temporarily restricted the supply of key consumables (fuel and lime) and affected gold production at the mine. As a result of the onset of these social conflicts, development of the Jabali Antenna Underground project was temporarily suspended by B2Gold.

While regular operations at La Libertad Mine (including the development of the Jabali Antenna Underground project) and the El Limon Mine have resumed since the onset of social unrest, there is the risk that the operations of the Target Subsidiaries could be materially impacted by further work stoppages due to illegal road blockades or social conflict in the future. While B2Gold has been seeking permanent solutions to avoid further disruptions, there can be no assurance that a permanent solution will be found and that following Closing the Resulting Issuer will not have to suspend operations again. Suspension of operations at the Target Assets could have a material adverse effect on the business, financial condition and results of operations of the Resulting Issuer.

The Target Subsidiaries may encounter conflicts with small scale miners which could have a material adverse effect on the Resulting Issuer's operations.

La Libertad Mine is subject to significant small scale and artisanal mining activity. The number of artisanal miners has increased as the price of gold has increased. There is a risk of conflict with the small scale miners which could materially adversely affect the operations of the Target Subsidiaries. Further development of mining activities may require the relocation and physical resettlement of artisanal miners and development plans may be impacted as a result. Any delays as a result of potential relocation or resettlement could negatively impact the Resulting Issuer and may result in additional expenses or prevent further development.

Small scale artisanal miners may use NaCN or mercury, which are toxic materials. Should an artisanal miner's NaCN or mercury leak or otherwise be discharged into the mineral properties of the Target Subsidiaries, the Resulting Issuer may become subject to liability for clean-up work that may not be insured. Related clean-up work may have a material adverse effect on the operations of the Resulting Issuer.

In Nicaragua, there is a long history of small scale miner activity throughout the country. Nicaraguan law provides that 1% of a mining concession be available for artisanal (non-mechanized) activity. At La Libertad Mine, B2Gold has executed several agreements with local cooperatives. Formerly, B2Gold processed a portion of its output from areas that were mutually agreed upon. However, this scenario has changed due to the establishment of an unaffiliated small process facility that specializes in processing artisanal miner ore. Aside from work organized as cooperatives, there is also independent artisanal mining being carried out. Artisanal miner issues are managed by a specific specialized group at La Libertad Mine, and the focus has been to ensure that it and artisanal miners coexist within the concession.

Calibre and the Target Assets are subject to anti-corruption laws and regulations and failure to comply with such laws, regulations, sanctions and measures may have a material adverse impact on the business, financial condition and results of operation of Calibre (or the Resulting Issuer).

Calibre and the Target Assets are will be subject to various U.S., Canadian and foreign anti-corruption laws and regulations such as the Canadian *Corruption of Foreign Public Officials Act*. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. According to Transparency International, Nicaragua is perceived as having fairly high levels of corruption relative to Canada. Calibre cannot predict the nature, scope or effect of future regulatory requirements to which the Resulting Issuer's operations might be subject to or the manner in which existing laws might be administered or interpreted. Failure by Calibre or the Resulting Issuer to comply with the applicable legislation and other similar foreign laws could expose it and its senior management to civil or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could materially and adversely affect the business, financial condition and results of operations of Calibre (or the Resulting Issuer). Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the business, financial condition and results of operations of Calibre (or the Resulting Issuer).

Nicaragua is, or may become, subject to or certain of its citizens are, or may become, subject to, sanctions or other similar measures imposed by individual countries, such as the United States, or the general international community through mechanisms such as the United Nations. There is the risk that individuals or entities with which the Resulting Issuer will do business could be designated or identified under such sanctions or measures. Failure by the Resulting Issuer to comply with such sanctions or measures, whether inadvertent or otherwise, could expose it and its senior management to civil or criminal penalties, becoming implicated or designated under such sanctions, becoming subject to additional remedial processes (including limitations on the Resulting Issuer's ability to carry on its business or operations in Nicaragua), legal expenses, or reputational damage, all of which could materially and adversely affect the Resulting Issuer's business, financial condition and results of operations. Calibre is and the management of the Resulting Issuer will be strongly committed to fully complying with any and all sanctions and other similar measures that affect the business of the Resulting Issuer and Nicaragua. Additional or expanded sanctions may have other impacts on Calibre (or the Resulting Issuer) and its operations.

On November 27, 2018, U.S. President Donald Trump issued an Executive Order creating a new sanctions program that targets certain persons who are found to be involved in serious human rights abuses, political repression, or public corruption in Nicaragua, as well as all persons who have served as Nicaraguan Government officials since January 10, 2007 (the "**Nicaraguan EO**"). In addition, the U.S. Government maintains other economic sanctions programs that may affect Nicaragua, including but not limited to, the Venezuelan Sanctions Regulations ("**VSR**"). On January 28, 2019, Alba de Nicaragua, S.A. (d/b/a Albanisa), which sells petroleum products in Nicaragua, and any entity in which Alba de Nicaragua, S.A. holds an interest of 50% or more, became subject to sanctions under the VSR.

Calibre is of the view that the operations of the Target Subsidiaries are not violating any sanctions imposed by the United States which may affect Nicaragua or its citizens, including, among others, the Nicaraguan EO, the VSR, and any of their related processes. However, because these situations remain in flux, there is the risk that additional individuals or entities with which the Target Subsidiaries currently engage or do business could be designated under these sanctions or become subject to other similar measures, and such could have a material adverse impact on the Target Subsidiaries and the Resulting Issuer.

A significant portion of the operations of Calibre and the Target Subsidiaries are carried out in Spanish and occur in a country with business customs that are different than those of Canada.

The business and operations of Calibre and the Target Subsidiaries are situated in Nicaragua, a country in which the principal language of business is Spanish and which has different business customs than those of Canada. Calibre and its management team have operated continuously in Nicaragua since 2007 and have an established track record of successfully navigating the linguistic and cultural challenges that accompany operating in Nicaragua. To manage these risks Calibre has appointed individuals who are fluent in both Spanish and English to key positions, including Greg Smith, the current CEO and future VP Exploration, Leslie Coe, a local director and Marc Cianci, a project geologist. The continued success of Calibre and the Target Subsidiaries will rely on their ability and the ability of management and employees to operate successfully in both Spanish and English and with regard to both Nicaraguan and Canadian business practices.

Risks Relating to Mining Operations and Operating in the Mining Industry

The Target Assets will be subject to operating risks associated with the mining and metals industry.

The Target Assets will be subject to risks normally encountered in the mining and metals industry. Such risks include, without limitation, environmental hazards, industrial accidents, labour disputes, changes in laws, taxation, technical difficulties or failures, late delivery of supplies or equipment, unusual or unexpected geological formations or pressures, cave-ins, pit-wall failures, rock falls, unanticipated ground, grade or water conditions, flooding, periodic or extended interruptions due to the unavailability of materials and *force majeure* events. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining or processing, losses and possible legal liability. Any prolonged downtime or shutdowns at Calibre's (or the Resulting Issuer's) mining or processing operations could materially adversely affect business, results of operations, financial condition and liquidity.

Undue reliance should not be placed on estimates of Mineral Reserves and Mineral Resources, since these estimates are subject to numerous uncertainties. Actual Mineral Reserves could be lower than Mineral Reserve estimates and

Mineral Resources may never be converted into Mineral Reserves, which could adversely affect the operating results and financial condition of Calibre (or the Resulting Issuer).

Calibre (or the Resulting Issuer) will be required to continually replace and expand its Mineral Reserves and any necessary associated surface rights as the mines produce gold. The LoM estimates for each of the operating mines are based on best estimates in respect of Mineral Reserves and Mineral Resources given the information available to Calibre and may not be correct.

Actual ore mined may vary from estimates of grade, tonnage, dilution and metallurgical and other characteristics and there is no assurance that the indicated level of recovery will be realized or that Mineral Reserves could be mined or processed profitably. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the control of Calibre or the Resulting Issuer. Such estimation is a subjective process, and the 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 judgments used in engineering and geological interpretation. Short-term operating factors relating to the Mineral Reserves, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause the mining operation to be unprofitable in any particular accounting period. In addition, there can be no assurance that gold recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

In addition, fluctuation in gold prices, results of drilling, metallurgical testing and production, increases in capital and operating costs, including the cost of labour, equipment, fuel and other required inputs and the evaluation of mine plans after the date of any estimate may require revision of such estimate. Any material reductions in estimates of Mineral Reserves and Mineral Resources, or of Calibre's (or the Resulting Issuer's) ability to extract these Mineral Reserves, could have a material adverse effect on its results of operations and financial condition.

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Due to uncertainty that may attach to Inferred Mineral Resources, Inferred Mineral Resources may not be upgraded to Measured and Indicated Mineral Resources or Proven and Probable Reserves as a result of continued exploration. The projections regarding continuing operations and production at La Libertad Mine beyond Mineral Reserves are based on the assumption that the Resulting Issuer will be able to mine certain Mineral Resources, including Inferred Resources, that have not been classified as Mineral Reserves. Inferred Mineral Resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is no certainty that such projections will be realized. Although the Target Subsidiaries have been successful in converting Mineral Resources to Mineral Reserves in the past, there is no certainty of converting Mineral Resources to Mineral Reserves in the future.

Changes in the price of gold and other metals in the world markets, which can fluctuate widely, will significantly affect the profitability of the operations and financial condition of the Resulting Issuer and its ability to develop new mines.

The profitability of the Resulting Issuer's operations will be significantly affected by changes in the market price of gold and other mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Resulting Issuer, including interest rates; the rate and anticipated rate of inflation; world supply of mineral commodities; consumption patterns; purchases and sales of gold by central banks; forward sales by producers; production costs; demand from the jewelry industry; speculative activities; stability of exchange rates; the relative strength of the U.S. dollar and other currencies; changes in international investment patterns; monetary systems; and political and economic events.

The price of gold decreased by approximately 2% over the most recently completed fiscal year, with a decrease in the price from US$1312/oz on January 1, 2018 to US$1,282/oz on December 31, 2018. As of the date of the Information Circular, gold prices had increased to US$1519/oz. Price declines could cause commercial production or the development of new mines to be impracticable or unpredictable. If gold prices decline significantly, or decline for an extended period of time, the Resulting Issuer might not be able to continue its operations, develop its properties, or fulfill its obligations under its permits and licenses, or under its agreements with partners. This could result in the Resulting Issuer losing its interest in some or all of its properties, or being forced to cease operations or development activities or to abandon or sell properties, which could have a negative effect on the Resulting Issuer's profitability and cash flow.

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

Mining is inherently dangerous and subject to conditions or events beyond the Resulting Issuer's control, including problems related to weather and climate in remote areas in which certain of its operations will be located, which could have a material adverse effect on the Resulting Issuer's business, and mineral exploration is speculative and uncertain.

Mining operations generally involve a high degree of risk. The Resulting Issuer's operations will be subject to all the hazards and risks normally encountered in the production of gold, including: unusual and unexpected geologic formations; seismic activity; rock bursts; cave-ins or slides; flooding; pit wall failure; periodic interruption due to inclement or hazardous weather conditions; and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, personal injury or death, damage to property, environmental damage and possible legal liability. Milling operations are subject to hazards such as fire, equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

Certain of the Resulting Issuer's operations will be located in remote areas and are affected by adverse climate issues, resulting in technical challenges for conducting both geological exploration and mining operations. Although the Resulting Issuer will expect to benefit from modern mining technology, it may sometimes be unable to overcome problems related to weather and climate either expeditiously or at a commercially reasonable cost, which could have a material adverse effect on its business, results of operations and financial condition.

Mineral exploration and development involves significant risks and uncertainties, which could have a material adverse effect on the Resulting Issuer's business, results of operations and financial condition.

The business plans and projections of the Resulting Issuer will rely significantly on the planned development of its non-producing properties. The development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines and no assurance can be given that minerals will be discovered in sufficient quantities or having sufficient grade to justify commercial operations or that funds required for development can be obtained on a timely basis. Major expenses may be required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs the Resulting Issuer or any of its joint venture partners plan will result in a profitable commercial mining operation.

Properties not yet in production, starting production or slated for expansion, are subject to higher risks as new mining operations often experience unexpected problems during the start-up phase, and production delays and cost adjustments can often happen. Further, feasibility studies, pre-feasibility studies, and preliminary economic assessments contain project-specific estimates of future production, which are based on a variety of factors and assumptions. There is no assurance that such estimates will be achieved and the failure to achieve production or cost estimates or material increases in costs could have a material adverse effect on its future cash flows, profitability, results of operations and financial condition and the Resulting Issuer's share price.

In addition, developments are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines including building mining and processing facilities for new properties are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build the mine. The project development schedules are also dependent on obtaining the governmental approvals and permits necessary for the operation of a mine which is often beyond the Resulting Issuer's control. It is not unusual in the mining industry for new mining operations to experience unexpected problems during the start-up phase, resulting in delays and requiring more capital than anticipated. There is no assurance that there will be sufficient availability of funds to finance construction and development activities, particularly if unexpected problems arise.

Other risks associated with mineral exploration and development include but are not limited to: the availability and costs of skilled labour and the ability of key contractors to perform services in the manner contracted for; unanticipated changes in grade and tonnage of ore to be mined and processed; unanticipated adverse geotechnical and geological conditions; incorrect data on which engineering assumptions are made; potential increases in construction and operating costs due to shortages of and/or changes in the cost of fuel, power, materials, security and supplies; adequate access to the site and unanticipated transportation costs or disruptions; potential opposition or obstruction from non-governmental organizations, environmental groups or local groups which may delay or prevent development activities; equipment failures; natural phenomena; exchange rate and commodity price fluctuations; high rates of inflation; civil disobedience, protests and acts of civil unrest or terrorism; applicable taxes and restrictions or regulations imposed by governmental or regulatory authorities or other changes in the regulatory environments; and other risks associated with mining described herein.

The combination of these factors may result in the Resulting Issuer being unable to develop its non-producing properties, to achieve or maintain historical or estimated production, revenue or cost levels, or to receive an adequate return on invested capital, which could have a material adverse effect on its business results of operations and financial condition.

Mineral rights or surface rights to the Resulting Issuer's properties could be challenged, and, if successful, such challenges could have a material adverse effect on its production and results of operations.

The Resulting Issuer's ability to carry out successful mineral exploration and development activities and mining operations will depend on a number of factors including compliance with its obligations with respect to acquiring and maintaining title to its interest in certain properties. The acquisition of title to mineral properties is a very detailed and time-consuming process. No guarantee can be given that the Resulting Issuer will be in a position to comply with all such conditions and obligations, or to require third parties to comply with their obligations with respect to such properties. Furthermore, while it is common practice that permits and licenses may be renewed, extended or transferred into other forms of licenses appropriate for ongoing operations, no guarantee can be given that a renewal, extension or a transfer will be granted to the Resulting Issuer or, if they are granted, that it will be in a position to comply with all conditions that are imposed. A number of the Target Subsidiaries' interests are the subject of pending applications to register assignments, extend the term, and increase the area or to convert licenses to concession contracts and there is no assurance that such applications will be approved as submitted.

The interests in the Resulting Issuers properties may not be free from defects or the material contracts between it and the entities owned or controlled by a foreign government may be unilaterally altered or revoked. There can be no assurances that the Resulting Issuer's rights and title interests will not be revoked or significantly altered to its detriment. There can be no assurances that the Resulting Issuers rights and title interests will not be challenged or impugned by third parties. The Resulting Issuer's interests in properties may be subject to prior unregistered liens, agreements, claims or transfers and title may be affected by, among other things, undetected defects or governmental actions.

The Resulting Issuer requires licenses, permits and approvals from governmental authorities to conduct its operations, the failure to obtain or loss of which could have a material adverse effect on its business.

The Resulting Issuers mining operations in Nicaragua, and its exploration and development projects are subject to receiving and maintaining licenses, permits and approvals from appropriate governmental authorities. Although such mining operations currently have all required licenses, permits and approvals that Calibre believes are necessary for operations as currently conducted, no assurance can be provided that the Resulting Issuer will be able to maintain and renew such permits or obtain any other permits that may be required.

In the past the Target Subsidiaries have experienced challenges to permits that were temporarily successful and delays in the renewal of certain permits. There is no assurance that delays will not occur in connection with obtaining necessary renewals of authorizations for existing operations, additional licenses, permits and approvals for future operations, or additional licenses, permits and approvals associated with new legislation. An inability to obtain or conduct mining operations pursuant to applicable authorizations would materially reduce production and cash flow and could undermine profitability of the Resulting Issuer.

The Resulting Issuer is subject to risks relating to environmental regulations and its properties may be subject to environmental hazards, which may have a material adverse effect on its business, operations and financial condition.

The Resulting Issuers operations will be subject to local laws and regulations in Nicaragua regarding environmental matters, including, without limitation, the renewal of environmental clearance certificates, the use or abstraction of water, land use and reclamation, air quality and the discharge of mining wastes and materials. Any changes in these laws could affect the Resulting Issuer's operations and economics. Environmental laws and regulations change frequently, and the implementation of new, or the modification of existing, laws or regulations could harm the Resulting Issuer. Calibre cannot predict how agencies or courts in Nicaragua will interpret existing laws and regulations or the effect that these adoptions and interpretations may have on the Resulting Issuer's business or financial condition.

The Resulting Issuer may be required to make significant expenditures to comply with governmental laws and regulations. Any significant mining operations will have some environmental impact, including land and habitat impact, arising from the use of land for mining and related activities, and certain impact on water resources near the project sites, resulting from water use, rock disposal and drainage run-off. The Resulting Issuer may also acquire properties with known or undiscovered environmental risks. Any claim against or indemnification from the entity from whom it has acquired such properties may not be adequate to pay all the fines, penalties and costs (such as clean-up and restoration costs) incurred related to such properties.

Some of the Resulting Issuer's properties have been used for mining and related operations for many years before it acquired them and were acquired as is or with assumed environmental liabilities from previous owners or operators. The Resulting Issuer may be required to address contamination, either for existing environmental conditions or for leaks or discharges that may arise from its ongoing operations or other contingencies. Contamination from hazardous substances, either at the Resulting Issuer's own properties or other locations for which it may be responsible, may subject it to liability for the investigation or remediation of contamination, as well as for claims seeking to recover for related property damage, personal injury or damage to natural resources. The occurrence of any of these adverse events could have a material adverse effect on the Resulting Issuer's future growth, results of operations and financial position.

Resulting Issuer production may involve the use of NaCN, which is a toxic material. Should NaCN leak or otherwise be discharged from the containment system, the Resulting Issuer may become subject to liability for clean-up work that may not be insured. While appropriate steps will be taken to prevent discharge of pollutants into the ground water and the environment, the Resulting Issuer may become subject to liability for hazards that it may not be insured against and such liability could be material.

While Calibre believes that the Target Subsidiaries do not currently have any material unrecognized risks under environmental obligations, exploration, development and mining activities may give rise in the future to significant liabilities on the part of the Target Subsidiaries to the government and third parties and may require the Resulting Issuer to incur substantial costs of remediation. Additionally, Calibre does not, and the Resulting Issuer will not maintain insurance against environmental risks. As a result, any claims against the Resulting Issuer may result in liabilities that it will not be able to afford, resulting in the failure of the business.

In some jurisdictions, forms of financial assurance are required as security for reclamation activities. The cost of reclamation activities may materially exceed provisions for them, or regulatory developments or changes in the assessment of conditions at closed operations may cause these costs to vary substantially, from prior estimates of reclamation liabilities.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration operations may be required to compensate those suffering loss or damage by reason of the exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. Amendments to current laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in expenditures and costs or require abandonment or delays in developing new mining properties.

The mining operations of the Target Subsidiaries are energy intensive and use large amounts of diesel fuel and electric power. The physical effects of climate change, which may include extreme weather events, resource shortages, changes in rainfall and storm patterns, water shortages, changing sea levels and temperatures, higher temperatures, and extreme weather events, may have an adverse effect on the Resulting Issuer's operations. Events or conditions such as flooding or inadequate water supplies could disrupt mining and transport operations, mineral processing and rehabilitation efforts, could create resource shortages and could damage the Resulting Issuer's property or equipment and increase health and safety risks on mining sites. Such events or conditions could also have other adverse effects on operations, the workforce and on the local communities surrounding the Target Assets, such as an increased risk of food insecurity, water scarcity, civil unrest and the prevalence of disease.

Furthermore, the operations of the Resulting Issuer will depend on consistent supplies of essential commodities and other essential inputs to operate efficiently. In the event that the effects of climate change, including extreme weather events, cause prolonged disruptions to the delivery of essential commodities and other essential inputs or affect the prices or availability thereof, production may be reduced, delayed or halted, and as a result the profitability of the Resulting Issuer may be materially affected.

The key sources for direct GHG emissions at the operations of the Target Subsidiaries are from electricity to operate the processing plants (from crushing and grinding to leaching, electrowinning and smelting) and the fuel for mobile equipment. The La Libertad and El Limon operations purchase their electricity from the grid with diesel powered back-up. The level of emissions of GHG certain operations emit fluctuates and varies from operation to operation. Furthermore, one-off projects or endeavours, such as the construction of a new mine, may also result in an acute increase in GHG emissions above those generally emit during ongoing and regular operations.

Currently, a number of governments or governmental bodies throughout the globe have introduced or are contemplating regulatory changes in response to the potential impacts of climate change in an effort to curb GHG emissions. Additionally, ongoing international negotiations may result in the introduction of climate change regulations or frameworks on an international scale. These, and the costs associated with complying with such kind of measures, may have an adverse impact on operations and the profitability of the business.

Overall, Calibre views climate change as an increasingly important global challenge for businesses and communities alike. Accordingly, Calibre is committed to promoting responsible energy use through improved efficiencies and, where there is a business case, adopting fuel alternatives and renewables.

The Resulting Issuer will be subject to risks related to community relations and community action, including aboriginal and local community title claims and rights to consultation and accommodation, which may affect its operations and development projects.

As a mining business, Calibre may come under pressure in the jurisdictions in which it operates or will operate in the future, demonstrate that other stakeholders (including employees, communities surrounding operations and the country in which it operates) benefit and will continue to benefit from its commercial activities, and that it operates in a manner that will minimize any potential damage or disruption to the interests of those stakeholders. The Resulting Issuer may face opposition with respect to its current and future development and exploration projects which could materially adversely affect its business, results of operations and financial condition.

Governments in many jurisdictions must consult with Aboriginal peoples and local communities with respect to grants of mineral rights and the issuance or amendment of project authorizations. Consultation and other rights of Aboriginal people and local communities frequently require accommodations, including undertakings regarding employment, royalty payments and other matters. This may affect the Resulting Issuer's ability to acquire within a reasonable time frame effective mineral titles, permits or licenses in these jurisdictions and may affect the timetable and costs of development of mineral properties in these jurisdictions.

Further, certain non-governmental organizations, some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances in processing activities. Adverse publicity generated by such organizations or others related to extractive industries generally, or the Resulting Issuer's operations specifically, could have an adverse effect on the Resulting Issuer's reputation and financial condition and may impact its relationship with the communities in which it operates. They may also attempt to disrupt the Resulting Issuer's operations.

Failure by the Resulting Issuer to achieve production, cost and other estimates could have a material adverse effect on its future cash flows, profitability, results of operations and financial condition.

This Information Circular and certain other public disclosure contains guidance and estimates of future production, operating costs, capital costs and other economic and financial measures with respect to the Nicaraguan Subsidiaries and certain of the Resulting Issuer's exploration and development stage projects. The estimates can change or the Resulting Issuer may be unable to achieve them. Actual production, costs, returns and other economic and financial performance may vary from the estimates depending on a variety of factors, many of which will not be within the Resulting Issuer's control. These factors include, but are not limited to: actual ore mined varying from estimates of grade, tonnage, dilution, and metallurgical and other characteristics; short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades from those planned; mine failures, slope failures or equipment failures; accidents; natural phenomena such as inclement weather conditions, floods, droughts, rock slides and earthquakes; encountering unusual or unexpected geological conditions; changes in power costs and potential power shortages; exchange rate and commodity price fluctuations; price changes or shortages of principal supplies needed for operations, including explosives, fuels, water and equipment parts; labour shortages or strikes; litigation; regional or national instability, imposition of sanctions, insurrection, civil war or acts of terrorism; suspensions or closures imposed by governmental authorities; civil disobedience and protests; failure to comply with applicable regulations or new restrictions or regulations imposed by governmental or regulatory authorities; permitting or licensing issues; and shipping interruptions or delays.

The Resulting Issuer may be unable to compete successfully with other mining companies.

The mining industry is intensely competitive in all of its phases, and the Resulting Issuer will compete with many companies possessing greater financial resources and technical facilities than it does with respect to the discovery and acquisition of interests in mineral properties, and the recruitment and retention of qualified employees and other persons to carry out mineral production and exploration activities. Competition in the mining industry could adversely affect the Resulting Issuers prospects for mineral exploration and development in the future, which could have a material adverse effect on its revenues, operations and financial condition.

Other Risks Relating to the Business and Operations of the Resulting Issuer

The Resulting Issuer may be subject to significant capital requirements associated with the operation of the Target Assets.

Calibre must generate sufficient internal cash flows or be able to utilize available financing sources to finance its growth and sustain capital requirements. If Calibre does not realize satisfactory prices for the gold that the El Limon Mine and La Libertad Mine produce, it could be required to raise very significant additional capital through the capital markets or incur significant borrowings to meet its capital requirements. These financing requirements could adversely affect Calibre's credit ratings and its ability to access the capital markets in the future to meet any external financing requirements Calibre might have. If there are significant delays in when these projects are completed and are producing on a commercial and consistent scale, or their capital costs were to be significantly higher than estimated, these events could have a significant adverse effect on Calibre's results of operations, cash flow from operations and financial condition.

Operations of the Target Subsidiaries would be adversely affected if the Resulting Issuer fails to maintain satisfactory labour relations.

Production at the mining operations of the Target Subsidiaries has been dependent upon the efforts of the Target Subsidiaries and their employees and their relations with unionized and non-unionized employees. Some of the employees of the Target Subsidiaries are represented by labour unions under various collective labour agreements. The collective bargaining agreement covering the workers at El Limon Mine is effective until October 22, 2020. The collective bargaining agreement covering the workers at La Libertad Mine is effective until December 31, 2019. A new agreement was signed in January of 2018. Any of the parties involved may present a draft of a new collective bargaining agreement with 60 days prior to expiration date, although the existing collective bargaining agreement will continue in effect until a new one has been approved. The Resulting Issuer may not be able to satisfactorily renegotiate these collective labour agreements when they expire and may face tougher negotiations or higher wage demands than would be the case for non-unionized labour. In addition, existing labour agreements may not prevent a strike or work stoppage at facilities of the Target Subsidiaries in the future. In addition, relations between the Resulting Issuer and its employees may be affected by changes in the scheme of labour relations that may be introduced by the governments in Nicaragua. Changes in such legislation or in the relationship between the Resulting Issuer and its employees may have a material adverse effect on the business, financial condition and results of operations of the Resulting Issuer.

Operations at El Limon and La Libertad have been disrupted by work stoppages in the past due to illegal road blockades. The Target Subsidiaries and the Resulting Issuer will continue to seek a permanent solution to avoid further disruptions; however, there can be no assurance that a permanent solution will be found and that the Resulting Issuer will not have to suspend operations again. Suspension of the Resulting Issuer's operations at the mines or properties could have a material adverse effect on the business, financial condition and results of operations.

The market price of Resulting Issuer Shares may be volatile.

The Resulting Issuer Shares will be publicly traded and are subject to various factors that may make the share price volatile, which may result in losses to investors. The market price of Resulting Issuer Shares may increase or decrease in response to a number of events and factors, including as a result of the risk factors described herein.

In addition, the global stock markets and prices for mining company shares have experienced volatility that often has been unrelated to the operating performance of such companies. These market and industry fluctuations may adversely affect the market price of the Resulting Issuer Shares, regardless of its operating performance.

The Resulting Issuer may be subject to litigation risks which could have a material adverse effect on its business, results of operations and financial position.

All industries, including the mining industry, are subject to legal claims, with and without merit. The Resulting Issuer will be, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. In addition, companies like ours that have experienced volatility in their share price have been subjected to class action securities litigation by shareholders. Defense and settlement costs can be substantial, even for claims that are without merit. Due to the inherent uncertainty of the litigation process, the litigation process could take away from management time and effort and the resolution of any particular legal proceeding to which the Resulting Issuer may become subject could have a material adverse effect on the business, results of operations and financial position of the Resulting Issuer.

Furthermore, in the event of a dispute arising from the activities of the Resulting Issuer, it may be subject to the exclusive jurisdiction of courts or arbitral proceedings outside of North America or may not be successful in subjecting persons to the jurisdiction of courts in North America, either of which could unexpectedly and adversely affect the outcome of a dispute.

The operations of the Resulting Issuer will be subject to stringent laws and regulations, which could significantly limit its ability to conduct its business.

The Resulting Issuer's activities will be subject to stringent laws and regulations governing, among other things, prospecting, development and production; imports and exports; taxes; labour standards, occupational health and mine safety; mineral tenure, land title and land use; water and air quality regulations; protection of endangered and protected species; social legislation; and other matters.

Compliance with these laws may require significant expenditures. If the Resulting Issuer is are unable to comply fully, it may be subject to enforcement actions or other liabilities (including orders issued by regulatory or judicial authorities causing operations to cease, be suspended or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions) or its image may be harmed, all of which could materially affect its operating costs, delay or curtail its operations or cause the Resulting Issuer to be unable to obtain or maintain required permits. There can be no assurance that the Resulting Issuer will be at all times in compliance with all applicable laws and regulations, that compliance will not be challenged or that the costs of complying with current and future laws and regulations will not materially or adversely affect its business, operations or results.

New laws and regulations, amendments to existing laws and regulations or administrative interpretation, or more stringent enforcement of existing laws and regulations, whether in response to changes in the political or social environment the Resulting Issuer operates in or otherwise, could have a material and adverse effect on the Resulting Issuer's future cash flow, results of operations and financial condition.

The Resulting Issuer may be unable to generate sufficient cash to service its debt, the terms of the agreements governing its debt may restrict the Resulting Issuer's current or future operations and the indebtedness may have a material adverse effect on the Resulting Issuer's financial condition and results of operations.

The Resulting Issuer's ability to make scheduled payments on any indebtedness will depend on its financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond its control. If the Resulting Issuer's cash flows and capital resources are insufficient to fund its debt service obligations, the Resulting Issuer could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance the Resulting Issuer's indebtedness. The Resulting Issuer may not be able to effect any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternatives may not allow the Resulting Issuer to meet its scheduled debt service obligations.

In addition, a breach of the covenants, including the financial covenants under any debt instrument from time to time could result in an event of default under the applicable indebtedness. Such a default may allow the creditors to impose default interest rates or accelerate the related debt, which may result in the acceleration of any other debt to which a cross acceleration or cross default provision applies. In the event a lender accelerates the repayment of the Resulting Issuer's borrowings, the Resulting Issuer may not have sufficient assets to repay its indebtedness.

Further, the Resulting Issuer's maintenance of its debt could adversely affect its financial condition and results of operations and could adversely affect its flexibility to take advantage of corporate opportunities. The Resulting Issuer's indebtedness could have important consequences, including:

- limiting the Resulting Issuer's ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements, or requiring the Resulting Issuer to make nonstrategic divestitures;

- requiring a substantial portion of the Resulting Issuer's cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes;

- increasing the Resulting Issuer's vulnerability to general adverse economic and industry conditions;

- exposing the Resulting Issuer to the risk of increased interest rates for any borrowings at variable rates of interest;

- limiting the Resulting Issuer's flexibility in planning for and reacting to changes in the industry in which it competes;

- placing the Resulting Issuer at a disadvantage compared to other, less leveraged competitors; and

- increasing the Resulting Issuer's cost of borrowing.

The Resulting Issuer may not be able to obtain additional financing on acceptable terms, or at all.

Future exploration, development, mining, and processing of minerals from the Resulting Issuer's properties, or repayment of current or future indebtedness, could require substantial additional financing. No assurances can be given that the Resulting Issuer will be able to raise the additional funding that may be required for such activities or repayment of indebtedness, should such funding not be fully generated from operations. To meet such funding requirements, the Resulting Issuer may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may involve certain restrictions on operating activities or other financings. There is no assurance that such equity or debt financing will be available to the Resulting Issuer or that it would be obtained on terms favourable, if at all, which may adversely affect the business and financial position of the Resulting Issuer. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development, or production on any or all of the Resulting Issuer's properties, or even a loss of property interests.

Fluctuations in the price and availability of infrastructure and energy and other commodities could impact profitability and development of projects.

Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The inability to secure adequate water and power resources as well as other events outside of Calibre's or the Resulting Issuer's control, such as unusual or infrequent weather phenomena, sabotage, terrorism, community, or government or other interference in the maintenance or provision of such infrastructure, or failure to maintain or extend such infrastructure, could adversely affect operations, financial condition and results of operations.

Profitability is affected by the market prices and availability of commodities that the Target Subidiaries use or consume in operations and development projects. Prices for commodities like diesel fuel, electricity, steel, concrete, and chemicals (including cyanide) can be volatile, and changes can be material, occur over short periods of time and be affected by factors beyond the Resulting Issuer's control. Operations use a significant amount of energy and depend on suppliers to meet those needs. Higher costs for such required commodities and construction materials, including as a result of increased taxes on such commodities or construction materials or tighter supplies thereof, can affect the timing and cost of development projects, and the Resulting Issuer may decide that it is not economically feasible to continue some or all of its commercial production and development activities, which could have an adverse effect on profitability.

Higher worldwide demand for critical resources like input commodities, drilling equipment, tires and skilled labour could affect the Resulting Issuer's ability to acquire them and lead to delays in delivery and unanticipated cost increases, which could have an effect on operating costs, capital expenditures and production schedules.

Calibre is and the Resulting Issuer will be subject to taxation in a number of different jurisdictions, and adverse changes to the taxation laws of such jurisdictions or unanticipated tax consequences of corporate reorganizations, could have a material adverse effect on performance and profitability.

Calibre is and the Resulting Issuer will be subject to the taxation laws of a number of different jurisdictions. These taxation laws are complicated and subject to changes and are subject to review and assessment in the ordinary course. Any changes in taxation law or reviews and assessments could result in higher taxes being payable by the Resulting Issuer, which could adversely affect performance and profitability. Taxes may also adversely affect the ability to repatriate earnings and otherwise deploy the Resulting Issuer's assets. Governments have used new or increased taxes applicable to the mining industry, such as income taxes, excise taxes and royalties, to raise government revenue.

While Calibre has implemented initiatives to assess the impact of new and potential tax changes or reforms on its business and operations, it has no control over the adoption or implementation of any proposed legislative amendments, or the final form of any such tax changes which may or may not be as anticipated. Also, governments have proposed tax amendments in the past and ultimately not followed through with them or ultimately adopted amendments after significant modification. Accordingly, the timing and impact of any tax changes or reforms (including those described above), if adopted, and the extent to which they may affect the Resulting Issuer, which may be material and adverse, is not presently known. Further, there can be no assurance the Resulting Issuer will be able to undertake steps to mitigate the effects of such tax changes in an effort to preserve or promote the economic performance of the Resulting Issuer.

The Target Subsidiaries have also recently completed and may complete in the future, corporate reorganizations and reorganizations of the entities holding its projects. In the event that such reorganizations result in the imposition of an unanticipated tax or penalty, it may have a material adverse effect on the Resulting Issuer. The Resulting Issuer may also be subject to ongoing tax audits from time to time. Adverse results of such tax audits may have a negative effect on the operations of the Resulting Issuer.

The Resulting Issuer's insurance will not cover all potential losses, liabilities and damages related to its business and certain risks are uninsured or uninsurable.

Although the Resulting Issuer will maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, the Resulting Issuer's insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all risks and the Resulting Issuer may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution or other hazards as a result of exploration and production is not generally available to the Resulting Issuer or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Resulting Issuer to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Calibre depends and the Resulting Issuer will depend on key personnel and if the Resulting Issuer is unable to attract and retain such personnel it could have an adverse effect on its operations.

Calibre is and the Resulting Issuer will be dependent upon the services of key officers, employees, outside contractors and consultants. Locating and developing mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration, development and production personnel involved. The loss of these persons or the inability of the Resulting Issuer to attract and retain additional highly-skilled employees may adversely affect its business and future operations. Calibre has not purchased any "key-man" insurance with respect to any of its officers or key employees and has no current plans to do so.

The Resulting Issuer may experience failures of information systems or information security threats.

The Target Subsidiaries have entered into agreements with third parties for hardware, software, telecommunications and other information technology ("**IT**") services in connection with its operations. Operations will depend, in part, on how well the Resulting Issuer and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, vandalism and theft. Operations will also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses, which may adversely impact the Resulting Issuer's reputation and results of operations.

Although to date the Target Subsidiaries have not experienced any known material losses relating to cyber-attacks or other information security breaches, there can be no assurance that they will not incur such losses in the future. As cyber threats continue to evolve, the Resulting Issuer may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

The Resulting Issuer's reputation may be negatively affected by social media and other web-based applications that are beyond the Resulting Issuer's control.

As a result of the increased usage and the speed and the global reach of social media and other web-based applications used to generate, publish and discuss user-generated content and to connect with others, the Resulting Issuer will be at a much greater risk of losing control over how it is perceived by the public.

Damage to the Resulting Issuer's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether credible, factual, true or not. While the Resulting Issuer will plan to place a great emphasis on protecting and nurturing its strong reputation, it will not ultimately have direct control over how it is perceived by others, including how it is viewed on social media and other web-based applications.

Harm to the Resulting Issuer's reputation (which could be promulgated through social media and other web-based applications) may lead to increased challenges in developing and maintaining investor confidence and stakeholder relations, and could act as an obstacle to the Resulting Issuer's overall ability to maintain its current operations, to advance its projects, and to procure capital from investors, which could have a material adverse effect on its business.

The Resulting Issuer may be unable to identify appropriate acquisition targets or complete desirable acquisitions, and Calibre may be unsuccessful in integrating businesses and assets that it has acquired or may acquire in the future.

As part of its business strategy, Calibre has sought and will continue to seek new operating and development opportunities in the mining industry. In pursuit of such opportunities, Calibre may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into the business. There can be no assurance that Calibre can complete any acquisition or business arrangement that it pursues, or is pursuing, on favorable terms, if at all, or that any acquisitions or business arrangements completed will ultimately benefit the business.

Acquisitions are accompanied by risks, such as a significant decline in the relevant metal price after a commitment to complete an acquisition on certain terms is made; mining operations not meeting production or cost estimates; the quality of the mineral deposit acquired proving to be lower than expected; the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of ongoing business; the inability of management to realize anticipated synergies and maximize financial and strategic position; the failure to maintain uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential for unknown or unanticipated liabilities associated with acquired assets and businesses, including tax, environmental or other liabilities. There can be no assurance that acquired businesses or assets will be profitable, that Calibre will be able to integrate the acquired businesses or assets successfully or that Calibre will identify all potential liabilities during the course of due diligence. Any of these factors could have a material adverse effect on the business, expansion, results of operations and financial condition of Calibre or the Resulting Issuer.

Calibre had paid no dividends to date and may not pay dividends in the future.

No dividends on the Calibre Shares have been paid by Calibre to date. Calibre currently plans to retain all future earnings and other cash resources, if any, for the future operation and development of its business. Payment of any future dividends, if any, will be at the discretion of the Calibre Board (or the Resulting Issuer Board, as applicable) after taking into account many factors, including Calibre's (or the Resulting Issuer's) operating results, financial condition and current and anticipated cash needs.

GENERAL MATTERS

Agent Relationship

Calibre is carrying out the Subscription Receipt Private Placement in connection with the Transaction. On July 2, 2019, Calibre entered into an engagement letter with the Co-Lead Agents, on behalf of the Agents in respect of the best efforts Subscription Receipt Private Placement. An agency agreement governing the terms of the Subscription Receipt Private Placement will be entered into concurrently with the closing of the Subscription Receipt Private Placement. Under such agency agreement, the Agents will receive a cash commission of 5.0% of the gross proceeds from the Subscription Receipt Private Placement, except for that portion of the gross proceeds which is subject to Finder's Fees, where the commission payable to the Agents will be 2.0% of the gross proceeds. Note that under the Subscription Receipt Private Placement, the Agent's have the option to receive their cash commission in Calibre Shares, which could result in the issuance of up to 9,602,500 Calibre Shares (assuming the Agent's Option is exercised in full).

Experts

Opinions

PricewaterhouseCoopers LLP audited the financial statements of Calibre for its financial years ended December 30, 2018 and 2017 and the financial statements of the Target Assets for the financial years ended December 30, 2018 and 2017. PricewaterhouseCoopers LLP confirms its independence within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

Information of a scientific or technical nature regarding the Target Assets has been provided by Scott C. Ladd, P. Eng, Wayne W. Valliant, P. Geo., Brenna J.Y. Scholey, P.Eng., José M. Texidor Carlsson, M.Sc., P.Geo and Stephan Theben, Dipl.-Ing. each of whom is a "qualified person" pursuant to NI 43-101**.**

Interest of Experts

To Calibre's knowledge, no person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Information Circular or as having prepared or certified a report or valuation described or included in this Information Circular, holds more than 1% beneficial interest, direct or indirect, in any securities or property of Calibre, B2Gold or the Resulting Issuer or an Associate or Affiliate of the foregoing, and no such person is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any Associate or Affiliate of the Resulting Issuer. PricewaterhouseCoopers LLP is excluded from this statement.

Board Approval

The contents and sending of this Information Circular have been approved by the Calibre Board. Where information contained in this Information Circular rests particularly within the knowledge of a person or company other than Calibre, Calibre has relied upon information furnished by such person or company.

CERTIFICATE OF CALIBRE MINING CORP.

Dated: August 30, 2019

The foregoing document constitutes full, true and plain disclosure of all material facts relating to the securities of Calibre Mining Corp. assuming completion of the proposed Transaction.

(signed) "***Greg Smith***"	(signed) "***Kristian Dagsaan***"
GREG SMITH	**KRISTIAN DAGSAAN**
Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) "***Blayne Johnson***"	(signed) "***Douglas Forester***"
BLAYNE JOHNSON	**DOUGLAS FORSTER**
Director	Director

APPENDIX “A” –
FINANCIAL STATEMENTS AND MD&A OF CALIBRE

CALIBRE MINING CORP

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

Independent auditor's report

To the Shareholders of Calibre Mining Corp.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Calibre Mining Corp. and its subsidiaries (together, the Company) as at December 31, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

What we have audited
The Company's consolidated financial statements comprise:

- the consolidated balance sheets as at December 31, 2018 and 2017;
- the consolidated statements of loss and comprehensive income (loss) for the years then ended;
- the consolidated statements of changes in shareholders' equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

pwc

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Dean Larocque.

(signed) PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 25, 2019

Calibre Mining Corp.

(An Exploration Stage Company)

Consolidated Balance Sheets

As at December 31

(Expressed in Canadian Dollars)

	Note		2018		2017
ASSETS					
Current					
Cash and cash equivalents		$	4,760,582	$	2,899,936
Receivables			12,923		198,374
Marketable securities			5,430		6,337
Prepaid deposits and advances			80,846		170,271
			4,859,781		3,274,918
Non-current					
Property and equipment	6		303,090		291,981
Exploration and evaluation assets	7		29,889,603		25,267,258
		$	35,052,474	$	28,834,155
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade and other payables		$	936,940	$	983,522
Shareholders' equity					
Share capital			48,171,319		45,016,341
Contributed surplus			18,314,540		16,278,116
Foreign currency translation reserve			4,192,262		1,905,318
Accumulated other comprehensive loss			(5,636)		(4,751)
Accumulated deficit			(36,556,952)		(35,344,391)
			34,115,534		27,850,633
		$	35,052,474	$	28,834,155

Commitments – Note 12

On behalf of the Board:

"Douglas Forster" Director

"Edward Farrauto" Director

The accompanying notes are an integral part of these consolidated financial statements.

Calibre Mining Corp.

(An Exploration Stage Company)
Consolidated Statements of Loss and Comprehensive Income (Loss)
Years Ended December 31
(Expressed in Canadian Dollars)

	2018	2017
Expenses		
Amortization	$ 4,324	$ 3,356
Audit and accounting fees	75,800	93,186
Bank charges and interest	6,041	1,360
Consulting fees	569,883	319,077
Insurance	33,947	36,738
Legal fees	32,430	17,482
Marketing	5,392	13,867
Office, postage and printing	36,005	34,908
Rent	106,543	101,882
Salaries and wages	262,448	254,461
Share based compensation	189,506	1,056,413
Shareholder relations	17,274	10,143
Telephone and utilities	6,743	7,305
Trade shows and conferences	104,078	165,636
Transfer agent and regulatory fees	24,032	30,041
Travel	14,724	2,665
	(1,489,170)	(2,148,520)
Other Income (Expenses)		
Foreign exchange gain (loss)	77,963	(77,808)
Interest paid in shares *(Note 9(a))*	(80,000)	-
Other income	270,610	335,103
Interest income	8,036	18,333
	276,609	275,628
Loss for the Year	(1,212,561)	(1,872,892)
Other Comprehensive Income (Loss)		
Items that will be reclassified subsequently to profit or loss:		
Foreign currency translation	2,286,944	(1,556,844)
Unrealized loss on marketable securities	(885)	(1,810)
Comprehensive Income (Loss) for the Year	$ 1,073,498	$ (3,431,546)
Loss per Share - Basic and Diluted *(Note 8(b))*	$ (0.03)	$ (0.06)
Weighted Average Shares Outstanding *(Note 8(b))*	33,250,279	31,154,539

The accompanying notes are an integral part of these consolidated financial statements.

Calibre Mining Corp.

(An Exploration Stage Company)

Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

	Common Shares						
	Number	Amount	Contributed Surplus	Foreign Currency Translation Reserve	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance – December 31, 2016	28,886,103	$ 43,011,620	$ 14,465,391	$ 3,462,162	$ (2,941)	$ (33,471,499)	$ 27,464,734
Issuance of common shares:							
• on private placement	1,957,500	1,228,577	681,112	-	-	-	1,909,689
• on finder's fees	12,000	16,581	5,019	-	-	-	21,600
Exercise of warrants	411,550	759,562	(101,082)	-	-	-	658,480
Stock based compensation	-	-	1,227,676	-	-	-	1,227,676
Other comprehensive loss	-	-	-	-	(1,810)	-	(1,810)
Foreign exchange translation	-	-	-	(1,556,844)	-	-	(1,556,844)
Loss for the year	-	-	-	-	-	(1,872,892)	(1,872,892)
Balance – December 31, 2017	31,267,153	$ 45,016,340	$ 16,278,116	$ 1,905,318	$ (4,751)	$ (35,344,391)	$ 27,850,633
Issuance of common shares *(Note 8(c))*	11,421,091	3,074,978	1,663,953	-	-	-	4,738,931
Interest paid in shares *(Note 9(a))*	133,333	80,000	-	-	-	-	80,000
Exercise of stock option	1	1	-	-	-	-	1
Stock based compensation	-	-	372,471	-	-	-	372,471
Other comprehensive loss	-	-	-	-	(885)	-	(885)
Foreign currency translation	-	-	-	2,286,944	-	-	2,286,944
Loss for the year	-	-	-	-	-	(1,212,561)	(1,212,561)
Balance – December 31, 2018	42,821,578	$ 48,171,319	$ 18,314,540	$ 4,192,262	$ (5,636)	$ (36,556,952)	$ 34,115,534

All share numbers presented in these consolidated financial statements including stock options and share purchase warrants are in post-consolidated basis *(Note 8(b))*.

The accompanying notes are an integral part of these consolidated financial statements.

Calibre Mining Corp.

(An Exploration Stage Company)

Consolidated Statements of Cash Flows

Years Ended December 31

(Expressed in Canadian Dollars)

	2018	2017
Operating Activities		
Loss for the year	$ (1,212,561)	$ (1,872,892)
Items not affecting cash:		
Amortization	4,324	3,356
Stock-based compensation	189,506	1,056,413
Interest paid in shares	80,000	-
Cash items reclassified to investing activities	(8,036)	(18,333)
Unrealized foreign exchange	(149,451)	86,561
Net changes in non-cash working capital:		
Receivables	185,475	(184,747)
Trade and other payables	(9,404)	75,407
Prepaid deposits and advances	89,424	(90,309)
Decrease in Cash and Cash Equivalents from Operating	(830,723)	(944,544)
Investing Activities		
Purchases of equipment	(8,668)	-
Option payment received from optionee	194,393	202,323
Interest income	8,036	18,333
Cash received from option partners	3,804,889	4,899,916
Exploration and evaluation expenditures	(6,142,883)	(7,319,835)
Decrease in Cash and Cash Equivalents from Investing	(2,144,233)	(2,199,262)
Financing Activities		
Proceeds from share issuances – net of transaction costs	4,738,931	1,931,289
Loans received	400,000	-
Loans repaid	(400,000)	-
Exercise of warrants	-	658,480
Increase in Cash and Cash Equivalents from Financing	4,738,931	2,589,769
Effect of exchange rate on cash and cash equivalents	96,671	(125,786)
Net Increase (Decrease) in Cash and Cash Equivalents	1,860,646	(679,823)
Cash and cash equivalents - Beginning of Year	2,899,936	3,579,759
Cash and cash equivalents - End of Year	$ 4,760,582	$ 2,899,936
Supplemental Disclosure of Non-Cash Investing Activities		
Amortization included in exploration and evaluation assets	$ 16,480	$ 18,875
Stock-based compensation included in exploration and evaluation assets	$ 182,965	$ 171,263
Exploration and evaluation costs included in accounts payable	$ 820,390	$ 857,568

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of Operations

Calibre Mining Corp. *(an Exploration Stage Company)* is incorporated under the laws of British Columbia, Canada and maintains its corporate head office at 413 – 595 Burrard Street, P.O. Box 49167, Vancouver, British Columbia, Canada. The Company's common shares are listed on the TSX Venture Exchange (TSX.V: CXB) in Canada.

Calibre Mining Corp. and its subsidiaries (collectively referred to as the "Company") are principally engaged in the acquisition, exploration and development of mineral properties located in Nicaragua.

2. Basis of Preparation and Statement of Compliance

The Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements have been prepared under the historical cost method except for marketable securities which are measured at fair value. The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses, which are further discussed in Note 3. The Board of Directors authorized the issuance of these financial statements on April 25, 2019.

3. Significant Accounting Policies

The significant accounting policies used in the preparation of these financial statements are as follows:

a) *Principles of Consolidation*

These financial statements incorporate the financial statements of the Company and its subsidiaries. The financial statements include the accounts of the Company's wholly-owned 100% interest in Yamana Nicaragua Ltd. CXB Belize Limited is a holding company incorporated in 2006, in Belize, which owns 100% of CXB Nicaragua S.A. (formerly known as Yamana Nicaragua S.A. – incorporated in Nicaragua in 2006).

All material intercompany transactions and balances have been eliminated on consolidation.

b) *Cash and Cash Equivalents*

Cash and cash equivalents include cash on account, demand deposits and money market investments with maturities from the date of acquisition of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant changes in value.

c) *Property and Equipment*

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition or construction of the asset, along with the future costs of dismantling and removing the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items, or major components, of property, plant and equipment. The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to the statement of loss or capitalized to exploration and evaluation assets, as appropriate, during the period in which they are incurred.

3. Significant Accounting Policies – *continued*

The major categories of property and equipment are depreciated using the following rates and methods:

Buildings and structures	5% declining balance basis
Furniture and office equipment	20% declining balance basis
Computer equipment and software	30% declining balance basis
Vehicles	20% declining balance basis

Depreciation methods, useful lives and residual values are reviewed each financial year and adjusted if appropriate.

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of other income (expenses) in the statement of loss.

d) Loss Per Share

Loss per share is based on the weighted average number of common shares of the Company outstanding during the period. Unexercised stock options and warrants have not been included in the computation of diluted loss per share as their effect would be anti-dilutive.

e) Exploration and Evaluation Assets

Exploration and evaluation expenditures are capitalized once the legal right to explore a property has been acquired. Exploration and evaluation assets are recorded at cost less accumulated impairment losses. Direct costs related to the acquisition, exploration and evaluation of mineral properties are capitalized until the commercial viability of the asset is established, at which time the capitalized costs are reclassified to mineral properties under development. The depreciation of a capital asset in connection with exploring or evaluating a property will be included in the cost of the property. When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of the project are deemed to be impaired. As a result, those exploration and expenditure costs, in excess of estimated recoveries, are written off to the statement of loss.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration for an agreement by the farmee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash or share consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess balance accounted for as a gain.

f) Impairment of Long-Term Assets

Property and equipment and exploration and evaluation assets are reviewed quarterly for indicators that the carrying value of an asset or cash-generating unit ("CGU") may not be recoverable. If indicators of impairment exist, the recoverable amount of the asset or cash-generating unit is estimated. If the carrying value of the asset or CGU exceeds the recoverable amount, the asset or CGU is written down with an impairment recognized in the statement of loss.

Exploration and evaluation costs are aggregated into CGUs based on their ability to generate largely independent cash flows.

The recoverable amount of an asset or CGU is the greater of its fair value less costs to sell and its value in use. Fair value is determined to be the amount for which the asset could be sold in an arm's length transaction.

3. Significant Accounting Policies – *continued*

Fair value less costs to sell may be determined using discounted future net cash flows and forecast prices and costs. Value in use is determined by estimating the present value of the future net cash flows expected to be derived from the continued use of the asset or CGU.

Reversals of impairments are recognized when there has been a subsequent increase in the recoverable amount. In this event, the carrying amount of the asset or CGU is increased to its revised recoverable amount with an impairment reversal recognized in profit or loss. The recoverable amount is limited to the original carrying amount less depreciation, depletion and amortization as if no impairment had been recognized for the asset or CGU for prior periods.

g) Share Capital

The Company records proceeds from share issuances net of issue costs. The Company records proceeds from the exercise of stock options and warrants as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company. Share capital issued for non-monetary consideration is recorded at the fair value of the non-monetary consideration received, or at the fair value of the shares issued if the fair value of the non-monetary consideration cannot be measured reliably, on the date of issue. The proceeds from the issue of units is allocated between common shares and common share purchase warrants on a pro-rata basis on a relative fair value basis, whereby, the fair value of the common shares is based on the market close on the date the units are issued. The fair value of the common share purchase warrants is determined using the Black-Scholes pricing model.

h) Share-based Payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. The fair value of the share-based payment is measured using the Black-Scholes option pricing model with amortized amounts over the vesting periods recognized as an expense or capitalized to exploration and evaluation assets where criteria are met. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined that the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus amount is transferred to share capital. Compensation expense is recognized over the tranche's vesting period by a charge to statement of loss with a corresponding increase to contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

i) Provision for Closure and Reclamation

A liability for on-site reclamation is recognized on a discounted cash flow basis when a reasonable estimate of the obligation can be made. The provision is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is allocated to expense using a systematic and rational method and is adjusted to reflect period-to-period changes in the liability resulting from the passage of time, adjustments for changes in the current market-based discount rate and from revisions to either expected payment dates or the amounts comprising the original estimate of the obligation.

The Company has no material restoration, rehabilitation and environmental costs as the disturbances to date is minimal.

3. Significant Accounting Policies – *continued*

j) Current and Deferred Income Tax

Current tax expense is calculated using income tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of any deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on income tax rates and income tax laws that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

k) Foreign Currency Translation

Functional and presentation currency

Items included in the financial statements of the Company and each of the Company's subsidiaries is measured using the currency of the primary economic environment in which the entity operates (the functional currency) as follows:

Calibre Mining Corp.	Canadian Dollars
Yamana Nicaragua Ltd.	United States Dollars
CXB Nicaragua, S.A.	United States Dollars

The Company's presentation currency is the Canadian Dollar ("$").

Transactions and balances

Foreign currency transactions are translated into the relevant entity's functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at period – end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of loss.

3. Significant Accounting Policies – *continued*

Subsidiaries

The results and financial position of subsidiaries that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- All resulting exchange differences are recognized in other comprehensive income as foreign currency translation reserve.

When a foreign operation is sold, such exchange differences are recognized in the statement of loss to the extent of the portion sold as part of the gain or loss on sale.

l) IFRS 9 - Financial Instruments

IFRS 9 replaces IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39") and addresses the classification, measurement and derecognition of financial assets and financial liabilities, and introduces new rules for hedge accounting. In July 2014, the IASB made further changes to the classification and measurement rules and also introduced a single, forward-looking “expected loss” impairment model.

Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company’s accounting policy with respect to financial liabilities is unchanged. There was no measurement or accounting impact upon adoption of IFRS 9 to any of the Company’s financial liabilities.

As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that were recognized at the date of application. The change did not impact the carrying value of any financial assets on transition date.

As there was no measurement or accounting impact upon adoption of IFRS 9 to any of the Company’s accounts, the Company is not restating prior periods. Accordingly, there is also no impact on the consolidated statement of cash flows, nor any to basic and diluted EPS.

The following is the Company’s new accounting policy for financial instruments under IFRS 9.

i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive (loss) income ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

3. Significant Accounting Policies – *continued*

The Company completed a detailed assessment of its financial assets and liabilities as at January 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

	Measurement Categories	
	Original classification (IAS 39)	New classification (IFRS 9)
Financial instruments:		
Cash and cash equivalents	Amortized cost	Amortized cost
Receivables	Amortized cost	Amortized cost
Marketable securities	FVOCI	FVOCI
Trade and other payables	Amortized cost	Amortized cost

(ii) Measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value, and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

The Embedded Derivatives are classified as FVTPL and owing to the requirement that they be fair valued each period, there is no separate recognition of the Company's credit risk.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve-month expected credit losses. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

3. Significant Accounting Policies – *continued*

(iv) Derecognition

Financial assets: The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within the accumulated other comprehensive income (loss).

Financial liabilities: The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss and comprehensive loss.

m) Recently issued but not adopted accounting guidance are as follows:

In January 2016, the IASB issued IFRS 16, Leases ("IFRS 16"). IFRS 16 replaces IAS 17, Leases (and related interpretations), the previous accounting standard. The objective of IFRS 16 is to recognize substantially all leases on the statement of financial position for lessees. IFRS 16 requires lessees to recognize a "right-of-use" asset and a lease liability calculated using a prescribed methodology. The effective date of IFRS 16 is for annual periods beginning on or after January 1, 2019. A lessee can choose to apply IFRS 16 using either a full retrospective or a modified retrospective approach. The Company will adopt IFRS 16 for the annual period beginning January 1, 2019.

The Company does not currently expect that IFRS 16 will have a significant impact to the consolidated statement of financial position; however, it may result in the recognition of a right-of-use asset and lease liability, and a corresponding increase in depreciation and interest expense on the consolidated statement of loss and comprehensive loss. The Company would also expect that cash flows from operating activities would increase under IFRS 16 as lease payments for the lease would be recorded as financing outflows in the consolidated statement of cash flows as opposed to operating cash flows.

The Company only has one operating lease which relates to its Vancouver head office lease. Using an incremental borrowing rate of 7%, the Company estimates the value of its right-of-use asset and lease liability at $199,446 as at December 31, 2018 had the Company adopted the guidance at year-end. The Company will finalize its conclusions including quantifying the adjustment to opening equity at January 1, 2019 and report more detailed information in its first quarter 2019 interim consolidated financial statements.

n) Critical Accounting Judgments and Estimates

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

3. Significant Accounting Policies – *continued*

Impairment of exploration and evaluation assets

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

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

4. Capital Management

The Company's objectives when managing capital are:

- To maintain and safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds, to support continued evaluation and maintenance at the Company's existing properties, and to acquire, explore, and develop other precious and base metal deposits in Central America.
- To invest cash on hand in highly liquid and highly rated financial instruments with high credit quality issuers, thereby minimizing the risk of loss of principal.
- To obtain the necessary financing to complete exploration and development of its properties, if and when it is required.

In the management of capital, the Company includes shareholders' equity in the definition of capital. The Company is not exposed to any externally imposed capital requirements.

The Company manages the capital structure and makes adjustments to it, based on the level of funds required to manage its operations in light of changes in economic conditions and the risk characteristics of its underlying assets, especially with respect to exploration results on properties in which the Company has an interest.

In order to facilitate the management of capital and development of its mineral properties, the Company prepares annual expenditure budgets, which are updated as necessary and are reviewed and approved by the Company's Board of Directors. In addition, the Company may issue new equity, incur debt, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of certain assets. The Company's investment policy is to hold cash in interest bearing accounts at a major Canadian banking institution to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends. The Company seeks to continue to raise funds, from time to time, to continue meeting its capital management objectives.

5. Financial Instruments

Fair Value and Hierarchy

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

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

Fair values of assets and liabilities approximate amounts at which these items could be exchanged in transactions between knowledgeable parties. Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk. The calculation of estimated fair value is based on market conditions at the specific point in time and in the respective geographic locations and may not be reflective of future fair values. Marketable securities are recorded at fair value and are measured using Level 1. Receivables, deposits and advances and accounts payable and accrued liabilities are measured at amortized cost and their carrying values approximate fair values due to short term to maturity.

Credit risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's interest rate risk arises primarily from the interest received on its cash balances. The Company manages its interest rate risk by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Based on cash balances held at December 31, 2018, the effect of a one basis point increase or decrease in interest rates on net loss is not considered significant. The Company's other financial assets and liabilities are not subject to interest rate risk, as they do not bear interest.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. The Company's functional and reporting currency is the Canadian dollar (Note 3(l)). The Company incurs foreign currency risk on purchases that are denominated in a currency other than the functional currency of the Company, which will have an impact on the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company's main risks are associated with fluctuations in the Nicaraguan Cordoba ("COR") and the US dollar ("USD"). The Company does not enter into any foreign exchange contracts to mitigate these risks. Based on management's analysis, the effect on these instruments held at December 31, 2018 of a five percent increase or decrease in foreign exchange rates on net loss is not considered significant.

(Expressed in Canadian Dollars)

6. Property and Equipment

	Computer Equipment and Software	Furniture and Equipment	Buildings and Structures	Vehicles	Total
Cost, Dec. 31, 2016	$ 108,416	$ 114,546	$ 371,926	$ 31,942	$ 626,831
Foreign currency translation	(585)	(7,237)	(16,740)	(2,136)	(26,699)
Cost, Dec. 31, 2017	$ 107,831	$ 107,308	$ 355,186	$ 29,806	$ 600,132
Foreign currency translation	713	8,817	27,170	2,602	39,302
Additions	4,037	-	4,759	-	8,796
Cost, Dec. 31, 2018	$ 112,581	$ 116,126	$ 387,115	$ 32,408	$ 648,230
Acc. depreciation, Dec. 31, 2016	$ 100,615	$ 82,252	$ 107,685	$ 3,195	$ 293,747
Charge for the year	2,956	6,236	13,032	5,631	27,854
Foreign currency translation	(529)	(5,527)	(6,995)	(399)	(13,450)
Acc. depreciation, Dec. 31, 2017	$ 103,041	$ 82,959	$ 113,723	$ 8,427	$ 308,150
Charge for the year	3,532	4,759	8,667	4,160	21,118
Foreign currency translation	632	6,511	7,999	729	15,871
Acc. depreciation, Dec. 31, 2018	$ 107,206	$ 94,231	$ 130,388	$ 13,315	$ 345,140
Net book value, Dec. 31, 2017	$ 4,789	$ 24,348	$ 241,463	$ 21,379	$ 291,981
Net book value, Dec. 31, 2018	$ 5,375	$ 21,895	$ 256,727	$ 19,093	$ 303,090

7. Exploration and Evaluation Assets

The Company has a 100% interest in the Borosi Gold-Silver-Copper Project (the “Borosi Project”), consisting of a number of contiguous mining and exploration concessions located in the North Atlantic Autonomous Region of Nicaragua, Central America. The Company has entered into three separate option agreements over a portion of the Borosi Project as summarized below:

a) IAMGOLD Option Agreement

During 2014, the Company executed an option agreement with IAMGOLD Corporation (“IAMGOLD”) whereby IAMGOLD can earn a 51% interest (“First Option”) and subsequently an additional 19% interest (“Second Option”) (for a total of 70%) in the Eastern Borosi Project (“Eastern”). A summary of the terms are as follows:

- IAMGOLD can earn a 51% interest in the Eastern concessions by expending US $5 million in exploration on Eastern by May 26, 2017 (completed); and
- Make cash payments to Calibre totalling US $450,000 over three years (completed);

7. Exploration and Evaluation Assets – *continued*

- Once IAMGOLD earns its initial 51% interest (completed), IAMGOLD will have the option to earn an additional 19% interest over the subsequent three-year period by spending an additional US $5 million on Eastern and making staged cash payments of an additional US $450,000 in three annual payments (US$300,000 has been received to date);

- Once IAMGOLD exercises its Second Option (exercised), the parties will formalize a joint venture to advance the project further. At such time of formalizing the joint venture, the parties agree to enter into an industry standard agreement to govern the joint venture. At any time subsequent to formalizing the joint venture, should either party elect not to participate in a future planned work program, a standard straight-line dilution formula will apply and should a party be diluted to 10%, the party's direct joint venture interest will be converted to a 10% net profits interest on Eastern.

During 2018, the Company recorded a total of $179,570 (2017 - $142,140) in management fees related to acting as operator on the IAMGOLD option property.

b) Rosita Mining Option Agreement

The Company was a party to an option agreement with Rosita Mining Corporation ("Rosita") whereby Rosita could earn a 65% interest in an area known as the Rosita D concession, located within the Company's 100%-owned Borosi Project. Under the terms of the option agreement, Rosita could earn a 65% interest in the Rosita D concession by expending a total of $4 million on exploration and other work on the Rosita D concession and by issuing to the Company a total of 181,000 common shares of Rosita over a 4-year period ending in October 2015 (both completed). Rosita acted as the project operator for all work conducted on the Rosita D concession during the option period.

During 2016, the Company and Rosita signed a joint venture agreement on the Rosita D Concession. The Company and Rosita hold a 35% and 65% interest respectively in the joint venture with each party being responsible for their pro-rata share of all project expenditures. Rosita acts as the manager of the joint venture. The Company elected to not participate in the 2016 exploration program of the joint venture and as a result, its interest in the joint venture decreased from 35% to 33%.

During 2018, the Company, together with Rosita, entered into a joint venture agreement (the "JV Agreement") with Century Mining ("Century") for the further development and advancement of the Rosita D Joint Venture (the "Rosita D Project") whereby they will form a new Nicaraguan joint venture company, Santa Rita Mining, with Century ultimately holding 75% of the outstanding shares and Rosita Mining and Calibre holding 17.5% and 7.5% of the outstanding shares respectively. Century will contribute a total of US$8.5 million to Santa Rita Mining in tranches of $1.5 million and $7.0 million which funds will be used for the construction, commissioning and operation of the processing facility to treat the Santa Rita stockpile resource on the Rosita D Project. Calibre and Rosita Mining will transfer the Rosita D Concession as well as all technical know-how of the Project to Santa Rita Mining for their interest in the joint venture company. Calibre will also receive a one-time payment of $50,000 for certain surface rights associated with the Rosita D Project.

c) Centerra Option Agreement

During 2015, the Company signed an option agreement with Centerra Gold Inc. ("Centerra") whereby Centerra can earn a 51% interest and subsequently an additional 19% for a total of 70% interest in the La Luz Gold-Silver Project (the "La Luz Project") located within the Borosi Concessions, Northeast Nicaragua. Additionally, Calibre has granted Centerra the Right of First Refusal ("ROFR") on the Company's 100% owned Montes de Oro Project located near the La Luz Project.

7. Exploration and Evaluation Assets – *continued*

A summary of the significant terms are as follows:

- La Luz First Option: To earn a 51% interest in the La Luz Project, Centerra must spend $3.0 million in exploration on the property from signing to December 31, 2017 (completed); and

- La Luz Second Option: Once vested at 51% (completed), Centerra can elect to earn an additional 19% in the La Luz Project for a total of 70% by spending a further $4.0 million in exploration on the La Luz Project over a subsequent two-year term.

During 2018, the Company recorded a total of $91,040 (2017 - $192,963) in management fees related to acting as operator on the La Luz Project.

Subsequent to December 31, 2018, the Company agreed to purchase Centerra's 51% interest in the La Luz Project by issuing 2,000,000 common shares of Calibre to Centerra (equivalent to $1,240,000) and giving Centerra a 2.0% net smelter return royalty ("NSR Royalty") on future production from the La Luz Project. Calibre will have the right to (i) purchase 1.0% of the NSR Royalty for $2,000,000; and (ii) being granted a right of first refusal on the remaining 1.0% NSR Royalty.

d) *Calibre's 100% Owned Property*

Calibre owns a 100% interest in mineral concessions in the mining triangle of northeast Nicaragua including the Primavera Gold-Copper Project and Monte Carmelo Gold Project.

Calibre Mining Corp.

(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2018 and 2017
(Expressed in Canadian Dollars)

7. Exploration and Evaluation Assets – *continued*

The following tables outline the expenditures at the Borosi Project during the years ended December 31, 2017 and 2018:

	Joint Venture with Rosita	Option Property to IAMGOLD	Option Property to Centerra*	Calibre 100% Owned Property	Total
Cost, December 31, 2016	$ 505,760	$ 6,710,144	$ 363,624	$ 16,423,982	$ 24,003,509
Administration and maintenance	-	234,250	234,250	241,349	709,849
Amortization	-	8,084	8,084	8,329	24,498
Assaying	-	70,007	217,660	113,792	401,459
Camp, supplies and logistics	-	153,581	161,763	32,256	347,601
Drilling and related	-	1,310,925	888,806	818,890	3,018,621
Foreign exchange	(31,181)	(413,696)	(22,418)	(1,012,577)	(1,479,873)
Geological consulting	-	-	490,695	35,235	525,930
Professional fees	-	-	-	25,598	25,598
Property maintenance	34,947	447,830	221,124	235,584	939,485
Resource estimates	-	-	-	24,163	24,163
Salary and wages	2,750	317,886	489,323	680,490	1,490,450
Share-based compensation	-	56,517	56,517	58,229	171,263
Travel	-	12,799	12,621	143,626	166,945
Recovery of costs and option payments	-	(2,349,545)	(2,752,694)	-	(5,102,239)
Total expenditures (recoveries) during the year	6,516	(151,363)	5,731	1,402,864	1,263,748
Cost, December 31, 2017	$ 512,276	$ 6,558,781	$ 369,355	$ 17,826,846	$ 25,267,257
Administration and maintenance	-	185,750	185,750	191,379	562,879
Amortization	-	7,375	7,375	7,599	22,349
Assaying	-	107,964	65,603	70,838	244,405
Camp, supplies and logistics	-	185,275	112,893	36,751	334,919
Drilling and related	-	1,508,749	428,466	268,922	2,206,137
Foreign exchange	47,299	605,581	34,103	1,645,976	2,332,959
Geological consulting	-	-	18,311	6,113	24,424
Professional fees	-	-	-	40,448	40,448
Property maintenance	34,898	234,430	224,671	450,171	944,170
Salary and wages	-	406,410	311,890	670,408	1,388,708
Share-based compensation	-	60,378	60,378	62,208	182,964
Travel	-	19,769	5,216	117,889	142,874
Recovery of costs and option payments	-	(2,647,522)	(1,157,367)	-	(3,804,889)
Total expenditures during the year	82,197	674,159	297,289	3,568,702	4,622,347
Cost, December 31, 2018	$ 594,473	$ 7,232,940	$ 666,644	$ 21,395,548	$ 29,889,603

**Centerra's interest was acquired by Calibre subsequent to year ending December 31, 2018 (Note 7(c)).*

8. Share Capital

a) Authorized

The Company is authorized to issue an unlimited number of common shares with no par value.

b) Share Consolidation

On October 30, 2018, the Company completed the share consolidation of its outstanding common shares on a 10 (old) for 1 (new) basis. The Company's issued and outstanding common shares post share consolidation is 31,400,486. All share numbers presented in these consolidated financial statements including stock options and share purchase warrants are in post-consolidated basis.

c) Private Placements

During 2018, the Company completed a private placement for 11,421,091 units of the Company's common shares at a price of $0.44 per unit for gross proceeds of $5,025,280. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share for $0.95 until October 30, 2023. Calibre issued 379,305 finder warrants in connection with the private placement. Each finder warrant entitles the finder to acquire an additional common share for $0.55 until October 30, 2020. Certain insiders of the Company acquired 1,443,000 units pursuant to the private placement.

The allocation of fair value of the warrants issued in connection with this private placement was $1,613,253, with the corresponding charge to contributed surplus using the relative fair value approach. The fair value of the warrants was determined using the Black-Scholes pricing model with a risk-free rate of 2.37%, volatility factor of 85% and an expected life of the warrants of five years. The Company incurred $337,049 in transaction costs related to the private placement. Included in transaction costs is $50,700 relating to the fair value of the finder warrants issued. The fair value of the finder warrants was determined using the Black-Scholes pricing model with a risk-free rate of 2.26%, volatility factor of 77% and an expected life of the warrants of two years.

During 2017, the Company completed a private placement for 1,957,500 units of the Company's common shares for gross proceeds of $1,957,500. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share for $1.50 until January 12, 2020. Calibre issued 12,000 finder's units in connection with the private placement. Each finder's unit consisted of one common share and one common share purchase warrant. Each warrant entitles the finder to acquire an additional common share for $1.50 until January 12, 2020.

The allocation of fair value of the warrants issued in connection with this private placement was $681,112, with the corresponding charge to contributed surplus using the relative fair value approach. The fair value of the warrants was determined using the Black-Scholes pricing model with a risk-free rate of 0.82%, volatility factor of 79% and an expected life of the warrants of three years. The Company incurred $47,811 in transaction costs related to the private placement. Included in transaction costs is $21,600 relating to the fair value of the finder's units issued. The fair value of the finder's units was determined using the Black-Scholes pricing model with a risk-free rate of 0.82%, volatility factor of 79% and an expected life of the warrants of three years.

(Expressed in Canadian Dollars)

8. Share Capital – *continued*

d) Long-term Incentive Plan

The Company has a fixed long-term incentive plan (the "Plan") whereby the Company has reserved a number of common shares for issuance pursuant to the exercise of stock options, deferred share units (DSUs), performance share units (PSUs), and restricted share units (RSUs). The shareholders of the Company approved the number of common shares reserved for issuance under the Plan at 3,500,000 (up to 500,000 may be issued under all DSUs, PSUs, and RSUs). The Plan is administered by the Compensation Committee of the Company's Board. Options granted under the Plan will be exercisable at a price not less than the market value of the Company's common shares on the date of grant and granted for a term not to exceed five years from the date of grant. Any options granted under the Plan shall vest based on a periodic vesting schedule as determined by the Compensation Committee. In general, options have been granted to vest 25% immediately and 25% at each six-month interval after the date of grant until fully vested.

e) Stock Options

During 2018, the Company granted 1,475,000 stock options at a price of $0.45 per share for a period of five years to various employees, officers, consultants and directors of the Company. During 2018, 680,000 stock options expiring on February 20, 2022 were voluntarily surrendered for cancellation by the option holders.

During 2017, the Company granted 700,000 stock options at a price of $2.70 per share for a period of five years to various employees, officers, consultants and directors of the Company.

A summary of the status of the Company's stock options as at December 31, 2018 and 2017 and changes during those years is presented below:

Exercise price	January 1, 2018	Granted	Exercised	Cancelled	December 31, 2018	Expiry date	Remaining contractual life in years	Number of options vested
$1.00	170,000	-	-	-	170,000	July 15, 2019	0.54	170,000
$1.20	50,000	-	-	-	50,000	September 23, 2019	0.73	50,000
$1.60	625,000	-	-	-	625,000	October 9, 2019	0.77	625,000
$1.40	50,000	-	-	-	50,000	December 1, 2019	0.92	50,000
$1.00	252,500	-	(1)	-	252,499	August 27, 2020	1.66	252,499
$1.60	50,000	-	-	-	50,000	September 7, 2021	2.69	50,000
$2.70	700,000	-	-	(680,000)	20,000	February 20, 2022	3.14	20,000
$0.45	-	1,400,000	-	-	1,400,000	November 6, 2023	4.85	350,000
$0.45	-	75,000	-	-	75,000	November 16, 2023	4.88	18,750
	1,897,500	1,475,000	(1)	(680,000)	2,692,499			1,586,249
	$1.86	$0.45	$1.00	$2.70	$0.87	Weighted average exercise price		

Exercise price	January 1, 2017	Granted	Expired	December 31, 2017	Expiry date	Remaining contractual life in years	Number of options vested
$1.50	390,000	-	(390,000)	-	January 25, 2017	-	-
$1.90	50,000	-	(50,000)	-	June 15, 2017	-	-
$1.00	170,000	-	-	170,000	July 15, 2019	1.54	170,000
$1.20	50,000	-	-	50,000	September 23, 2019	1.73	50,000
$1.60	625,000	-	-	625,000	October 9, 2019	1.77	625,000
$1.40	50,000	-	-	50,000	December 1, 2019	1.92	50,000
$1.00	252,500	-	-	252,500	August 27, 2020	2.66	252,500
$1.60	50,000	-	-	50,000	September 7, 2021	3.69	37,500
$2.70	-	700,000	-	700,000	February 20, 2022	4.14	350,000
	1,637,500	700,000	(440,000)	1,897,500			1,535,000
	$1.40	$2.70	$1.50	$1.86	Weighted average exercise price		

(Expressed in Canadian Dollars)

8. Share Capital – *continued*

f) Stock-based compensation

The Company amortizes the total fair value of options granted over a graded vesting schedule. Consequently, the total compensation expense recognized for options that vested during the year was $372,471 (2017 - $1,227,676). Of the total compensation recorded, $189,506 (2017 - $1,056,413) was charged to operations expense and $182,965 (2017 - $171,263) was capitalized to exploration and evaluation assets.

The fair value of the options granted during the years ended December 31, 2018 and 2017 have been estimated at the date of grant using the following Black-Scholes option pricing assumptions:

	2018	2017
Weighted average risk-free interest rate	2.43%	1.02%
Weighted average expected option term	5 years	5 years
Weighted average expected stock volatility	85%	99%
Weighted average expected dividend yield	Nil	Nil

g) Warrants

During 2018, 2,660,000 share purchase warrants subject to expire April 21, 2018 were extended by one year. During 2017, a total of 411,550 share purchase warrants with an exercise price of $1.60 per share were exercised into common shares of the Company for gross proceeds of $658,480.

As at December 31, 2018 and 2017, the following warrants were outstanding and exercisable:

Exercise price	January 1, 2018	Issued	Expired	December 31, 2018	Expiry date	Remaining contractual life in years
$1.60	2,707,850	-	(47,850)	2,660,000	April 21, 2019*	0.30
$1.50	1,969,500	-	-	1,969,500	January 12, 2020	1.03
$0.55	-	379,305	-	379,305	October 30, 2020	1.83
$0.95	-	11,421,091	-	11,421,091	October 30, 2023	4.83
	4,677,350	11,800,396	(47,850)	16,429,896		
	$1.60	$0.94	$1.60	$1.11	Weighted average exercise price	

Exercise price	January 1, 2017	Issued	Exercised	December 31, 2017	Expiry date	Remaining contractual life in years
$1.60	3,119,400	-	(411,550)	2,707,850	April 21, 2018	0.30
$1.50	-	1,969,500	-	1,969,500	January 12, 2020	2.03
	3,119,400	1,969,500	(411,550)	4,677,350		
	$1.60	$1.50	$1.60	$1.60	Weighted average exercise price	

**Expired subsequent to year ending December 31, 2018.*

(Expressed in Canadian Dollars)

9. Related Party Transactions

a) Loans payable

During 2018, the Company obtained loans totalling $400,000 ("Loans") from several insiders (the "Lenders") of the Company. The Loans carried an annual interest of 7.0% payable in cash every quarter. The term of the Loans is 18 months from the closing date or March 4, 2020 ("Maturity Date"). The Company issued 133,333 common shares at a price of $0.60 per common share to the Lenders as Bonus Shares. The aggregate value of the Bonus Shares amounted to $80,000 which was expensed in 2018. The Loans were repaid in full by the Company including interest of $4,449 in 2018.

b) Key management personnel

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

		2018		2017
Short-term benefits [(i)]	$	240,000	$	236,000
Share-based payments [(ii)]	$	125,042	$	953,868
Consulting and advisory fees to key persons	$	215,408	$	175,625

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

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

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

During 2018, the Company paid or accrued $Nil (2017 - $9,654) in office rent expense to companies with directors and officers in common. The sharing arrangement with these related companies was on a month-to-month basis which ended in 2017.

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

(Expressed in Canadian Dollars)

10. Deferred Income Taxes

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial tax rates:

		2018		2017
Loss before income taxes	$	(1,212,561)	$	(1,872,892)
Effective statutory rate		27.00%		26.00%
Expected income tax recovery	$	(327,391)	$	(486,952)
Effect of financing costs		(25,617)		(9,778)
Items not deductible (not taxable) for tax purposes		(620,488)		(527,837)
Effect of foreign exchange		(200,303)		143,862
Expired non-capital losses		532,513		550,298
Other		(204,944)		16,787
Income tax benefit not recognized		846,231		313,620
	$	-	$	-

The income tax benefit of the following tax assets has not been recorded in these financial statements because of the uncertainty of their recovery.

		2018		2017
Deferred income tax assets				
Non-capital loss carry-forwards	$	5,576,193	$	4,831,916
Unamortized financing costs		82,016		29,196
Exploration and Evaluation assets		1,173,010		1,129,565
Property and equipment		94,111		89,271
Unrecognized deferred income tax assets	$	6,925,330	$	6,079,948

As at December 31, 2018, the Company has non-capital losses for Canadian tax purposes of approximately $11 million available to offset against taxable income in future years, which if unutilized, will begin to expire in 2026. The Company also has resource exploration expenditures of approximately $4.3 million available to reduce taxable income of future years in Canada, subject to certain restrictions. In addition, the Company has tax losses for Nicaraguan purposes of approximately $8 million available to offset against taxable income in future years in Nicaragua, which begin to expire in 2019.

11. Segmented Information

The Company currently operates in one reportable operating segment, being the acquisition, exploration, and development of natural resource properties, which is conducted principally in Nicaragua. The Company is in the exploration stage and, accordingly, has no reportable segment revenues for any of the years presented in these financial statements. The following geographic data includes assets based on location:

As at December 31, 2018

		Canada		Nicaragua		Total
Cash and cash equivalents	$	4,566,278	$	194,303	$	4,760,581
Other current assets		45,483		53,717		99,199
Property and equipment		9,633		293,457		303,090
Exploration and evaluation assets		-		29,889,603		29,889,603
Total assets	$	4,621,394	$	30,431,080	$	35,052,474

(Expressed in Canadian Dollars)

11. Segmented Information – *continued*

As at December 31, 2017

	Canada	Nicaragua	Total
Cash and cash equivalents	$ 2,842,551	$ 57,385	$ 2,899,936
Other current assets	219,083	155,898	374,980
Property and equipment	12,031	279,950	291,981
Exploration and evaluation assets	-	25,267,258	25,267,258
Total assets	$ 3,073,666	$ 25,760,491	$ 28,834,155

The following geographic data denotes net losses based on their country of origin for the year ended December 31:

	2018	2017
Canada	$ 1,212,561	$ 1,872,892
Loss for the year	$ 1,212,561	$ 1,872,892

12. Commitments

The Company has minimum annual lease commitments ranging from $62,659 to $150,382 for its office premise expiring June 2022.

2019	2020	2021	2022	Total
$ 149,162	$ 150,382	$ 150,382	$ 62,659	$ 512,585

(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Years Ended December 31, 2018 and 2017

(Expressed in Canadian Dollars)

Introduction and Date

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements of Calibre Mining Corp. ("Calibre" or the "Company") for the year ended December 31, 2018. The Company reports its balance sheet, results of operations, statement of changes in equity, and cash flows in accordance with International Financial Reporting Standards ("IRFS"). Additional information relating to the Company, including the most recent Company filings, can be located on the Company's website, www.calibremining.com, or on the SEDAR website, www.sedar.com.

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

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

This MD&A reflects information available as at April 25, 2019.

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

Business Overview and Overall Performance

Business overview

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

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

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

Overall Performance

During 2018, the Company completed the share consolidation of its outstanding common shares on a 10 (old) for 1 (new) basis. The Company's issued and outstanding common shares post share consolidation is 31,400,486. All share numbers presented in the MD&A including stock options and share purchase warrants are in post-consolidated basis.

During 2018, the Company recorded a net loss of $1,212,561 or $0.03 per share, as compared to a net loss of $1,872,892 or $0.06 per share during 2017.

As at December 31, 2018, the Company had total assets of $35,052,474 compared to $28,834,155 as at December 31, 2017. The majority of these assets for both periods are the carrying values of the Company's cash and cash equivalents and its exploration and evaluation assets.

As at December 31, 2018, the Company had working capital of $3,922,841 compared to working capital of $2,291,396 as at December 31, 2017.

As at December 31, 2018, the total carrying value of the Company's exploration and evaluation assets was $29,889,603 compared to $25,267,258 as at December 31, 2017. The net increase reflects the Company's expenditures on the Borosi Project, net of cost recoveries from its partners and a strong US dollar in 2018.

During 2018, the Company completed a private placement for 11,421,091 units of the Company's common shares at a price of $0.44 per unit for gross proceeds of $5,025,280. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire an additional common share for $0.95 until October 30, 2023. Calibre issued 379,305 finder warrants in connection with the private placement. Each finder warrant entitles the finder to acquire an additional common share for $0.55 until October 30, 2020. Certain insiders of the Company acquired 1,443,000 units pursuant to the private placement.

During 2018, the Company obtained loans totaling $400,000 ("Loans") from several insiders (the "Lenders") of the Company. The Loans carried an annual interest of 7.0% and will be payable in cash every quarter. The term of the Loans is 18 months from the closing date or March 4, 2020 ("Maturity Date"). The Company issued 133,333 common shares at a deemed price of $0.60 per common share to the Lenders as Bonus Shares. The aggregate value of the Bonus Shares amounted to $80,000 which was expensed in 2018. The Loans were repaid in full by the Company including interest of $4,449 in 2018.

(Expressed in Canadian Dollars)

Borosi, Nicaragua, Central America

The following tables outline the expenditures at the Borosi Project during the years ended December 31, 2017 and 2018:

	Joint Venture with Rosita	Option Property to IAMGOLD	Option Property to Centerra	Calibre 100% Owned Property	Total
Cost, December 31, 2016	$ 505,760	$ 6,710,144	$ 363,624	$ 16,423,982	$ 24,003,509
Administration and maintenance	-	234,250	234,250	241,349	709,849
Amortization	-	8,084	8,084	8,329	24,498
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Camp, supplies and logistics	-	153,581	161,763	32,256	347,601
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Foreign exchange	(31,181)	(413,696)	(22,418)	(1,012,577)	(1,479,873)
Geological consulting	-	-	490,695	35,235	525,930
Professional fees	-	-	-	25,598	25,598
Property maintenance	34,947	447,830	221,124	235,584	939,485
Resource estimates	-	-	-	24,163	24,163
Salary and wages	2,750	317,886	489,323	680,490	1,490,450
Share-based compensation	-	56,517	56,517	58,229	171,263
Travel	-	12,799	12,621	143,626	166,945
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Assaying	-	107,964	65,603	70,838	244,405
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Drilling and related	-	1,508,749	428,466	268,922	2,206,137
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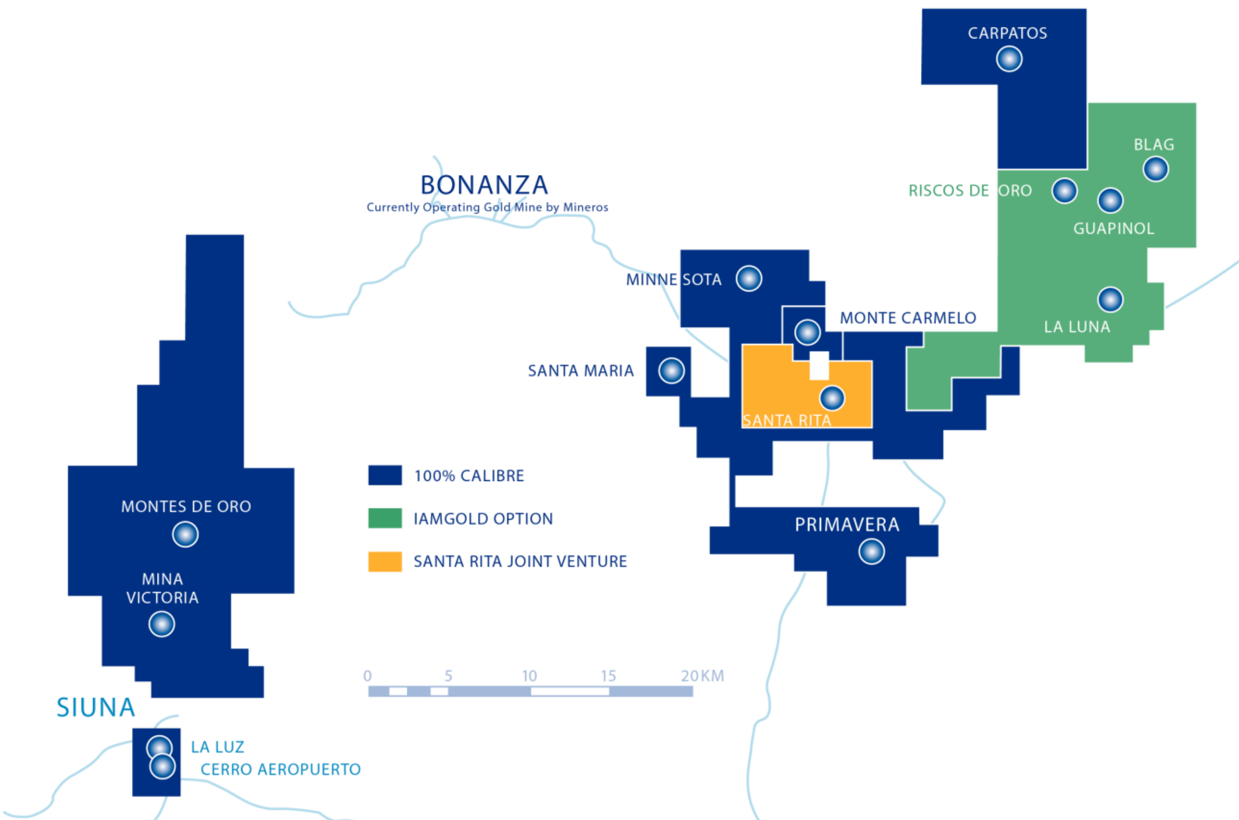
Travel	-	19,769	5,216	117,889	142,874
Recovery of costs and option payments	-	(2,647,522)	(1,157,367)	-	(3,804,889)
Total expenditures during the year	82,197	674,159	297,289	3,568,702	4,622,347
Cost, December 31, 2018	$ 594,473	$ 7,232,940	$ 666,644	$ 21,395,548	$ 29,889,603

The Company's interest in the Borosi Gold-Silver-Copper Concessions (the "Borosi Concessions") consists of a number of mining and exploration concessions located in the North Coastal Caribbean Autonomous Region of Nicaragua, Central America. The Borosi Concessions are located approximately 275 kilometres northeast of the capital city of Managua and 80 kilometres west of the coastal town of Puerto Cabezas. The concessions cover 72,725.6 hectares (727km^2) of the highly prolific but underexplored Mining Triangle defined by the three historic mining towns of Bonanza, Rosita, and Siuna of northeastern Nicaragua. As at the date of this report, Calibre has entered into two joint ventures: Iamgold Corp (176 km^2) and Santa Rita Mining (33 km^2). Calibre has maintained 100% control over a total of518 km^2 including the Primavera Gold-Copper Porphyry Project, Siuna Gold Project, and Santa Maria Gold-Silver Project.



Calibre 100% Owned Projects

<u>Primavera Gold-Copper Porphyry Project</u>

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

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

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

(Expressed in Canadian Dollars)

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

The 2017 drill program was the first drilling program at Primavera since 2012 and consisted of 19 Reverse Circulation ("RC") drill holes totaling 2,758.5 metres completed during H2 2017. The widespread and shallow program was designed as a prospecting initiative testing the broad anomalous gold and copper targets defined by soil and rock sampling which are the most reliable exploration tools in this area of sparse outcrop. Drilling on the Primavera district has intersected widespread porphyry style alteration and mineralization. These drilling results confirm the potential for further gold-copper porphyry discoveries within the Primavera district.

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

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

Exploration completed in 2018 included rock and soil geochemistry, geological mapping, and test pits designed to further define drill targets within the multi-kilometre scale anomalies. Reconnaissance diamond drilling was then completed consisting of 10 holes totaling 2,052.62 metres comprised of eight holes (1,645.45 metres) on the San Isidro target located five kilometre west of Primavera and two holes (407.17 metres) testing the San Francisco target 3 kilometres southeast of the main zone at the Primavera deposit. 2018 drilling intersected wide-spread gold and copper mineralization including;

- At San Isidro a series of structurally controlled quartz breccias with results including; 8.2 metres grading 1.67 g/t Au and 0.039 % Cu (SI18-002) and 2.0 metres grading 5.60 g/t Au and 0.043 % Cu (SI18-005).

- At San Francisco drilling intercepted broad gold and copper anomalous mineralization associated with propylitic alteration and variable quartz veining with results including 175.0 metres grading 0.19 g/t Au and 0.021 % Cu (SF18-001) and 51.85 metres grading 0.21 g/t Au and 0.013 % Cu (SF18-002).

Highlights of the 2018 Primavera Project diamond drilling program include:

Hole ID		Target Zone	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)	AuEq (g/t)
SF18-001		**San Francisco**	0.00	175.00	175.00	0.19	0.021	0.22
SF18-001	incl	**San Francisco**	0.00	23.58	23.58	0.89	0.025	0.92
SF18-002		**San Francisco**	99.12	150.97	51.85	0.21	0.013	0.23
SI18-002		**San Isidro 1**	83.00	91.20	8.20	1.67	0.039	1.73
SI18-002	incl	**San Isidro 1**	83.00	85.50	2.50	5.33	0.001	5.33
SI18-005		**San Isidro 2**	22.00	24.00	2.00	5.60	0.043	5.67
SI18-003		**San Isidro 1**	87.63	100.77	13.14	0.08	0.321	0.59

(Expressed in Canadian Dollars)

SI18-004		**San Isidro 2**	186.05	188.00	1.95	3.38	0.007	3.39

Notes: - 2018 Drilling Highlights.
- Intervals are core lengths / true width are estimated to be 80-90% of lengths
- Length weighted averages from uncut assays.
- AuEq g/t calculated using $1,300/oz gold and $3.00/lb copper.

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

<u>Siuna Gold-Copper-Silver Project</u>

From 2015 to 2018, the Siuna Gold Project was under an option agreement with Centerra Gold Inc. ("Centerra"). In early 2019, the Company agreed to purchase Centerra's 51% interest in the project by issuing 2,000,000 common shares of Calibre to Centerra (equivalent to $1,240,000) and giving Centerra a 2.0% net smelter return royalty ("NSR Royalty") on future production from the project. Calibre will have the right to (i) purchase 1.0% of the NSR Royalty for $2,000,000; and (ii) being granted a first right of refusal on the remaining 1.0% NSR Royalty.

The Siuna Property covers an area of 253 square kilometres in the Borosi Mining District of Northeastern Nicaragua. Siuna is located in the south-west portion of the Borosi Concessions and contains the past producing La Luz gold mine as well as, one kilometre to the south, the NI43-101 compliant Inferred Resource at the Cerro Aeropuerto gold-silver deposit. The Property covers a 35-kilometre belt of prospective geology similar to the La Luz and Cerro Aeropuerto deposits and property-wide exploration has outlined a series of additional gold-silver-copper targets.

The Cerro Aeropuerto deposit contains gold and base metal bearing quartz veins and replacement style mineralization. The NI43-101 compliant Inferred Resource at the Cerro Aeropuerto gold-silver deposit contains;

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

1. Resource models used Inverse Distance grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids and a base cutoff grade of 0.6 g/t.
2. Resource Estimates for Cerro Aeropuerto detailed in Technical Report titled NI 43-101 Technical Report and Resource Estimation of the Cerro Aeropuerto and La Luna Deposits, Borosi Concessions, Nicaragua by Todd McCracken, dated April 11, 2011.
3. Numbers may not add exactly due to rounding.
4. Gold Equivalent (AuEq) was calculated using $1058/oz Au for gold and $16.75/oz Ag for silver, and metallurgical recoveries and net smelter returns are assumed to be 100%.
5. The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category. Mineral Resources that are not mineral reserves do not have economic viability

Recent diamond drilling at the Cerro Aeropuerto gold-silver deposit completed subsequent to the resource estimate, has returned positive results including both wide mineralized zones and narrower high-grade intercepts including: 2.07 m grading 157.20 g/t Au and 117.7 g/t Ag and 8.12 m grading 22.47 g/t Au and 10.9 g/t Ag in drill hole CA16-022 and 26.03 m grading 6.39 g/t Au and 9.1 g/t Ag in drill hole CA16-020 and 77.78 m grading 1.09 g/t Au and 13.7 g/t Ag in drill hole CA17-045.

Additional diamond drilling completed on the Huracan porphyry gold-copper target located two to three kilometres south of the Cerro Aeropuerto deposit intersected wide zones of alteration containing porphyry-style gold-copper mineralization including 189.63 m grading 0.22 g/t Au and 537 ppm Cu in drill hole HU16-037 and 72.23 m grading 0.27 g/t Au and 881 ppm Cu in drill hole HU16-031.

The Siuna Property is host to the historic La Luz mine which is located one kilometre north of the Cerro Aeropuerto deposit. Mineralization at the La Luz mine is hosted by skarn assemblages associated with a series of intrusive bodies. Gold occurs in zones of disseminated and stringer pyrite, chalcopyrite, and sphalerite. The mine produced more than 2.3 million ounces of gold from open pit and several underground levels developed down to 450 metres below surface. The past producer, which operated primarily between 1912 and 1968, processed 17.1 million tonnes of ore grading 4.14 g/t gold producing 2.3 million ozs gold.

(Expressed in Canadian Dollars)

The Mina Victoria Project is one of the most advanced exploration projects on the Property. Previous work including prospecting, stream sediment sampling and subsequent soil sampling has defined a broad Au-Cu-As anomaly over an area of 3.0km by 4.0kms. The anomalous gold-copper trench results have been traced for hundreds of metres where anomalous Au-Cu assays are associated with highly oxidized zones associated with dikes ranging from 2 - 20 metres in width, commonly located in close proximity to steeply dipping faults and shear zones. Significant trench results from this area include: 45.00 m grading 0.40 g/t Au and 0.19% Cu (VTR13-001) and 10.20 m grading 0.70 g/t Au and 0.11% Cu (VTR13-021).

Exploration completed over the last four years includes extensive soil sampling covering the entire 253 km^2 Property, rock sampling, ground magnetic and IP geophysical surveys, targeted trenching and pit sampling, and limited drilling. This work has identified a series of kilometre-scale precious and base metal anomalies associated with intrusive bodies. Target zones include; 1) El Dorado Trend, 2) El Avion Target, 3) Roskilete, 4) Cerro Asa and 5) Montes De Oro.

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

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

Additional exploration on the Siuna Project commenced in January 2018. Several mineralized zones were evaluated and advanced by soil and rock sampling, trenching and additional IP geophysics including; the northern half of the ten-kilometre-long El Dorado Trend (Timbuco), Cerro Asa, Roskilete and continued advancement at El Avion Project.

Santa Maria Project

Diamond drilling during 2017 (13 holes for 2,100 metres) on the Santa Maria Project has discovered significant gold and base metal mineralization in structurally controlled quartz veins and breccias. 2017 drilling results include:

Hole ID	From m	To m	Length (m)	AuEq g/t	Au g/t	Ag g/t	Cu %	Zn %
SM17-012	121.15	127.00	**5.85**	**7.50**	2.02	58.6	3.46	-
Including	121.15	121.90	**0.75**	**24.73**	8.40	144.0	10.69	-
SM17-001	70.00	74.95	**4.95**	**4.16**	1.51	24.7	1.72	-
SM17-003	99.90	102.00	**2.10**	**7.84**	7.21	10.9	0.33	-
SM17-008	57.70	60.35	**2.65**	**5.26**	3.58	16.4	0.29	1.65

(Expressed in Canadian Dollars)

Including	57.70	58.65	**0.95**	**11.74**	9.14	33.9	0.57	2.08
SM17-012	129.62	133.00	**3.38**	**2.78**	0.54	20.6	1.42	-
SM17-013	61.80	66.10	**4.30**	**2.55**	0.12	13.8	1.68	-

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

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

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

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

IAMGOLD has completed the First Option having made US$450,000 in payments to Calibre and completed US$5 million in expenditures and has vested a 51% interest in the Eastern Borosi Project. IAMGOLD has entered the Second Option with the right to earn a further 19% in the Project (by completing additional cash payments totalling $450,000 and further exploration expenditures totaling $5 million) having paid the first and second installments of $150,000 each and funding the on-going 2018 work program. The total potential investment by IAMGOLD to earn a 70% interest in the Project is US$10.9 million.

Drilling in 2017 consisted of step out holes following up on previous high-grade intercepts on structures not currently part of the resource estimate. Total holes completed in 2017: 38 (6 Guapinol, 5 RDO, 8 East Dome, 3 Blag Main, 9 Veta Loca, 7 Cadillac). Total meterage in 2017: 9,809.87m (1,685.64m Guapinol, 2,221.91m RDO, 2,338.30m East Dome, 1,044.62 Blag Main, 1,665.01m Veta Loca, 854.39m Cadillac).

Highlighted results from 2017 are as follows;

Hole ID	Target	From m	To m	Length (m)	Au (g/t)	Ag (g/t)	Pb (ppm)	Zn (ppm)
BL17-051	East Dome	134.78	169.86	35.08	0.099	31.01	75	65
including		134.78	145.5	10.72	0.238	57.29	130	32
BL17-052	East Dome	259.00	267.00	8.00	1.57	38.30	1,723	1,612
including		264.05	265.83	1.78	5.69	71.10	5,966	3,271
BL17-054	East Dome	291.38	301.00	9.62	0.703	60.46	1,047	1,846
including		292.80	294.10	1.30	3.78	208.00	4,481	7,348
BL17-056	Blag Main	434.62	445.52	10.90	0.994	15.39	7,126	20,030
including		444.00	445.52	1.52	3.29	48.20	28,000	68,200
RD17-047	RDO	345.85	348.80	2.95	4.23	4.34	926	1,106

BL17-058	East Dome	296.00	300.05	4.05	0.377	328.30	499	803
including		296.00	297.80	1.80	0.649	636.00	1,067	1,639
BL17-060	East Dome	315.67	321.67	6.00	2.74	42.48	220	262
including		319.50	321.67	2.17	5.12	31.04	277	267
GP17-057	Veta Loca	33.70	41.15	7.45	9.69	2.92	101	297
LS17-018	Cadillac	121.00	128.50	7.50	4.42	103.40	2,129	3,275
including		121.70	124.00	2.30	13.57	317.30	5,911	7,286
LS17-020	Cadillac	118.55	122.04	3.49	7.48	116.70	1,057	1,450
including		119.80	122.04	2.24	11.59	179.30	1,618	2,148
LS17-022	Cadillac	135.58	137.25	1.67	16.66	271.60	23,570	11,750
including		135.58	136.55	0.97	28.60	454.00	39,700	18,800

Notes:
- 2017 Drilling Highlights / Length weighted averages from uncut assays.
- Intervals are core lengths / true width are estimated to be 80-90% of lengths

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

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

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

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

The NI 43-101 compliant independent Technical Report summarizing the 2018 Mineral Resource Estimate, prepared by Roscoe Postle Associates Inc., was filed on SEDAR and on the Company's website on May 14, 2018.

Total drill holes completed in 2018: Fifty (50) - (3 Veta Loca "B", 3 Guapinol, 9 Cadillac, 1 Jaguar, 5 Mercedes-Jaguar Gap, 6 East Dome, 6 Blag Main, 12 La Luna, 5 San Cristobal). Total meterage drilled in 2018: 10,584.44m (468.17m

(Expressed in Canadian Dollars)

Veta Loca "B", 590.17m Guapinol, 1,955.05m Cadillac, 169.27m Jaguar, 1,085.50m Mercedes-Jaguar Gap, 2,052.72m East Dome, 1,637.78m Blag Main, 1,994.88m La Luna, 630.90m San Cristobal).

Highlighted results from 2018 are as follows;

Hole ID	Target	From m	To m	Length (m)	Au (g/t)	Ag (g/t)	Pb (ppm)	Zn (ppm)
LS18-025	Cadillac	145.40	149.00	3.60	2.15	16.82	2,645	5,591
including		146.30	147.40	1.10	5.3	9.17	3,202	8,940
LS18-027	Cadillac	137.60	139.70	2.10	1.21	1,097.00	12,460	18,330
including		137.60	138.40	0.80	3.1	2,801.00	32,500	47,000
LS18-032	MJG	166.84	173.85	7.01	0.249	20.07	698	713
LS18-034	MJG	176.75	205.50	28.75	0.257	41.51	478	1,169
BL18-062	East Dome	186.70	203.20	16.50	0.399	47.77	117	285
including		201.30	202.40	1.10	1.3	245.40	138	483
BL18-063	East Dome	225.43	230.08	4.65	1.6	94.27	6,181	13,330
	including	229.00	230.08	1.08	3.24	166.00	12,200	22,300
BL18-066	East Dome	325.52	332.65	7.13	0.659	57.65	19	112
LL18-012	La Luna South	53.00	68.90	15.90	5.75	34.26	297	444
including		62.90	67.55	4.65	17.78	32.48	533	477
LL18-013	La Luna South	15.25	40.00	24.75	0.49	6.52	31	108
LL18-015	La Luna North	56.00	65.81	9.81	1.96	19.65	2,564	3,471
LL18-020	La Luna South	124.24	132.95	8.71	6.78	5.34	40	142
including		127.16	131.54	4.38	13.22	9.48	70	158
and	2nd Zone	152.13	159.81	7.68	3.09	89.68	30,270	31,710
including		155.36	159.81	4.45	4.96	151.50	52,210	54,630
SC18-002	San Cristobal	87.82	95.86	8.04	10.92	859.00	951	2,031
including		94.31	95.86	1.55	54.68	3,957.00	4,649	9,788
with		95.28	95.86	0.58	67.2	9,391.00	9,309	18,800

Notes:
- 2018 Drilling Highlights / Length weighted averages from uncut assays.
- Intervals are core lengths / true width are estimated to be 80-90% of lengths

IAMGOLD paid the second installment of US$150,000 during 2018 in accordance with IAMGOLD's Second Option to earn a further 19% in the Eastern Borosi Project.

The 2019 exploration program was initiated in January 2019 with target definition and advancement work consisting of soil and rock sampling as well as follow-up trenching designed to prioritize additional drilling targets for 2019. This work is advancing a series of targets defined by previous exploration and includes on-strike extensions to existing deposits and new areas which have not been previously drill tested.

The drilling program commenced in March 2019 and the first set of drill holes consist of follow-up drilling on two successful high-grade discoveries from the fourth quarter of 2018 - San Cristobal and La Luna (see table below).

(Expressed in Canadian Dollars)

Hole ID	Mineralized Zone	From m	To m	Length (m)	AuEq (g/t)	Au (g/t)	Ag (g/t)	Pb (ppm)	Zn (ppm)
SC18-002	**San Cristobal**	94.31	95.86	**1.55**	**115.56**	**54.68**	**3,957**	4,649	9,788
LL18-020	**La Luna**								
	Main Structure	127.16	131.54	**4.38**	**13.37**	**13.22**	**9.5**	70	158
	Sulphide Zone	155.36	159.81	**4.45**	**7.29**	**4.96**	**151.5**	52,210	54,630

Joint Venture with Rosita Mining Corporation

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

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

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

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

During 2018, the Company, together with Rosita, entered into a joint venture agreement (the "JV Agreement") with Century Mining ("Century") for the further development and advancement of the Rosita D Joint Venture (the "Project"). Pursuant to the JV Agreement, Calibre and Rosita Mining have agreed with Century that they will form a new Nicaraguan joint venture company, Santa Rita Mining, with Century ultimately holding 75% of the outstanding shares and Rosita Mining and Calibre holding 17.5% and 7.5% of the outstanding shares respectively. Century will contribute a total of US$8.5 million to Santa Rita Mining in tranches of $1.5 million and $7.0 million which funds will be used for the construction, commissioning and operation of the processing facility to treat the Santa Rita stockpile resource on the Rosita D Project. Calibre and Rosita Mining will transfer the Rosita D Concession as well as all technical know-how of the Project to Santa Rita Mining for their interest in the joint venture company. Calibre will also receive a one-time payment of $50,000 for certain surface rights associated with the Project. The investment by Century is not an indication that a production decision has been made by Calibre and the Company confirms that it has not made a production decision with respect to the Project. The Company has not completed a feasibility study or established the economic viability of the Project or proposed operations on the Project, and no mineral reserves have been established for the Project that would support a production decision. Projects which are put into production without first establishing mineral reserves and completing a feasibility study have historically had a higher risk of economic or technical failure.

Market trends

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

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

Segmented information

The Company currently operates in one reportable operating segment, being the acquisition, exploration, and development of natural resource properties, which is conducted in Nicaragua. The Company is in the exploration stage and, accordingly, has no reportable segment revenues for any of the periods presented in the Company's consolidated financial statements. For further information regarding geographical data including assets based on location, please refer to Note 11 of the consolidated financial statements for the year ended December 31, 2018.

Selected Annual Information

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars. The information below has been extracted from the Company's audited consolidated financial statements for the years noted. The accompanying discussion and analysis of financial conditions and results of operations should be read in conjunction with the Company's audited consolidated financial statements and related notes and disclosures in this MD&A for the years ended December 31, 2016 to 2018:

	December 31, 2018	December 31, 2017	December 31, 2016
Total revenues	$Nil	$Nil	$Nil
Loss for the year	$1,212,561	$1,872,892	$775,537
Basic and diluted loss per share	$0.03	$0.06	$0.04
Total assets	$35,052,474	$28,834,155	$28,018,087
Total long-term financial liabilities	$Nil	$Nil	$Nil
Cash dividends declared	$Nil	$Nil	$Nil

Results of Operations

The following discussion and analysis of the Company's financial results of its operations should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2018:

The Company's general and administrative costs were lower in 2018 totalling $1,489,170 compared to $2,148,520 in 2017. The key factors contributing to this decrease is the following:

Consulting expense was $569,883 during 2018 (2017 - $319,077). Included in the balance was $200,417 paid to several mining and financial advisory firms that were engaged by the Company to provide advice on a potential business transaction, which did not materialize.

During 2018, share-based compensation was $189,506 compared to $1,056,413 during 2017. The higher expense in 2017 was due to the greater number of stock options that vested during that year compared to 2018.

During 2018, the Company paid interest to related parties through the issuance of common shares (see section, Overall Performance). A total of 1,333,333 common shares were issued with an aggregate value of $80,000.

(Expressed in Canadian Dollars)

Summary of Quarterly Results

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

	December 2018	September 2018	June 2018	March 2018
Total revenues	$Nil	$Nil	$Nil	$Nil
Net loss for the period	$(374,044)	$(472,972)	$(151,287)	$(214,258)
Basic and diluted loss per share for the period	($0.03)	($0.00)	($0.00)	($0.00)

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

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

Liquidity

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

Other than those obligations disclosed in the notes to its consolidated financial statements and discussed in this MD&A, the Company has no other long-term debt, capital lease obligations, or any other long-term obligations. As at December 31, 2018, the Company had working capital of $3,922,841 compared to working capital of $2,291,396 as at December 31, 2017.

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

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

(Expressed in Canadian Dollars)

Capital Resources

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

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

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

		2018		2017
Short-term benefits (i)	$	240,000	$	236,000
Share-based payments (ii)	$	125,042	$	953,868
Consulting and advisory fees to key persons	$	215,408	$	175,625

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

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

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

During 2018, the Company paid or accrued $Nil (2017 - $9,654) in office rent expense to companies with directors and officers in common. The sharing arrangement with these related companies was on a month-to-month basis which ended in 2017.

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

Fourth Quarter

Other income during Q4 2018 was $75,824 (Q4 2017 - $121,486). Other income reflects management fees earned by the Company for managing its optioned projects. The lower income in Q4 2018 is due to the lower exploration program in La Luz during 2018 when compared to 2017.

Proposed Transactions

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

Critical Accounting Estimates

The Company's significant accounting policies are presented in Note 3 of the audited consolidated financial statements for the year ended December 31, 2018. The preparation of these consolidated financial statements in accordance with IFRS requires the Company to make assumptions, estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent assets and liabilities. The Company evaluates its estimates on an on-going basis. Such estimates are based on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of revenues and expenses that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Significant areas of estimation uncertainty considered by management in preparing the consolidated financial statements are as follows:

Impairment of exploration and expenditure assets

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

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

Change in Accounting Policies Including Initial Adoption

IFRS 9 replaces IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39") and addresses the classification, measurement and derecognition of financial assets and financial liabilities, and introduces new rules for hedge accounting. In July 2014, the IASB made further changes to the classification and measurement rules and also introduced a single, forward-looking "expected loss" impairment model.

Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. There was no measurement or accounting impact upon adoption of IFRS 9 to any of the Company's financial liabilities.

As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that were recognized at the date of application. The change did not impact the carrying value of any financial assets on transition date.

As there was no measurement or accounting impact upon adoption of IFRS 9 to any of the Company's accounts, the Company is not restating prior periods. Accordingly, there is also no impact on the consolidated statement of cash flows, nor any to basic and diluted EPS.

The following is the Company's new accounting policy for financial instruments under IFRS 9.

i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive (loss) income ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

The Company completed a detailed assessment of its financial assets and liabilities as at January 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

	Measurement Categories	
	Original classification (IAS 39)	New classification (IFRS 9)
Financial instruments:		
Cash and cash equivalents	Amortized cost	Amortized cost
Receivables	Amortized cost	Amortized cost
Marketable securities	FVOCI	FVOCI
Trade and other payables	Amortized cost	Amortized cost

(ii) Measurement

<u>Financial assets at FVTOCI</u>

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss).

<u>Financial assets and liabilities at amortized cost</u>

Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

<u>Financial assets and liabilities at FVTPL</u>

Financial assets and liabilities carried at FVTPL are initially recorded at fair value, and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

The Embedded Derivatives are classified as FVTPL and owing to the requirement that they be fair valued each period, there is no separate recognition of the Company's credit risk.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve-month expected credit losses. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

(iv) Derecognition

Financial assets: The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within the accumulated other comprehensive income (loss).

Financial liabilities: The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss and comprehensive loss.

Standards, amendments and interpretations not yet effective

In January 2016, the IASB issued IFRS 16, Leases ("IFRS 16"). IFRS 16 replaces IAS 17, Leases (and related interpretations), the previous accounting standard. The objective of IFRS 16 is to recognize substantially all leases on the statement of financial position for lessees. IFRS 16 requires lessees to recognize a "right-of-use" asset and a lease liability calculated using a prescribed methodology. The effective date of IFRS 16 is for annual periods beginning on or after January 1, 2019. A lessee can choose to apply IFRS 16 using either a full retrospective or a modified retrospective approach. The Company will adopt IFRS 16 for the annual period beginning January 1, 2019.

The Company does not currently expect that IFRS 16 will have a significant impact to the consolidated statement of financial position; however, it may result in the recognition of a right-of-use asset and lease liability, and a corresponding increase in depreciation and interest expense on the consolidated statement of loss and comprehensive loss. The Company would also expect that cash flows from operating activities would increase under IFRS 16 as lease payments for the lease would be recorded as financing outflows in the consolidated statement of cash flows as opposed to operating cash flows.

The Company only has one operating lease which relates to its Vancouver head office lease. Using an incremental borrowing rate of 7%, the Company estimates the value of its right-of-use asset and lease liability at $199,446 as at December 31, 2018 had the Company adopted the guidance at year-end. The Company will finalize its conclusions including quantifying the adjustment to opening equity at January 1, 2019 and report more detailed information in its first quarter 2019 interim consolidated financial statements.

Financial Instruments and Other Instruments

Fair Value and Hierarchy

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

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

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

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

Credit risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's interest rate risk arises primarily from the interest received on its cash balances. The Company manages its interest rate risk by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Based on cash balances held at December 31, 2018, the effect of a one basis point increase or decrease in interest rates on net loss is not considered significant. The Company's other financial assets and liabilities are not subject to interest rate risk, as they do not bear interest.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. The Company's functional and reporting currency is the Canadian dollar. The Company incurs foreign currency risk on purchases that are denominated in a currency other than the functional currency of the Company, which will have an impact on the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company's main risks are associated with fluctuations in the Nicaraguan Cordoba ("COR") and the US dollar ("USD"). The Company does not enter into any foreign exchange contracts to mitigate these risks. Based on management's analysis, the effect on these instruments held at December 31, 2018 of a five percent increase or decrease in foreign exchange rates on net loss is not considered significant.

Other MD&A Requirements

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

Additional Disclosure for Venture Issuers Without Significant Revenue

For additional disclosures concerning the Calibre's general and administrative expenses and a breakdown of the exploration and evaluation assets, please refer to the Company's consolidated financial statements for the year ended December 31, 2018 that are available on the Company's website at www.calibremining.com or on the SEDAR website at www.sedar.com. The Company discusses the activities at each of the projects above in *Business Overview and Overall Performance*.

The Company does not have any capitalized or expensed research and development costs or any deferred development costs for the year ended December 31, 2018.

Disclosure of Outstanding Share Data

The following describes the outstanding share data of the Company as at April 25, 2019. For further information and details concerning outstanding share data, options, and warrants, refer to the Consolidated Statements of Changes in Shareholders' Equity, included in the consolidated financial statements as at and for the year ended December 31, 2018:

	Number Outstanding
Common shares	44,821,578
Options to purchase common shares	2,692,499
Warrants to purchase common shares	13,769,896

Additional Disclosure for Reporting Issuers with Significant Equity Investees

Not applicable.

Risk Factors

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

Exploration, Development and Operating Risks

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of the minerals and proximity to infrastructure; mineral prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted but could have a material adverse effect upon the Company's operations.
Mining operations generally involve a high degree of risk. The operations of the Company are subject to all the hazards and risks normally encountered in the exploration, development and production of precious metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

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

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

Political Stability and Government Regulation Risks

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

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

Reliability of Resource Estimates

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

Insurance and Uninsured Risks

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

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

Environmental Risks and Hazards

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

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

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

Infrastructure

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

Land Title

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

Permits

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

Competition

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

Hedging

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

Additional Capital

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

Fluctuations in Metal Prices

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

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

Exchange Rate Fluctuations

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

Dividend Policy

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

Key Personnel

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

Changes to Exploration Programs

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

Share Price Volatility and Liquidity

Publicly quoted securities are subject to a relatively high degree of price volatility. It may be anticipated that the quoted market for our shares will be subject to market trends generally, notwithstanding any potential success of the

Company in creating sales and revenues. In addition, our shareholders may be unable to sell significant quantities of shares into the public trading markets without a significant reduction in the price of their shares, if at all.

Internal Controls and Disclosure Controls over Financial Reporting

On November 23, 2007, the British Columbia Securities Commission in which the Company is registered exempted Venture Issuers from certifying disclosure controls and procedures, as well as, Internal Controls over Financial Reporting as of December 31, 2007, and thereafter. Since the Company is a Venture Issuer, it is now required to file basic certificates, which it has done for the year ended December 31, 2018. The Company makes no assessment relating to establishment and maintenance of disclosure controls and procedures as defined under Multilateral Instrument 52-109 as at December 31, 2018.

Outlook

Management will continue to look for partnership opportunities for its 100% owned projects in Nicaragua as well as M&A prospects. The drill program consisting of an estimated 6,000 metres of diamond drilling has commenced in Eastern Borosi with partner, IAMGOLD and the first two drill targets consist of follow-up drilling on two successful high-grade Au-Ag discoveries from 2018 where drill intercepts include; 1.55 metres grading 54.68 g/t Au and 3,957 g/t Ag (179.11 AuEq) on the San Cristobal gold-silver vein-structure 4.38 metres grading 13.22 g/t Au and 9.5 g/t Ag (13.37 AuEq) from the Main structure on the La Luna gold-silver vein-structure and a second intercept in the same drill hole of 4.45 metres grading 4.96 g/t Au and 151.5 g/t Ag (7.29 AuEq) from a newly discovered Sulphide-Rich Zone.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2019

(Unaudited)

Calibre Mining Corp.

Consolidated Interim Balance Sheets
(Expressed in thousands of Canadian Dollars)
(Unaudited)

	June 30, 2019	December 31, 2018
ASSETS		
Current		
Cash and cash equivalents	$ 2,768	$ 4,761
Receivables	51	13
Marketable securities	6	5
Prepaid deposits and advances	96	81
	2,921	4,860
Non-current		
Property and equipment *(Note 4)*	271	302
Right-of-use asset *(Note 5)*	344	-
Exploration and evaluation assets *(Note 6)*	30,463	29,890
	$ 33,999	$ 35,052
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Trade and other payables	$ 352	$ 937
Current portion of lease liability *(Note 5)*	55	-
	407	937
Non-current		
Lease liability *(Note 5)*	305	-
	712	937
Shareholders' equity		
Share capital	49,411	48,171
Contributed surplus	18,485	18,315
Foreign currency translation reserve	3,053	4,192
Accumulated other comprehensive loss	(5)	(6)
Accumulated deficit	(37,657)	(36,557)
	33,287	34,115
	$ 33,999	$ 35,052

Subsequent event *(Note 10)*

On behalf of the Audit Committee:

"Douglas B. Forster" Director

"Edward Farrauto" Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Calibre Mining Corp.

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Loss and Comprehensive Income (Loss)

(Expressed in thousands of Canadian Dollars, except per share amounts)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Expenses				
Amortization *(Note 4)*	$ 34	$ 1	$ 64	$ 2
Audit and accounting fees	24	16	58	34
Consulting fees *(Note 10)*	424	47	518	108
Interest expense *(Note 5)*	11	-	24	-
Investor relations	24	16	82	47
Legal fees	2	7	5	12
Other administration charges	30	18	52	37
Rent	-	17	-	34
Salaries and wages	64	64	133	132
Share-based compensation	64	50	159	142
	(677)	(236)	(1,095)	(548)
Other Income (Expenses)				
Other income	53	57	89	111
Foreign exchange gain (loss)	(20)	28	(36)	65
Write-down of property *(Note 6)*	-	-	(80)	-
Interest income	18	-	22	6
	51	85	(5)	182
Net Loss for the Period	(626)	(151)	(1,100)	(366)
Foreign exchange translation effect	(559)	520	(1,139)	1,193
Unrealized gain (loss) on marketable securities	(1)	-	1	4
Net Comprehensive Income (Loss) for the Period	$ (1,186)	$ 369	$ (2,238)	$ 831
Net Loss per Share - Basic and Diluted	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.01)
Weighted Average Shares Outstanding* ('000's)	44,822	31,267	44,357	31,267

**During Q4 2018, the Company completed a 10:1 share consolidation of its common shares. All comparative share data presented on these financial statements have been restated to reflect the share consolidation.*

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Calibre Mining Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the Six Months Ended June 30, 2018 and 2019
(Expressed in thousands of Canadian Dollars)
(Unaudited)

	Common Shares						
	Shares ('000's)*	Amount	Contributed Surplus	Foreign Currency Translation Reserve	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
Balance – December 31, 2017	31,267	$ 45,016	$ 16,278	$ 1,905	$ (5)	$ (35,344)	$ 27,851
Share-based compensation	-	-	166	-	-	-	166
Other comprehensive income	-	-	-	-	4	-	4
Foreign exchange translation	-	-	-	1,193	-	-	1,193
Loss for the period	-	-	-	-	-	(366)	(366)
Balance – June 30, 2018	31,267	$ 45,016	$ 16,444	$ 3,098	$ (1)	$ (35,710)	$ 28,848

During Q4 2018, the Company completed a 10:1 share consolidation of its common shares. All comparative share data presented on these financial statements have been restated to reflect the share consolidation.

Balance – December 31, 2018	42,822	$ 48,171	$ 18,315	$ 4,192	$ (6)	$ (36,557)	$ 34,115
Issued for property *(Note 6)*	2,000	1,240	-	-	-	-	1,240
Share-based compensation	-	-	170	-	-	-	170
Other comprehensive income	-	-	-	-	1	-	1
Foreign exchange translation	-	-	-	(1,139)	-	-	(1,139)
Loss for the period	-	-	-	-	-	(1,100)	(1,100)
Balance – June 30, 2019	44,822	$ 49,411	$ 18,485	$ 3,053	$ (5)	$ (37,657)	$ 33,287

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Calibre Mining Corp.

Condensed Interim Consolidated Statements of Cash Flows
For the Six Months Ended June 30
(Expressed in thousands of Canadian Dollars)
(Unaudited)

		2019		2018
Operating Activities				
Net loss for the period	$	(1,100)	$	(366)
Items not affecting cash:				
Amortization		64		2
Share-based compensation		159		142
Unrealized foreign exchange		49		(145)
Write-down of property		80		-
Net changes in non-cash working capital:				
Receivables		(38)		156
Accounts payable and accrued liabilities		3		(85)
Prepaid expenses		(15)		117
		(797)		(177)
Investing Activities				
Interest income		22		-
Option payment received from optionee		200		192
Purchase of equipment		-		(9)
Exploration and evaluation expenditures, net of recoveries		(1,324)		(1,344)
		(1,102)		(1,162)
Financing Activities				
Principal lease payments		(44)		-
Interest paid		(23)		-
		(67)		-
Effect of exchange rate on cash and cash equivalents		(27)		77
Net Decrease in Cash and Cash Equivalents		(1,993)		(1,262)
Cash and cash equivalents - Beginning of Period		4,761		2,900
Cash and cash equivalents - End of Period	$	2,768	$	1,638
Supplemental Disclosure of Non-Cash Investing Activities				
Amortization included in exploration and evaluation assets	$	11	$	4
Shares issued for acquisition of property	$	1,240	$	-
Share-based compensation included in exploration and evaluation assets	$	12	$	23
Exploration and evaluation costs included in accounts payable	$	231	$	663

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Calibre Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Six Months Ended June 30, 2019
(All amounts are in thousands of Canadian Dollars unless otherwise stated)
(Unaudited)

1. Nature of Operations

Calibre Mining Corp. is incorporated under the laws of British Columbia, Canada and maintains its corporate head office at Suite 413 - 595 Burrard Street, Vancouver, British Columbia, Canada. The Company's common shares are listed on the TSX Venture Exchange (TSX.V: CXB) in Canada.

Calibre Mining Corp. and its subsidiaries (collectively referred to as the "Company") are principally engaged in the acquisition, exploration and development of mineral properties located in Nicaragua.

2. Basis of Preparation and Statement of Compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standards 34, *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board ("IASB").

The accounting policies applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2018, except as otherwise noted in Note 4 and Note 5. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS as issued by the IASB.

These condensed interim consolidated financial statements were approved and authorized for issue by the Audit Committee on July 15, 2019.

3. Significant Judgments, Estimates and Assumptions

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

Impairment of exploration and evaluation assets

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

3. Significant Judgments, Estimates and Assumptions - cont'd.

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

4. Change in Accounting Policy and Accounting Estimates

Except for accounting for leases, the accounting policies applied in these interim consolidated financial statements are the same as those applied in the Company's 2018 consolidated financial statements. IFRS 16, "Leases" was adopted by the Company effective January 1, 2019. The impact of the adoption of IFRS 16, "Leases", and the Company's new accounting policies are disclosed in Note 5 (Leases).

<u>Change in accounting estimate - Depreciation Method</u>

Prior to January 1, 2019, the Company has depreciated its property and equipment using the declining balance method. Effective January 1, 2019, the Company elected to change its depreciation method for its property and equipment from declining balance to straight-line method. The change was made in order to have the Company's depreciation method align with the depreciation method of the Nicaraguan Mines (Note 10). The Company has accounted for the change in depreciation method prospectively, as provided for under IAS 8 with no impact of this change on prior year comparative information.

5. Leases

The Company adopted IFRS 16, "Leases" using a modified retrospective approach from January 1, 2019. Under the modified approach, the Company is not required to restate comparatives for the 2018 reporting period and it applied the standard prospectively.

<u>Practical Expedients Applied</u>

On adoption, the Company used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- account for lease payments as an expense and not recognize a right-of-use ("ROU") asset if the underlying asset is of low dollar value;
- account for leases with a remaining lease term of less than 12 months as at January 1, 2019, as short-term leases,
- account for lease and non-lease components as a single lease component for lease liabilities; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

<u>Leasing Activities and Policies</u>

The Company only has one lease which relates to its Vancouver head office. The office lease has a 5-year term and is subject to expire on May 2022. Lease payments are comprised of two components – basic rent and operating costs. Basic rent for the term of the lease is fixed with only the operating portion subject to fluctuations. Prior to January 1, 2019, leases were accounted for under IAS 17, "Leases" and were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the term of the lease.

(All amounts are in thousands of Canadian Dollars unless otherwise stated)

5. Leases – cont'd.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The ROU asset is depreciated over the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments less any lease incentives receivable;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

ROU assets are measured at cost comprising of the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

<u>Adjustments Recognized on Adoption of IFRS 16, "Leases"</u>

On adoption of IFRS 16, "Leases" the Company recognized a lease liability in relation to its office lease which had previously been classified as 'operating leases' under the principles of IAS 17, "Leases". This liability was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 12%.

The change in accounting policy affected the following items in the Consolidated Balance Sheet on January 1, 2019:

- ROU asset – increased by $403 due to the adoption of IFRS 16, "Leases"; and
- Lease liability – increased by $403 due to the adoption of IFRS 16, "Leases."

<u>Reconciliation of Commitments to Lease Liability</u>

The following table provides a reconciliation of the commitments as at December 31, 2018 to the Company's lease liabilities as at January 1, 2019 and June 30, 2019.

Disclosed commitments as at December 31, 2018	$	512
Impact of discounting		(109)
Lease liability as at January 1, 2019	$	403
Lease payments		(66)
Amortization of discount		23
	$	360
Current portion of lease liability		(55)
Lease liability as at June 30, 2019	$	305

(All amounts are in thousands of Canadian Dollars unless otherwise stated)

5. Leases – cont'd.

The table below analyzes the Company's lease liabilities into relevant contractual maturity groupings based on the remaining period at the Consolidated Balance Sheet date to the contractual maturity date of the lease. the amounts shown in the table below are the contractual undiscounted cash flows related to the liability.

	Less than 1 year	1 year to 2 years	More than 3 years	Total contractual cash flows	Carrying amount
Lease liability	$ 75	$ 301	$ 63	$ 439	$ 360

The difference between the total contractual undiscounted cash flows related to lease payments to lessors and the carrying amount of the lease liability is the amortization of the discount related to the lease liability.

Right-of-Use Asset

The ROU asset was measured as if the standard had been applied since the commencement date of the lease but discounted using the Company's incremental borrowing rate as at the date of initial application (January 1, 2019). There were no onerous lease contracts that would have required an adjustment to the ROU assets at the date of initial application.

Continuity of ROU Asset

	Balance at January 1, 2019	Amortization for the period	Balance at June 30, 2019
Office property	$ 403	($ 59)	$ 344

6. Exploration and Evaluation Assets

On February 11, 2019, the Company purchased the 51% interest of Centerra Gold Inc. ("Centerra") in the La Luz Project by issuing 2,000,000 common shares of Calibre to Centerra and granting Centerra a 2.0% net smelter return royalty ("NSR Royalty") on future production from the La Luz Project. The value of the common shares issued to Centerra was $1,240 which was based on the Company's share price on the date of the transaction. Calibre has the right to (i) purchase 1.0% of the NSR Royalty for $2,000; and (ii) being granted a right of first refusal on the remaining 1.0% NSR Royalty. Including transaction costs, the total acquisition costs associated with the transaction amounted to $1,249.

During the period ended June 30, 2019, the Company wrote-off exploration costs associated with a concession that it relinquished during the period. The write-down during the period amounted to $80.

During the period ended June 30, 2019, the Company received an option payment of US$150 (equivalent to $200) from Iamgold Corporation, which represents the final option payment in accordance with the option agreement.

Calibre Mining Corp.

Notes to the Condensed Interim Consolidated Financial Statements
For the Six Months Ended June 30, 2019
(All amounts are in thousands of Canadian Dollars unless otherwise stated)
(Unaudited)

6. Exploration and Evaluation Assets – cont'd.

The following table outlines the expenditures at the Borosi concessions during the period ended June 30, 2019:

	Joint Venture Santa Rita	Option Property to IAMGOLD	Option Property to Centerra	Calibre 100% Owned Property	Total
Cost, December 31, 2018	$ 594	$ 7,233	$ 667	$ 21,396	$ 29,890
Acquisition of Centerra interest	-	-	-	1,249	1,249
Administration and maintenance	-	94	-	83	178
Amortization	-	5	-	10	15
Assaying	-	35	-	9	44
Camp, supplies and logistics	-	93	-	3	96
Drilling and related	-	369	-	-	369
Foreign exchange	(22)	(274)	-	(836)	(1,133)
Geological consulting	-	-	-	40	40
Professional fees	-	-	-	5	5
Property maintenance	18	97	-	389	505
Salary and wages	-	264	-	191	454
Share-based compensation	-	4	-	8	12
Travel	-	14	-	77	91
Recovery of value-added taxes	-	(125)	(98)	-	(222)
Recovery of costs and option payment	-	(1,050)	-	-	(1,050)
Total expenditures during the year	(4)	(472)	(98)	1,228	653
Reclassification of Centerra costs	-	-	(568)	569	-
Write-down of property	-	-	-	(80)	(80)
Cost, June 30, 2019	$ 590	$ 6,760	$ -	$ 23,113	$ 30,463

7. Share Capital

a) Authorized

The Company is authorized to issue an unlimited number of common shares with no par value.

b) Stock options

A summary of the status of the Company's stock options as at June 30, 2019 is presented below:

Exercise price	January 1, 2019 ('000)	Expired ('000)	June 30, 2019 ('000)	Expiry date	Remaining contractual life in years	Number of options vested ('000)
$1.00	170	-	170*	July 15, 2019	0.04	170
$1.20	50	-	50	September 23, 2019	0.23	50
$1.60	625	-	625	October 9, 2019	0.28	625
$1.40	50	(50)	-	December 1, 2019	-	-
$1.00	252	(23)	229	August 27, 2020	1.16	229
$1.60	50	-	50	September 7, 2021	2.19	50
$2.70	20	-	20	February 20, 2022	2.65	20
$0.45	1,400	-	1,400	November 6, 2023	4.36	700
$0.45	75	-	75	November 16, 2023	4.38	38
	2,692	(73)	2,619			1,882
	$0.87	$1.28	$0.86	Weighted average exercise price		

**Expired subsequent to the period ended June 30, 2019.*

(All amounts are in thousands of Canadian Dollars unless otherwise stated)

7. Share Capital – cont'd.

The Company amortizes the total fair value of options granted over a graded vesting schedule. The total compensation expense recognized for options granted during the period was $170 (2018 - $166). Of the total compensation recorded, $159 (2018 - $142) was charged to operations expense and $12 (2018 - $23) was capitalized to exploration and evaluation assets.

c) Warrants

As at June 30, 2019, the following warrants were outstanding and exercisable:

Exercise price	January 1, 2019 ('000)	Expired ('000)	June 30, 2019 ('000)	Expiry date	Remaining contractual life in years
$1.60	2,660	(2,660)	-	April 21, 2019	-
$1.50	1,970	-	1,970	January 12, 2020	0.54
$0.55	379	-	379	October 30, 2020	1.34
$0.95	11,421	-	11,421	October 30, 2023	4.34
	16,430	(2,660)	13,770		
	$1.11	$1.60	$1.02	Weighted average exercise price	

8. Related Party Transactions

Key management personnel

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

	Six Months Ended June 30, 2019	Six Months Ended June 30, 2018
Short-term benefits (i)	$ 120	$ 120
Share-based payments (ii)	$ 122	$ 126
Consulting and advisory fees to key persons	$ 176	$ 89

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

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

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

(All amounts are in thousands of Canadian Dollars unless otherwise stated)

9. Segmented Information

The Company currently operates in one reportable operating segment, being the acquisition, exploration, and development of natural resource properties, which is conducted principally in Nicaragua. The Company is in the exploration stage and, accordingly, has no reportable segment revenues for any of the periods presented in these financial statements. The following geographic data includes assets based on location:

As at June 30, 2019

	Canada	Nicaragua	Total
Cash and cash equivalents	$ 2,639	$ 129	$ 2,768
Other current assets	68	85	153
Property and equipment	4	267	271
Right-of-use asset	344	-	344
Exploration and evaluation assets	-	30,463	30,463
Total assets	$ 3,056	$ 30,943	$ 33,999
Total liabilities	$ 488	$ 224	$ 712

As at December 31, 2018

	Canada	Nicaragua	Total
Cash and cash equivalents	$ 4,566	$ 194	$ 4,761
Other current assets	45	54	99
Property and equipment	10	293	303
Exploration and evaluation assets	-	29,890	29,890
Total assets	$ 4,621	$ 30,431	$ 35,052

The following geographic data denotes net losses based on their country of origin for the six months ended June 30:

	2019	2018
Canada	$ 1,020	$ 366
Nicaragua	80	-
Loss for the period	$ 1,100	$ 366

10. Subsequent Event

Subsequent to the period ending June 30, 2019, the Company signed a binding agreement (the "**Agreement**") with B2Gold Corp. ("B2Gold") to acquire B2Gold's interests in the El Limon and La Libertad Gold Mines (the **"Nicaragua Mines**"), the Pavon Gold Project and additional mineral concessions in Nicaragua (collectively, the "**Nicaragua Assets**") for aggregate consideration of US$100 million (the "**Purchase Price**"), which Purchase Price will be paid with a combination of cash, common shares and a convertible debenture (the "**Transaction**"). Following the completion of the Transaction, B2Gold will own an approximate 31% direct equity interest in Calibre.

The Purchase Price under the Transaction will be payable as follows:

- <u>On closing of the Transaction</u>: US$40 million in cash; US$40 million in common shares of Calibre ("**Calibre Shares**") priced at CDN$0.60 per Calibre Share (such shares being the "**Upfront Consideration Shares**"), provided that if the Concurrent Private Placement or any other financing completed by Calibre concurrently with or prior to closing raises funds at an offering price of less than CDN$0.60 per Subscription Receipt or Calibre Share, then such Upfront Consideration Shares to be issued to B2Gold shall be at such lower price); and (iii); and a US$10 million convertible debenture (the **"Debenture"**); and

- <u>12 months from the closing of the Transaction</u>: US$10 million in cash.

The principal amount owing under the Debenture will bear interest at 2% and will be payable in cash on that date which is two years from closing of the Transaction (the "**Maturity Date**") provided that (i) at any time prior to the close of business on the last business day immediately preceding the Maturity Date, the Debenture will be convertible at the option of B2Gold at a conversion price equal to a price that is 25% above the price of the Upfront Consideration Shares to be issued to B2Gold; and (ii) in the event that prior to the Maturity Date the volume weighted average price of the Calibre Shares is equal to or greater than a 35% premium to the price per share of the Concurrent Private Placement for 10 consecutive trading days on a recognized North American stock exchange on which the majority of Calibre's trading occurs, Calibre can force conversion of the Debenture. The Debenture will be a direct, unsecured obligation of Calibre, ranking equally with all other existing and future unsecured indebtedness of Calibre and will be a non-voting security.

In connection with the Transaction, Calibre has entered into an agreement with Canaccord Genuity Corp. and Sprott Capital Partners LP (together, the "**Lead Agents**") in respect of a private placement of up to 167,000,000 subscription receipts (the "**Subscription Receipts**") for gross proceeds of up to CDN$100 million (the "**Concurrent Private Placement**"). In connection with the Concurrent Private Placement, Calibre may pay finders fees equal to 3% of the gross proceeds of any orders solicited by certain finders (the "**Finder's Fees**"). As consideration for their services, the Lead Agents will be paid a cash commission of 5% of the gross proceeds of the proceeds from the Concurrent Private Placement, except for that portion of the gross proceeds which is subject to Finder's Fees, where the commission payable to the Agents will be 2% of the gross proceeds.

The closing of the Transaction will be subject to certain conditions including majority of minority shareholder approval, the successful negotiation and execution of a definitive agreement (the "Definitive Agreement") by B2Gold and Calibre, the closing of the Concurrent Private Placement by Calibre and satisfactory due diligence by Calibre. In connection with the closing of the Transaction, Calibre intends to apply to graduate to the Toronto Stock Exchange (subject to Toronto Stock Exchange approval and meeting the initial listing requirements of the Toronto Stock Exchange).

During the period ended June 30, 2019, the Company expensed and accrued $385 in transaction costs in relation to the acquisition of the Nicaragua Assets. These amounts were classified as consulting fees on the statement of loss.

Calibre Mining Corp.

(An Exploration Stage Company)
Interim Management's Discussion and Analysis – Quarterly Highlights
Period Ended June 30, 2019
(Expressed in thousands of Canadian Dollars - Unaudited)

Introduction

Calibre Mining Corp. ("Calibre" or the "Company") is incorporated under the laws of British Columbia, Canada and maintains its corporate head office in Vancouver, British Columbia, Canada. The Company engages principally in the acquisition, advancement and development of precious and base metals assets and mineral properties in Nicaragua. The Company's common shares are listed in Canada on the TSX Venture Exchange under the trading symbol CXB. The Company is currently focusing on the exploration of strategic land position in a highly prospective, but underexplored region of the historic "Mining Triangle" in northeast Nicaragua, named the Borosi Concessions. The Borosi Concessions are named for the three historical producing regions of Bonanza, Rosita, and Siuna. The area is highly prospective for gold, silver and copper mineralization.

This interim Management Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company for the period ended June 30, 2019. The Company reports its condensed interim consolidated balance sheets, condensed interim consolidated statements of loss and comprehensive income (loss), condensed interim consolidated statements of changes in equity, and cash flows in accordance with International Financial Reporting Standards ("IRFS") applicable to the preparation of interim financial statements, including International Accounting Standards 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board. Additional information relating to the Company, including the most recent Company filings, can be located on the Company's website, www.calibremining.com, or on the SEDAR website, www.sedar.com.

This MD&A reflects information available as at July 15, 2019.

Update on Exploration Activities

Calibre's 100% Owned Concessions

Calibre owns a 100% interest in over 518 km^2 of mineral concessions in the Mining Triangle of Northeast Nicaragua including the Primavera Gold-Copper Project and Santa Maria Gold Project. During the period ended June 30, 2019, the Company wrote-off exploration costs associated with a concession that it relinquished during the period. The write-down during the period amounted to $80.

IAMGOLD Option Agreement

The 2019 exploration and drilling program includes plans to complete an estimated 6,000 metres of diamond drilling, concurrent with target generative and advancement work. The drilling metres are projected to be evenly split between follow-up drilling and first pass discovery drilling. In addition to the drilling, generative exploration is underway, including targeted soil sampling and surface rock sampling, over areas where previous work outlined anomalous gold and silver often associated with base metals. The results of the first six months will be reviewed and priority targets tested with first pass, discovery oriented, drilling in the second half of 2019.

The drilling program which commenced in March 2019 and the first set of drill holes consisted of follow-up drilling on two successful high-grade discoveries from Q4 2018 (San Cristobal and La Luna). These are discussed in the Calibre press releases dated March 13, 2019 and May 13, 2019.

During the period ended June 30, 2019, the Company received an option payment of US$150 (equivalent to $200) from Iamgold Corporation, which represents the final option payment in accordance with the option agreement.

Centerra Option Agreement

On February 11, 2019, the Company purchased the 51% interest of Centerra Gold Inc. ("Centerra") in the La Luz Project by issuing 2,000,000 common shares of Calibre to Centerra and granting Centerra a 2.0% net smelter return royalty ("NSR Royalty") on future production from the La Luz Project. The value of the common shares issued to Centerra was $1,240 which was based on the Company's share price on the date of the transaction. Calibre has the right to (i) purchase 1.0% of the NSR Royalty for $2,000; and (ii) being granted a right of first refusal on the remaining 1.0% NSR Royalty. Including transaction costs, the total acquisition costs associated with the transaction amounted to $1,249.

(Expressed in thousands of Canadian Dollars - Unaudited)

Santa Rita Mining Joint Venture

Nothing to report.

The following table outlines the expenditures at the Borosi concessions during the period ended June 30, 2019:

	Joint Venture Santa Rita	Option Property to IAMGOLD	Option Property to Centerra	Calibre 100% Owned Property	Total
Cost, December 31, 2018	$ 594	$ 7,233	$ 667	$ 21,396	$ 29,890
Acquisition of Centerra interest	-	-	-	1,249	1,249
Administration and maintenance	-	94	-	83	178
Amortization	-	5	-	10	15
Assaying	-	35	-	9	44
Camp, supplies and logistics	-	93	-	3	96
Drilling and related	-	369	-	-	369
Foreign exchange	(22)	(274)	-	(836)	(1,133)
Geological consulting	-	-	-	40	40
Professional fees	-	-	-	5	5
Property maintenance	18	97	-	389	505
Salary and wages	-	264	-	191	454
Share-based compensation	-	4	-	8	12
Travel	-	14	-	77	91
Recovery of value-added taxes	-	(125)	(98)	-	(222)
Recovery of costs and option payment	-	(1,050)	-	-	(1,050)
Total expenditures during the year	(4)	(472)	(98)	1,228	653
Reclassification of Centerra costs	-	-	(568)	569	-
Write-down of property	-	-	-	(80)	(80)
Cost, June 30, 2019	$ 590	$ 6,760	$ -	$ 23,113	$ 30,463

Acquisition of Nicaraguan Assets from B2Gold

Subsequent to the period ending June 30, 2019, the Company signed a binding agreement with B2Gold Corp. ("**B2Gold**") to acquire B2Gold's interests in the El Limon and La Libertad Gold Mines, the Pavon Gold Project and additional mineral concessions in Nicaragua (collectively, the "**Nicaragua Assets**") for aggregate consideration of US$100 million (the "**Purchase Price**"), which Purchase Price will be paid with a combination of cash, common shares and a convertible debenture (the "**Transaction**"). Following the completion of the Transaction, B2Gold will own an approximate 31% direct equity interest in Calibre.

El Limon

B2Gold owns a 100% interest in El Limon, which is an open pit and underground gold mine located approximately 100 km northwest of Managua, the capital of Nicaragua. A major new high-grade gold discovery at El Limon was announced by B2Gold in February 2018 at Limon Central where open-pit mining has commenced with an initial Inferred Resource of 5.1Mt grading 4.92 g/t Au containing 812,000 ounces of gold. With the deposit open along strike and at depth, significant exploration potential remains across the property.

In 2018, El Limon processed 447,961 tonnes grading 3.64 g/t gold with a recovery rate of 94.9% and produced 49,629 ounces.

In 2019, B2Gold's production guidance for El Limon is 55,000 to 60,000 ounces with cash operating cost guidance of between US$720 and US$760 per ounce and All-In Sustaining Costs ("**AISC**") guidance of US$1,005 to US$1,045 per ounce, with the second half anticipated to benefit from increased production and lower costs.

(Expressed in thousands of Canadian Dollars - Unaudited)

<u>*La Libertad*</u>

B2Gold owns a 100% interest in La Libertad, which is an open pit and underground gold mine located in the La Libertad-Santa Domingo Region of the Department of Chontales in Central Nicaragua, approximately 110 km east of Managua. The annual mill throughput is approximately 2,250,000 tonnes and current gold recoveries are approximately 94% to 95%.

In 2018, La Libertad mine processed 2,250,687 tonnes grading 1.19 g/t gold with a recovery rate of 94.4% and produced 80,963 ounces of gold.

Most recently, and significantly, the environmental permit for the Jabali Antena Open Pit was received in June 2019, and as of June 28, 2019, all resettlement, artisanal miner and land possession issues have been resolved and development of the Jabali Antena Open Pit has commenced.

B2Gold's 2019 guidance for La Libertad is 95,000 to 100,000 ounces at cash operating costs of between US$840 and US$880 per ounce and AISC of US$1,150 to US$1,190 per ounce. The La Libertad project including the surrounding exploration concessions has numerous excellent exploration targets that can expand the current resource base on the 155.37 km^2 property.

Table 1: El Limon and La Libertad Reserve and Resource Estimates

Description			
	Tonnes	**Gold Grade (g/t)**	**Contained Gold Ounces**
La Libertad – Probable	1,100,000	2.01	70,000
El Limon – Probable	600,000	3.97	70,000
Total Probable Mineral Reserves			***140,000***
La Libertad – Indicated	2,000,000	2.61	170,000
El Limon – Indicated	11,700,000	2.40	910,000
Total Indicated Mineral Resources			***1,080,000***
La Libertad – Inferred	3,200,000	4.37	450,000
El Limon – Inferred	5,600,000	5.53	1,000,000
Total Inferred Resources			***1,450,000***

The information concerning El Limon and La Libertad is derived from for period ended March 31, 2019 and filed on B2Gold's SEDAR profile on May 7, 2019, MD&A for the period ended March 31, 2018 and filed on B2Gold's SEDAR profile on May 9, 2018, B2Gold's press release dated February 23, 2018, and technical report entitled NI 43-101 Technical Report, La Libertad Mine, La Libertad Region, Nicaragua dated March 27, 2015 and filed on B2Gold's SEDAR profile on March 30, 2015. To the best knowledge, information and belief of Calibre, there is no new material scientific or technical information that would make the disclosure of the mineral resource or reserves inaccurate or misleading. Mineral Resources are not mineral reserves and do not have demonstrated economic viability.

(Expressed in thousands of Canadian Dollars - Unaudited)

Pavon Gold Project

B2Gold owns 100% of the Pavon Gold Project, which is located approximately 150 km north of La Libertad. Gold mineralization is characterized as a low-sulphidation, quartz epithermal vein system. Gold mineralization is hosted in quartz vein and quartz vein breccia units with locally high grade in stockwork zones. Gold Mineralization is currently hosted in two zones, El Pavon Norte and El Pavon Central. Calibre believes that there remains significant exploration potential at the Pavon Gold Project.

Table 2: Pavon Gold Resource Estimate

Description			
	Tonnes	**Gold Grade (g/t)**	**Contained Gold Ounces**
Indicated Resources	**290,000**	**5.82**	**55,000**
Inferred Resources	**130,000**	**5.50**	**23,000**

All technical information related to the Pavon Gold Project is based on the B2Gold Annual Information Form dated March 27, 2015, a copy of which is available under B2Gold's profile on SEDAR.

The Purchase Price under the Transaction will be payable as follows:

- On closing of the Transaction: US$40 million in cash; US$40 million in common shares of Calibre ("**Calibre Shares**") priced at CDN$0.60 per Calibre Share (such shares being the "**Upfront Consideration Shares**"), provided that if the Concurrent Private Placement (as defined below) or any other financing completed by Calibre concurrently with or prior to closing raises funds at an offering price of less than CDN$0.60 per subscription receipt or Calibre Share, then such Upfront Consideration Shares to be issued to B2Gold shall be at such lower price); and (iii); and a US$10 million convertible debenture (the **"Debenture"**); and

- 12 months from the closing of the Transaction: US$10 million in cash.

The principal amount owing under the Debenture will bear interest at 2% and will be payable in cash on that date which is two years from closing of the Transaction (the "**Maturity Date**") provided that (i) at any time prior to the close of business on the last business day immediately preceding the Maturity Date, the Debenture will be convertible at the option of B2Gold at a conversion price equal to a price that is 25% above the price of the Upfront Consideration Shares to be issued to B2Gold; and (ii) in the event that prior to the Maturity Date the volume weighted average price of the Calibre Shares is equal to or greater than a 35% premium to the price per share of the Concurrent Private Placement (as defined below) for 10 consecutive trading days on a recognized North American stock exchange on which the majority of Calibre's trading occurs, Calibre can force conversion of the Debenture. The Debenture will be a direct, unsecured obligation of Calibre, ranking equally with all other existing and future unsecured indebtedness of Calibre and will be a non-voting security.

In connection with the Transaction, Calibre has entered into an agreement with Canaccord Genuity Corp. and Sprott Capital Partners LP (together, the "**Lead Agents**") in respect of a private placement of up to 167,000,000 subscription receipts for gross proceeds of up to CDN$100 million (the "**Concurrent Private Placement**"). In connection with the Concurrent Private Placement, Calibre may pay finders fees equal to 3% of the gross proceeds of any orders solicited by certain finders (the "**Finder's Fees**"). As consideration for their services, the Lead Agents will be paid a cash commission of 5% of the gross proceeds of the proceeds from the Concurrent Private Placement, except for that portion of the gross proceeds which is subject to Finder's Fees, where the commission payable to the Agents will be 2% of the gross proceeds.

The closing of the Transaction will be subject to certain conditions including majority of minority shareholder approval, the successful negotiation and execution of a definitive agreement by B2Gold and Calibre, the closing of the Concurrent Private Placement by Calibre and satisfactory due diligence by Calibre. In connection with the closing of the Transaction, Calibre intends to apply to graduate to the Toronto Stock Exchange (subject to Toronto Stock Exchange approval and meeting the initial listing requirements of the Toronto Stock Exchange).

The technical content in this MD&A was read and approved by Gregory Smith, P.Geo, President and CEO of Calibre, who is the Qualified Person as defined by NI 43-101.

Results of Operations

As at June 30, 2019, the Company had total assets of $33,999 compared to $35,052 as at December 31, 2018. The majority of these assets for both period ends are the carrying values of the Company's cash and cash equivalents and its exploration and evaluation assets.

As at June 30, 2019, the Company had working capital of $2,515 compared to working capital of $3,923 as at December 31, 2018.

3 months ended June 30, 2019 vs. 3 months ended June 30, 2018

During the three months ended June 30, 2019, the Company recorded a net loss of $626 or $0.01 per share, as compared to a net loss of $151 or $0.01 per share during the same period in the prior year.

Expenses during 2019 were $677 compared to $237 in 2018. The key items contributing to these expenses are as follows:

During the three months ended June 30, 2019, consulting fees were $424 compared to $47 during 2018. The increase in expense in 2019 is due to the transaction costs incurred by the Company in relation to the Company's acquisition of B2Gold's interest in the Nicaraguan Assets (see section, *"Acquisition of Nicaraguan Assets from B2Gold"*). During the three months ended June 30, 2019, the Company expensed and accrued $385 in transaction costs in relation to the acquisition of the Nicaragua Assets.

During the three months ended June 30, 2019, amortization was $34 compared to $1 in 2018. The increase in amortization in 2019 was due to the amortization of the right-of-use asset. IFRS 16, Leases, was recently adopted by the Company and it is discussed in detail under MD&A section, "*Critical Accounting Estimates and Change in Accounting Policies including Initial Adoption*." The absence of rent expense and increase in interest expense during the current period are also a direct result of the adoption of IFRS 16.

6 months ended June 30, 2019 vs. 6 months ended June 30, 2018

During the six months ended June 30, 2019, the Company recorded a net loss of $1,100 or $0.02 per share, as compared to a net loss of $366 or $0.01 per share during the same period in the prior year.

Expenses during 2019 were $1,095 compared to $548 in 2018. The key items contributing to these expenses are as follows:

During the six months ended June 30, 2019, consulting fees were $518 compared to $108 during 2018. The increase in expense in 2019 is due to the transaction costs incurred by the Company in relation to the Company's acquisition of B2Gold's interest in the Nicaraguan Assets (see section, *"Acquisition of Nicaraguan Assets from B2Gold"*). During the six months ended June 30, 2019, the Company expensed and accrued $385,376 in transaction costs in relation to the acquisition of the Nicaragua Assets.

During the six months ended June 30, 2019, amortization was $64 compared to $2 in 2018. The increase in amortization in 2019 was due to the amortization of the right-of-use asset. IFRS 16, Leases, was recently adopted by the Company and it is discussed in detail under MD&A section, "*Critical Accounting Estimates and Change in Accounting Policies including Initial Adoption*." The absence of rent expense and increase in interest expense during the current period are also a direct result of the adoption of IFRS 16.

During the six months ended June 30, 2019, investor relations expenses were $82 compared to $47 in 2018. The increase in investor relations in 2019 were due to costs associated with the PDAC in Toronto and BMO Capital Markets Global Metals & Mining Conference in Florida.

(Expressed in thousands of Canadian Dollars - Unaudited)

Summary of Quarterly Results

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

	June 2019*	March 2019	December 2018	September 2018
Total revenues	$Nil	$Nil	$Nil	$Nil
Net loss for the period	$(626)	$(474)	$(374)	$(473)
Basic and diluted loss per share for the period	($0.01)	($0.01)	($0.03)	($0.00)

	June 2018	March 2018	December 2017	September 2017
Total revenues	$Nil	$Nil	$Nil	$Nil
Net loss for the period	$(151)	$(214)	$(287)	$(532)
Basic and diluted loss per share for the period	($0.01)	($0.01)	($0.00)	($0.00)

*Refer to MD&A section, *Results of Operations*, for explanation on expenditures and fluctuations.

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

Liquidity and Capital Resources

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

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

Other than those obligations disclosed in the notes to its condensed interim consolidated financial statements and discussed in this MD&A, the Company has no other long-term debt, capital lease obligations, operating leases or any other long-term obligations. The Company had working capital of $2,515 as at June 30, 2019.

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

(Expressed in thousands of Canadian Dollars - Unaudited)

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

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

	Six Months Ended June 30, 2019	Six Months Ended June 30, 2018
Short-term benefits (i)	$ 120	$ 120
Share-based payments (ii)	$ 122	$ 126
Consulting and advisory fees to key persons	$ 176	$ 89

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

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

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

Proposed Transactions

Refer to MD&A section, *"Acquisition of Nicaraguan Assets from B2Gold"*.

Critical Accounting Estimates and Change in Accounting Policies and Accounting Estimates

The significant accounting policies applied in the preparation of the financial statements including critical accounting estimates are consistent with those applied and disclosed in the Note 3 of the Company's 2018 audited consolidated financial statements except for those discussed below.

<u>Depreciation Method</u>

Prior to January 1, 2019, the Company has depreciated its property and equipment using the declining balance method. Effective January 1, 2019, the Company elected to change its depreciation method for its property and equipment from declining balance to straight-line method. The change was made in order to have the Company's depreciation method align with the depreciation method of the Nicaraguan Mines (see section, *"Acquisition of Nicaraguan Assets from B2Gold"*). The Company has accounted for the change in depreciation method prospectively, as provided for under IAS 8 with no impact of this change on prior year comparative information.

<u>IFRS 16 – Leases</u>

The Company adopted IFRS 16, "Leases" using a modified retrospective approach from January 1, 2019. Under the modified approach, the Company is not required to restate comparatives for the 2018 reporting period and it applied the standard prospectively.

Practical Expedients Applied

On adoption, the Company used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- account for lease payments as an expense and not recognize a right-of-use ("ROU") asset if the underlying asset is of low dollar value;
- account for leases with a remaining lease term of less than 12 months as at January 1, 2019, as short-term leases,
- account for lease and non-lease components as a single lease component for lease liabilities; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Leasing Activities and Policies

The Company only has one lease which relates to its Vancouver head office. The office lease has a 5-year term and is subject to expire on May 2022. Lease payments are comprised of two components – basic rent and operating costs. Basic rent for the term of the lease is fixed with only the operating portion subject to fluctuations. Prior to January 1, 2019, leases were accounted for under IAS 17, "Leases" and were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the term of the lease.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The ROU asset is depreciated over the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments less any lease incentives receivable;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

ROU assets are measured at cost comprising of the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Adjustments Recognized on Adoption of IFRS 16, "Leases"

On adoption of IFRS 16, "Leases" the Company recognized a lease liability in relation to its office lease which had previously been classified as 'operating leases' under the principles of IAS 17, "Leases". This liability was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate of 12%.
The change in accounting policy affected the following items in the Consolidated Balance Sheet on January 1, 2019:

- ROU asset – increased by $403 due to the adoption of IFRS 16, "Leases"; and
- Lease liability – increased by $403 due to the adoption of IFRS 16, "Leases."

(Expressed in thousands of Canadian Dollars - Unaudited)

Reconciliation of Commitments to Lease Liability

The following table provides a reconciliation of the commitments as at December 31, 2018 to the Company's lease liabilities as at January 1, 2019 and June 30, 2019.

Disclosed commitments as at December 31, 2018	$	512
Impact of discounting		(109)
Lease liability as at January 1, 2019	$	403
Lease payments		(66)
Amortization of discount		23
	$	360
Current portion of lease liability		(55)
Lease liability as at June 30, 2019	$	305

The table below analyzes the Company's lease liabilities into relevant contractual maturity groupings based on the remaining period at the Consolidated Balance Sheet date to the contractual maturity date of the lease. the amounts shown in the table below are the contractual undiscounted cash flows related to the liability.

	Less than 1 year	1 year to 2 years	More than 3 years	Total contractual cash flows	Carrying amount
Lease liability	$ 75	$ 301	$ 63	$ 439	$ 360

The difference between the total contractual undiscounted cash flows related to lease payments to lessors and the carrying amount of the lease liability is the amortization of the discount related to the lease liability.

Right-of-Use Asset

The ROU asset was measured as if the standard had been applied since the commencement date of the lease but discounted using the Company's incremental borrowing rate as at the date of initial application (January 1, 2019). There were no onerous lease contracts that would have required an adjustment to the ROU assets at the date of initial application.

Continuity of ROU Asset

	Balance at January 1, 2019	Amortization for the period	Balance at June 30, 2019
Office property	$ 403	($ 59)	$ 344

Financial Instruments and Other Instruments

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive (loss) income ("FVTOCI") or at amortized cost. The Company's financial instruments consist of cash and cash equivalents, receivables, marketable securities, and trade and other payables. The Company determines the classification of financial assets at initial recognition. All of the Company's financial instruments are at amortized cost except for marketable securities. Marketable securities are classified as FVTOCI.

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. The Company does not use derivative instruments or hedges to manage various risks because the Company's exposure to credit risk, liquidity risk, and market risks is relatively low. Cash and cash equivalents are held through a large national financial institution. Notes 3(l) and 5 of the Company's audited consolidated financial statements for the year ended December 31, 2018 contain additional disclosures on the Company's financial instruments.

Disclosure of Outstanding Share Data

The following describes the outstanding share data of the Company as at July 15, 2019. For further information and details concerning outstanding share data, options, and warrants, refer to the Condensed Interim Consolidated Statements of Changes in Shareholders' Equity, included in the condensed interim condensed interim consolidated financial statements as at and for the period ended June 30, 2019:

	Number Outstanding
Common shares	44,822
Options to purchase common shares	2,450
Warrants to purchase common shares	13,770

Outlook

Refer to MD&A section, *"Acquisition of Nicaraguan Assets from B2Gold"*.

Forward Looking Statements and Risk Factors

This interim MD&A includes certain statements that may be deemed "forward-looking statements." All statements in this discussion that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate" "plans", "estimates" or "intends" or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to materially differ from those reflected in the forward-looking statements.

The forward-looking statements and information in this interim MD&A include information relating to production guidance, technical information, graduation to the Toronto Stock Exchange, the impact of the Transaction on the business of Calibre, the closing of the Concurrent Private Placement and the release of the funds escrowed in connection with the financing, and the closing of the Transaction. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Calibre's actual results, performance or achievements or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: there is no assurance that the Concurrent Private Placement will be completed; there is no assurance that B2Gold and Calibre will obtain all requisite approvals for the Transaction, including the approval of the shareholders of Calibre or the approval of the TSXV for the Transaction (which may be conditional upon amendments to the terms of the Transaction); new laws or regulations could adversely affect the Company's business and results of operations; and stock markets have experienced volatility that often has been unrelated to the performance of companies. These fluctuations may adversely affect the price of the Company's securities, regardless of its operating performance.

Factors that could cause actual results to differ materially from those in forward-looking statements include: the ability to consummate the Transaction and the Concurrent Private Placement, the ability to obtain requisite shareholder and regulatory approvals, the satisfaction of other conditions to the consummation of the Transaction, the ability to satisfy the conditions to the consummation of the Concurrent Private Placement, the potential impact of the announcement or consummation of the Transaction on relationships, including with regulatory bodies, employees, suppliers customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation and the diversion of management time on the Transaction and the Concurrent Private Placement. Calibre cautions that the foregoing list of material factors is not exhaustive. For a detailed listing of the risk factors, please refer to the Company's annual MD&A for the year ended December 31, 2018.

When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Calibre has assumed that the material factors referred to in the previous paragraphs will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this interim MD&A represents the expectations of Calibre as of the date of this interim MD&A release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While Calibre may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable laws.

Use of Non-IFRS Measures

Cash Operating Costs per gold ounce and Total Cash Costs per gold ounce

"Cash operating costs per gold ounce" and "total cash costs per gold ounce" are common financial performance measures in the gold mining industry but, as non-IFRS measures, they do not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate our performance and ability to generate cash flow. Accordingly, these 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. The measures, along with sales, are considered to be a key indicator of the Company's ability to generate earnings and cash flow from its mining operations.

Cash cost figures are calculated on a production basis in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is the accepted standard of reporting cash cost of production in North America. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. Other companies may calculate these measures differently. Cash operating costs and total cash costs per ounce are derived from amounts included in the statement of operations and include mine site operating costs such as mining, processing, smelting, refining, transportation costs, royalties and production taxes, less silver by-product credits.

All-In Sustaining Costs per gold ounce

In June 2013, the World Gold Council, a non-regulatory association of the world's leading gold mining companies established to promote the use of gold to industry, consumers and investors, provided guidance for the calculation of the measure "all-in sustaining costs per gold ounce", but as a non-IFRS measure, it does not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The World Gold Council standard became effective January 1, 2014. Management believes that the all-in sustaining costs per gold ounce produced measure provides additional insight into the costs of producing gold by capturing all of the expenditures required for the discovery, development and sustaining of gold production and allows the Company to assess its ability to support capital expenditures to sustain future production from the generation of operating cash flows. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is 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. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. The Company has applied the principles of the World Gold Council recommendations and has reported all-in sustaining costs on a production basis. Other companies may calculate these measures differently.

Calibre defines all-in sustaining costs per ounce as the sum of cash operating costs, royalty and production taxes, capital expenditures and exploration costs that are sustaining in nature, corporate general and administrative costs, share-based payment expenses related to Restricted Share Units/Deferred Share Units, community relations expenditures, reclamation liability accretion and realized (gains) losses on fuel derivative contracts, all divided by the total gold ounces produced to arrive at a per ounce figure. The Company defines non-sustaining capital expenditures and exploration costs as those that do not contribute to current year production or provide access to new material levels of production.

APPENDIX "B" –
AUDIT COMMITTEE CHARTER OF CALIBRE MINING CORP.

The Board believes that Committees of the Board assist in the effective functioning of the Board.

The Board may, from time to time, designate one or more Committees, each Committee to consist of one or more of the directors of the Company to serve at the pleasure of the Board. Any such Committee may exercise all of the powers and authority of the Board, as have been delegated by the Board, in the management of the business and affairs of the Company and may authorize the seal of the Company to be affixed to all papers which may require it.

The Board has three standing Committees: the Audit Committee, the Compensation Committee and the Corporate Governance Committee.

The Audit Committee is composed of Edward Farrauto (Chair), Douglas Forster, and Douglas Hurst.

The Corporate Governance Committee is composed of Douglas Hurst (Chair), Edward Farrauto, and Raymond Threlkeld.

The Compensation Committee is composed of Greg Smith, Raymond Threlkeld (Chair) and Blayne Johnson.

The responsibilities of the Audit Committee are set out below:

Audit Committee Charter
The Audit Committee will be governed by the following charter:

The Audit Committee of the Board will be a standing Committee and will be responsible for oversight of all account reporting, financial and internal control practices of the Company and its subsidiaries. The Audit Committee will report to the Board and its primary function will be to assist the Board in fulfilling its responsibilities to shareholders related to financial accounting and reporting, the system of internal controls established by management and the adequacy of internal and independent auditing relative to these activities. The Audit Committee will have the authority to retain persons having special competence as necessary to assist the Audit Committee in fulfilling its responsibilities.

The Audit Committee will:

1. Be composed of at least three members, the majority of whom will be independent, non-management and financially literate directors and a majority of whom will be unrelated directors.

2. Meet quarterly and otherwise as required. Minutes will be recorded and reports of Audit Committee meetings will be presented at the next regularly scheduled Board meeting.

3. Be directly responsible for monitoring the Company's systems and procedures for financial reporting, risk management and internal controls, reviewing all public disclosure documents and monitoring the performance of the Company's auditors.

4. Be responsible for recommending to the Board the appointment and compensation of the Company's external auditors.

5. Be directly responsible for the auditors oversight (including the resolution of any disagreements between management and the auditors regarding financial reporting), and the auditors will report directly to the Audit Committee.

6. Have the authority to engage independent counsel and other advisors.

7. Be provided by the Company with appropriate funding, as determined by the Audit Committee, for payment of compensation to the auditors and advisors to the Audit Committee.

8. Provide for an open avenue of communications between the independent auditors, management and the Board and, at least once annually, meet with the Company's auditors in a private session.

9. Review the qualifications and evaluate the performance of the independent auditors and make recommendations to the Board regarding the selection, fee arrangements, appointment or termination of the auditors.

10. Establish procedures for the confidential anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

11. Review and pre-approve all audit and non-audit services, including tax services, provided by the auditors to the Company, or delegate such authority to one or more designated members of the Audit Committee who are independent directors.

12. Ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information attracted or derived from the Company's financial statements. The Audit Committee shall periodically review these procedures.

13. Review with the independent auditors (a) the proposed scope of their examination with emphasis on accounting and financial areas where the Audit Committee, the independent auditors or management believe special attention should be directed, (b) results of their audit, including a letter of recommendations for management (c) their evaluation of the adequacy of the system of internal controls, (d) significant areas of disagreement, if any, with management and (e) cooperation received from management in the conduct of the audit.

14. Review significant accounting, reporting, regulatory or industry developments affecting the Company.

15. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.

16. Discuss with management and the independent auditors any issues regarding significant business risks or exposure and assess the steps management has taken to minimize such risk.

17. Review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.

18. Ascertain that significant matters identified as a result of interim review procedures have been brought to the attention of the Audit Committee.

19. Perform such other functions as assigned by law, the Company's bylaws or as the Board deems necessary and appropriate.

Review the Company's hiring policies regarding current and former partners and employees of the Company's current and former auditors.

APPENDIX "C" –
FINANCIAL STATEMENTS AND MD&A OF THE TARGET ASSETS

El Limon and La Libertad Mines

Carve-out Combined Financial Statements

For the six months ended June 30, 2019 and 2018 and for the years ended December 31, 2018 and 2017

Independent auditor's report

To the Board of Directors of B2Gold Corp.

Our opinion

In our opinion, the accompanying carve-out combined financial statements present fairly, in all material respects, the financial position of El Limon and La Libertad Mines (together, the Business) as at December 31, 2018 and 2017 and January 1, 2017, and their financial performance and their cash flows for the years ended December 31, 2018 and 2017 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited
The Business's carve-out combined financial statements comprise:

- the carve-out combined statements of operations and comprehensive loss for the years ended December 31, 2018 and 2017;
- the carve-out combined statements of cash flows for the years ended December 31, 2018 and 2017;
- the carve-out combined balance sheets as at December 31, 2018 and 2017 and January 1, 2017;
- the carve-out combined statements of changes in net investment for the years ended December 31, 2018 and 2017; and
- the notes to the carve-out combined financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the carve-out combined financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Business in accordance with the ethical requirements that are relevant to our audit of the carve-out combined financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Emphasis of matter – carve-out combined financial statements

We draw attention to the fact that, as described in note 2 to the carve-out combined financial statements, the Business has not operated as a separate entity. These carve-out combined financial statements are, therefore, not necessarily indicative of results that would have occurred if the Business had been a separate stand-alone entity during the years presented or of future results of the Business. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the carve-out combined financial statements

Management is responsible for the preparation and fair presentation of the carve-out combined financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of carve-out combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out combined financial statements, management is responsible for assessing the Business's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Business or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Business's financial reporting process.

Auditor's responsibilities for the audit of the carve-out combined financial statements

Our objectives are to obtain reasonable assurance about whether the carve-out combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve-out combined financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the carve-out combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Business's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Business's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the carve-out combined financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Business to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the carve-out combined financial statements, including the disclosures, and whether the carve-out combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Business to express an opinion on the carve-out combined financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

(signed) PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
August 6, 2019

CARVE-OUT COMBINED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in thousands of United States dollars)

	For the Six Months Ended June 30, 2019 $	*For the Six Months Ended June 30, 2018* $	*For the Year Ended December 31, 2018* $	*For the Year Ended December 31, 2017* $
	(Unaudited)	*(Unaudited)*		
Gold revenue	80,715	88,624	173,637	154,363
Cost of sales				
Production costs *(Note 14)*	(66,673)	(61,704)	(125,257)	(108,358)
Depreciation and depletion	(14,237)	(30,474)	(58,231)	(56,206)
Royalties and production taxes	(2,976)	(3,417)	(6,213)	(4,986)
Total cost of sales	(83,886)	(95,595)	(189,701)	(169,550)
Gross loss	(3,171)	(6,971)	(16,064)	(15,187)
General and administrative	(2,195)	(2,288)	(4,758)	(5,573)
Share-based payments	(1,492)	(1,117)	(3,379)	(2,684)
Impairment of long-lived assets, net of reversal (*Note 7)*	-	-	(37,167)	-
Write-down of mineral property interests *(Note 7)*	-	-	(4,556)	-
Community relations	(979)	(957)	(2,641)	(4,315)
Provision for non-recoverable input taxes	(169)	(1,500)	(2,463)	(90)
Foreign exchange losses	(501)	(249)	(84)	(252)
Other expenses, net	(118)	(521)	(2,032)	(1,557)
Operating loss	(8,625)	(13,603)	(73,144)	(29,658)
Related party interest expense *(Note 10)*	(1,638)	-	-	(11,394)
Interest and financing expense	(6)	(23)	(36)	(92)
Accretion of mine restoration provisions	(617)	(464)	(1,073)	(638)
Other (expenses) income, net	(93)	85	149	(153)
Loss before taxes	(10,979)	(14,005)	(74,104)	(41,935)
Current income tax, withholding and other taxes *(Note 12)*	(3,478)	(2,541)	(4,965)	(4,052)
Deferred income tax recovery (expense) *(Note 12)*	688	1,779	(9,969)	1,864
Net loss and comprehensive loss	(13,769)	(14,767)	(89,038)	(44,123)

CARVE-OUT COMBINED STATEMENTS OF CASH FLOWS

(Expressed in thousands of United States dollars)

	For the Six Months Ended June 30, 2019	*For the Six Months Ended June 30, 2018*	*For the Year Ended December 31, 2018*	*For the Year Ended December 31, 2017*
	$	*$*	*$*	*$*
	(Unaudited)	*(Unaudited)*		
Operating activities				
Net loss	(13,769)	(14,767)	(89,038)	(44,123)
Mine restoration provisions settled *(Note 9)*	(726)	(228)	(666)	(320)
Non-cash charges, net *(Note 13)*	17,556	32,757	119,288	67,768
Changes in non-cash working capital *(Note 13)*	8,149	(3,534)	(3,760)	(8,261)
Cash provided by operating activities	11,210	14,228	25,824	15,064
Financing activities				
Borrowings from related parties *(Note 10)*	23,653	18,387	28,290	30,068
Related party interest paid	-	-	-	(11,999)
Repayment of equipment loan *(Note 8)*	(276)	(596)	(945)	(1,556)
Interest and commitment fees paid	(6)	(23)	(36)	(93)
Cash provided by financing activities	23,371	17,768	27,309	16,420
Investing activities				
Expenditures on mining interests:				
El Limon Mine	(18,367)	(13,203)	(22,008)	(16,049)
La Libertad Mine	(14,907)	(10,080)	(16,183)	(23,806)
Other exploration and development *(Note 13)*	(3,438)	(6,757)	(11,496)	(13,509)
Cash used by investing activities	(36,712)	(30,040)	(49,687)	(53,364)
(Decrease) increase in cash and cash equivalents	(2,131)	1,956	3,446	(21,880)
Effect of exchange rate changes on cash and cash equivalents	(7)	(11)	(24)	(25)
Cash and cash equivalents, beginning of year	12,380	8,958	8,958	30,863
Cash and cash equivalents, end of period	10,242	10,903	12,380	8,958

Supplementary cash flow information *(Note 13)*

EL LIMON AND LA LIBERTAD MINES
CARVE-OUT COMBINED BALANCE SHEETS
(Expressed in thousands of United States dollars)

	June 30, 2019 $	December 31, 2018 $	December 31, 2017 $	January 1, 2017 $
Assets	*(Unaudited)*			
Current				
Cash and cash equivalents	10,242	12,380	8,958	30,863
Accounts receivable, prepaids and other	2,571	4,690	2,856	2,083
Value-added and other tax receivables	3,858	4,542	7,682	8,997
Inventories *(Note 6)*	39,917	36,012	40,097	36,973
	56,588	57,624	59,593	78,916
Mining interests *(Note 7 and 17)*	109,653	87,576	121,448	121,873
Other assets	204	231	1,030	1,316
Deferred income taxes *(Note 12)*	-	-	2,665	800
	166,445	145,431	184,736	202,905
Liabilities				
Current				
Accounts payable and accrued liabilities	13,872	10,265	12,230	13,541
Current income and other taxes payable	3,604	678	512	7,624
Current portion equipment loans *(Note 8)*	122	398	1,055	1,846
Current portion of mine restoration provisions *(Note 9)*	3,256	3,170	1,819	-
Related party loans *(Note 10)*	201,499	176,367	148,310	119,173
Other current liabilities	768	1,184	1,087	2,745
	223,121	192,062	165,013	144,929
Equipment loans *(Note 8)*	-	-	288	1,053
Mine restoration provisions *(Note 9)*	49,526	47,423	37,661	33,840
Deferred income taxes *(Note 12)*	6,616	7,304	-	-
Employee benefits obligation	8,684	8,450	7,480	7,026
	287,947	255,239	210,442	186,848
Net investment by B2Gold Corp.	(121,502)	(109,808)	(25,706)	16,057
	166,445	145,431	184,736	202,905

Commitments *(Note 16)*

Approved by the Board *"Clive T. Johnson"* Director *"Robert J. Gayton"* Director

CARVE-OUT COMBINED STATEMENTS OF CHANGES IN NET INVESTMENT

(Expressed in thousands of United States dollars)

	For the Six Months Ended June 30, 2019 *$*	*For the Six Months Ended June 30, 2018* *$*	*For the Year Ended December 31, 2018* *$*	*For the Year Ended December 31, 2017* *$*
	(Unaudited)	*(Unaudited)*		
Balance, beginning of the year	$ (109,808)	$ (25,706)	$ (25,706)	$ 16,057
Net loss	(13,769)	(14,767)	(89,038)	(44,123)
Share based compensation and other allocated costs	2,075	1,890	4,936	2,360
Balance, end of period	(121,502)	(38,583)	(109,808)	(25,706)

1 *Nature of operations*

The El Limon and La Libertad mines are owners of the Limon Mine, the Libertad Mine and other exploration properties in Nicaragua. These statements present 100% of these operations which were wholly owned indirect subsidiaries of B2Gold Corp. ("B2Gold") at June 30, 2019 and December 31, 2018.

The El Limon and La Libertad mines are gold producers engaged in the operation, exploration, development and acquisition of precious metal properties in Nicaragua. The El Limon and La Libertad mines current sources of operating cash flows are primarily from the sale of gold and silver.

2 *Basis of preparation*

These carve-out combined financial statements include the operations of El Limon and La Libertad mines and exploration activity in Nicaragua (together the "Business") and present the historical financial position, financial performance, changes in B2Gold's net investment and cash flows of the Business on a carve-out combined basis. Transactions that relate to the El Limon and La Libertad mines that historically were included in related entities have been included in these statements. Gold and silver revenues reflect sales prices, consistent with the revenues historically reported in B2Gold Corp.'s financial statements for the El Limon and La Libertad segments.

The carve-out combined financial statements present the net investment by B2Gold in the Business, rather than shareholders' equity. Related party loans are shown separate from the net investment by B2Gold. B2Gold's net investment comprises the accumulated earnings of the Business and, contributions by, less distributions to, B2Gold.

These carve-out financial statements are prepared for inclusion in Calibre Mining Corp's (Calibre) Management Information Circular in connection with the acquisition of the Business by Calibre which is subject to Calibre shareholder approval. Due to the inherent limitation of carving out the assets, liabilities, operations and cash flows from larger entities, these financial statements may not necessarily reflect the financial position, results of operations and cash flow that would have been realized had the Business been a stand-alone entity during the periods presented.

These carve-out combined financials statements are the first International Financial Reporting Standards ("IFRS") statements of the Business with January 1, 2017 being the opening balance sheet. These carve-out combined financial statements as of December 31, 2018, December 31, 2017 and for the years then ended have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") effective as of December 31, 2018.

These unaudited interim financial statements as of June 30, 2019 and for the six months ended June 30, 2019 and 2018 have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting ("IAS 34") as issued by the IASB. Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS as issued by the IASB have been omitted.

The accounting policies applied in the preparation of these unaudited interim financial statements are consistent with those applied and disclosed in the Business's audited financial statements for the year ended December 31, 2018, except the Business adopted IFRS 16 (Leases) effective January 1, 2019. However, the adoption of the leasing standard did not have an impact on the Business's unaudited interim financial statements as no applicable leases were identified.

The Business's interim results are not necessarily indicative of its results for a full year.

The carve-out combined financial statements have been prepared on a going concern basis using historical cost, which assumes the Business will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities. For the year ended December 31, 2018, the Business reported losses of $89.0 million (2017 - $44.1 million) and had an accumulated deficit of $109.8 million (2017 - $25.7 million). For the six month period ended June 30, 2019, the business reported losses of $13.8 million (unaudited) and had an accumulated deficit of $121.5 million (unaudited). At June 30, 2019 the Business had loans from related parties of $201.5 million (unaudited), which if capitalized, would provide sufficient capital to operate. The related party loans are not included in the net investment schedule as they are subject to loan agreements between related companies. Prior to the close of acquisition of the business, $127.1 million of the related party loans will be capitalized to equity as preferred shares. In connection with and concurrent to the acquisition of the Business, the remaining related party loan balance will be settled with B2Gold and the related companies.

All amounts are expressed in thousands of US dollars, unless otherwise noted.

These carve-out combined financial statements were authorized for issue by the B2Gold Board of Directors on August 6, 2019.

3 *Recent accounting pronouncements*

New accounting standards adopted

IFRS 16 – Leases

IFRS 16, Leases eliminates the classification of leases as either operating or finance leases and introduces a single lessee model which requires the lessee to recognize assets and liabilities for all leases with a term of longer than 12 months, with the exception of low-value assets. The Business adopted IFRS 16 effective January 1, 2019, using the modified retrospective approach. As a result, comparative information has not been restated and is accounted for under IAS 17, Leases.

New leases accounting policy effective January 1, 2019:

At the inception of a contract, to determine if it contains a lease, the Business assesses whether it conveys the right to control and obtain substantially all of the economic benefits of an identified asset, for a period of time, in exchange for consideration. Where a contract contains a lease, the Business recognizes a right-of-use asset and a lease liability at the commencement date of the lease.

The right-of-use asset is measured at cost less any accumulated depreciation and impairment losses and may be adjusted for any remeasurement of the lease liability. Cost is the amount of the initial lease liability plus any initial direct costs incurred and any lease payments made at or before the commencement date less any incentives received.

The right-of-use assets are included in the cost of property, plant and equipment for the associated mining interest on the balance sheet. They are depreciated, in accordance with the Business' existing accounting policy, over the shorter of the term of the lease or the life of the asset.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the contract. If the implicit rate cannot be determined, the incremental borrowing rate over a similar term and with similar security for the funds necessary to obtain an asset of similar value in a similar economic environment is used. The lease payments include fixed payments less any incentives receivable, variable lease payments that depend on an index or rate and amounts expected to be paid under residual value guarantees. Where the lease contains an extension or purchase option, the costs associated with the option are included if it is reasonably expected to be exercised by the Business.

Thereafter, the amount of the lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of the lease liability is remeasured to reflect any modifications to the contract terms. Lease liabilities are presented as a component of debt on the carve-out combined balance sheets.

The Business has elected not to recognize right-of-use assets and lease liabilities for contracts that have a lease term of 12 months or less or are for the use of low value assets. These contracts are recognized as an expense in the carve-out combined six months statements ended June 30, 2019 in the carve-out combined statements of operations and comprehensive loss in the period the cost is incurred. In addition, for certain asset classes, the Business has elected to treat both lease and non-lease components as a single lease component for the purposes of applying IFRS 16.

The Business' analysis of IFRS 16 determined that no leases required reporting from this standard. Payments totaling $0.4 million (unaudited) relating to short-term leases (those with a term of 12 months or less at January 1, 2019) and $24.7 million (unaudited) relating to variable lease payments (including both lease and non-lease components) have been expensed in the carve-out combined statement of operations and comprehensive loss during the six months ended June 30, 2019.

4 *Summary of significant accounting policies*

The significant accounting policies used in the preparation of these financial statements are as follows:

Principles of consolidation

The financial statements of the Business combined the accounts of four entities. All intercompany transactions, balances, and unrealized gains and losses from intercompany transactions are eliminated.

The Business has combined 100% of six entities. Minesa (Cayman) Inc. is incorporated in the Cayman Islands and Central American Mine Holdings Limited is incorporated in Belize. The other four entities are incorporated in Nicaragua.

- Triton Minera S.A. (El Limon Mine)
- Minera Glencairn S.A. (Exploration)
- Desarrollo Minero de Nicaragua S.A. (La Libertad Mine)
- Central American Mine Holdings Limited (Holding Company)
- Minesa (Cayman) Inc. (Holding Company)
- Minerales Nueva Esperanza S.A. (Pavon Property)

Subsidiaries are entities controlled by the Business. Control exists when the Business has power over an investee, when the Business is exposed, or has rights, to variable returns from the investee and when the Business has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is obtained by the Business and are de-consolidated from the date that control ceases.

Business combinations

A business combination requires that the assets acquired and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. Although businesses usually have outputs, outputs are not required for an integrated set to qualify as a business as the Business considers other factors to determine whether the set of activities or assets is a business.

Business combinations are accounted for using the acquisition method whereby acquired assets and liabilities are recorded at fair value as of the date of acquisition with the excess of the purchase consideration over such fair value being recorded as goodwill. Non-controlling interest in an acquisition may be measured at either fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's net identifiable assets.

The excess of (i) total consideration transferred by the Business, measured at fair value, including contingent consideration, and (ii) the non-controlling interests in the acquiree's, over the acquisition-date fair value of the net of the assets acquired and liabilities assumed, is recorded as goodwill. If the fair value attributable to the Business' share of the identifiable net assets exceeds the cost of acquisition, the difference is recognized as a gain in the carve-out combined statements of operations and comprehensive loss.

Should the consideration be contingent on future events, the preliminary cost of the acquisition recorded includes management's best estimate of the fair value of the contingent amounts expected to be payable. Provisional fair values allocated at the reporting date are finalized within one year of the acquisition date with retroactive restatement to the acquisition date as required.

Transaction costs, other than those associated with the issue of debt or equity securities, which the Business incurs in connection with a business combination, are expensed as incurred.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the four entities of the Business are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). These carve-out combined financial statements are presented in United States dollars, which is the presentation and functional currency. The Business' mining operations operate primarily within an economic environment where the functional currency is the United States dollar.

Transactions and balances

Transactions denominated in foreign currencies are translated into the United States dollar as follows:

- Monetary assets and liabilities are translated at the rates of exchange at the carve-out combined balance sheet date;
- Non-monetary assets and liabilities are translated at historical exchange rates prevailing at each transaction date;
- Revenue and expenses are translated at the exchange rate at the date of the transaction, except depreciation, depletion and amortization, which are translated at historical exchange rates, and share-based payments expense, which is translated at the rates of exchange applicable at the date of grant of the share-based payments; and
- Exchange gains and losses on translation are included in earnings.

For any subsidiaries whose functional currency differs from the United States dollar, foreign currency balances and transactions are translated into the United States dollar as follows:

- Assets and liabilities are translated at the rates of exchange at the carve-out combined balance sheet date;
- Revenue and expenses are translated at average exchange rates throughout the reporting period or at rates that approximate the actual exchange rates; items such as depreciation are translated at the monthly average exchange rate; and
- Exchange gains and losses on translation are included in Other Comprehensive Income.

The exchange gains and losses are recognized in earnings upon the substantial disposition, liquidation or closure of the entity that gave rise to such amounts.

Financial instruments

The Business recognizes financial assets and liabilities on the balance sheet when the Business becomes party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are classified as financial assets and subsequently measured at amortized cost.

Accounts receivable, accounts payable and accrued liabilities

Accounts receivable, accounts payable and accrued liabilities are non-interest bearing and are initially measured at fair value, subsequently recorded at amortized cost which approximates fair value due to the short term to maturity. Where necessary, accounts receivable are net of expected credit losses. Accounts receivable are classified as financial assets subsequently measured at amortized cost and accounts payable and accrued liabilities are classified as financial liabilities subsequently measured at amortized cost.

Debt

The Business initially recognizes all financial liabilities at fair value and classifies them as subsequently measured at either fair value through profit and loss ("FVTPL") or amortized cost, as appropriate. For debt subsequently measured at amortized cost, the effective interest rate method is used. Debt classified as FVTPL is measured at fair value on each financial period-end date with gains and losses flowing through the statements of operations and comprehensive loss.

Inventories

Gold and silver bullion, in-process and stockpile inventories are recorded at the lower of average cost and net realizable value. The cost of finished goods and work-in-progress comprises raw materials, direct labour, and other direct costs, as well as stripping in the production stage and related production overheads (based on normal operating capacity) including applicable depreciation on property, plant and equipment. Net realizable value is the estimated selling price less applicable selling expenses.

When inventories have been written down to net realizable value, a new assessment of net realizable value is made in each subsequent period. When the circumstances that caused the write down no longer exist, the amount of the write down is reversed.

Materials and supplies inventories are valued at the lower of average cost and net realizable value. Cost includes acquisition, freight and other directly attributable costs.

Mining interests

Mining interests include property, plant and equipment, mineral properties and mine development costs, deferred stripping, exploration and evaluation expenditures, capitalized borrowing costs and impairment.

Property, plant and equipment

Property, plant and equipment are recorded at cost. Repairs and maintenance expenditures are charged to operations; major improvements and replacements which extend the useful life of an asset are capitalized. Property, plant and equipment are amortized over the life of the mine using the units-of-production ("UOP") method based on the recoverable ounces from the estimated proven and probable reserves and a portion of the measured and indicated resources that are reasonably expected to be converted to proven and probable reserves. Mobile equipment, tailings dam and equipment are depreciated on a straight-line basis over three to six years as appropriate, net of residual value. The Business allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant parts and depreciates separately each such part. Residual values, method of amortization and useful lives of the assets are reviewed annually and adjusted if appropriate.

During the commissioning phase of a new mine, pre-production expenditures, net of incidental revenue, are capitalized to plant and equipment.

Mineral properties and mine development costs

Mineral properties and mine development costs are stated at cost less accumulated depreciation and impairment losses. When production commences, these costs are amortized using the UOP method, based on recoverable ounces from the estimated proven and probable reserves and a portion of measured and indicated resources that are reasonably expected to be converted to proven and probable reserves.

Capitalization of costs incurred ceases when the mining property is capable of commencement of mining operations in the manner intended by management. Costs incurred prior to this point, including depreciation of related plant and equipment, are capitalized and proceeds from sales of ounces produced during this period are offset against capitalized costs.

The Business applies judgment in its assessment of when a mine is capable of operating in the manner intended by management which takes account of the design of the mine and the nature of the initial commissioning phase of the mine.

Non-recoverable costs for projects determined not to be commercially feasible are expensed in the period in which the determination is made or when the carrying value of the project is determined to be impaired.

Deferred stripping

Stripping costs incurred during the production phase of a mine are considered production costs and are included in the cost of inventory produced during the period in which stripping costs are incurred, unless the stripping activity can be shown to be a betterment of the mineral property. Betterment occurs when stripping activity increases future output of the mine by providing access to additional reserves. Stripping costs incurred to prepare the ore body for extraction are capitalized as mine development costs and are amortized on a UOP basis over the reserves and resources to which they relate.

Exploration and Evaluation Expenditures

The Business defers the cost of acquiring, maintaining its interest, exploring and developing mineral properties as exploration and evaluation until the properties are placed in production, abandoned, sold or considered to be impaired in value. Once the technical feasibility and commercial viability of the extraction of mineral reserves or resources from a particular mineral property has been determined, exploration and evaluation expenditures are reclassified to “mineral properties and mine development costs”. If no mineable ore body is discovered, such costs are expensed in the period in which it is determined the property has no future economic value. Exploration costs that do not relate to any specific property are expensed as incurred.

The establishment of technical feasibility and commercial viability of a mineral property is assessed based on a combination of factors, such as but not limited to:

- The extent to which mineral reserves or mineral resources have been identified through a feasibility study or similar level document;
- The results of optimization studies and further technical evaluation carried out to mitigate project risks identified in the feasibility study;
- The status of environmental permits; and
- The status of mining leases or permits.

In addition, commercial viability is deemed to be achieved when the Business determines that the project will provide a satisfactory return relative to its perceived risks. Ore reserves and resources may be declared for an undeveloped mining project before its commercial viability has been fully determined. Evaluation costs may continue to be capitalized during the period between declaration of reserves and approval to mine as further work is undertaken in order to refine the development case to maximize the project’s returns.

Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets that take a substantial period of time to make ready for their intended use are added to the cost of the assets, until such time as the assets are substantially complete and ready for their intended use. The amount of borrowing costs capitalized cannot exceed the actual amount of borrowing costs incurred in a period. All other borrowing costs are expensed in the period in which they are incurred.

Impairment

The carrying amounts of non-current assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount and is recorded as an expense in the statements of operations and comprehensive loss.

The recoverable amount is the higher of an asset's "fair value less costs of disposal" and "value-in-use". Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash-generating unit to which the asset belongs is determined. "Fair value less costs of disposal" is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. For mining assets this would generally be determined based on the present value of the estimated future cash flows arising from the continued development, use or eventual disposal of the asset. In assessing these cash flows and discounting them to the present value, assumptions used are those that an independent market participant would consider appropriate. In assessing "value-in-use", the estimated future cash flows expected to arise from the continuing use of the assets in their present form and from their disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Impairment losses are evaluated for potential reversals when events or circumstances warrant such consideration. Where an impairment loss is subsequently reversed, the amount of such reversal is limited such that, the revised carrying amount of the asset or cash-generating unit does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in the prior years. A reversal of an impairment loss is recognized into earnings immediately.

Leases

The following was used in these statements through December 31, 2018: Refer to Note 3 for the standard utilized in the six months ended June 30, 2019:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date. It requires consideration as to whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

A reassessment is made after inception of the lease only if one of the following applies:

(a) There is a change in contractual terms, other than a renewal or extension of the arrangement;
(b) A renewal option is exercised or extension granted, unless the term of the renewal or extension was initially included in the lease term;
(c) There is a change in the determination of whether fulfilment is dependent on a specified asset; or
(d) There is a substantial change to the asset.

Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c) or (d) and at the date of the renewal or extension period for scenario (b).

Finance leases, which transfer to the Business substantially all the risks and rewards incidental to ownership of the leased item, are capitalized at the commencement of the lease term (the date from which the lessee is entitled to exercise its right to use the leased asset) at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments.

Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Business will obtain ownership by the end of the lease term.

A lease is classified as an operating lease if it does not transfer substantially all of the risks and rewards incidental to ownership.

Operating lease payments are recognized as an expense in the statements of operations and comprehensive loss on a straight-line basis over the lease term.

Mine restoration provisions

Future obligations to retire an asset including site closure, dismantling, remediation and on-going treatment and monitoring are initially recognized and recorded as a liability based on estimated future cash flows discounted at a risk-free rate. The measurement determination is based on estimated future cash flows, the current risk-free discount rate, and an estimated inflation factor. The value of restoration provisions is adjusted at each reporting period for changes to factors including the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the risk-free interest rate. The liability is added to the carrying amount of the associated asset, and this additional carrying amount is depreciated over the life of the asset. The liability is accreted to full value over time through periodic charges to earnings. This unwinding of the discount is expensed in the statements of operations and comprehensive loss. As reclamation work is performed or liabilities are otherwise settled, the recorded amount of the liability is reduced.

Share-based payments

The carve-out combined statements of operations and comprehensive loss includes the charges for share-based payments. This represents an allocation of share-based payments from B2Gold for certain employees of the Business.

Current and deferred income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the carve-out combined statements of operations and comprehensive loss except to the extent that it relates to items recognized directly in change in net investment, in which case the income tax is also recognized directly in change in net investment. Taxes on income in interim periods are recorded using the tax rate that would be applicable to expected annual profit.

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted, at the end of the reporting period.

Deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset or liability is reversed. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Business and it is probable that the temporary difference will not reverse in the foreseeable future. As an exception, deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition of goodwill or an asset or liability in a transaction (other than in a business combination) that affects neither accounting profit nor taxable profit.

Deferred income tax assets and liabilities are presented as non-current.

Revenue

Gold revenue is recognized when it is probable that the economic benefits will flow to the Business, delivery has occurred, the sales price is reasonably determinable, and collectability is reasonably assured. These criteria are generally met at the time the product is delivered to the customer and, depending on the delivery conditions, title and the risks and rewards of ownership have passed to the customer and acceptance of the product, when contractually required, has been obtained. Gold revenue is measured based on the price specified in the sales contract at the time of sale.

Silver revenue is accounted for as a by-product and is recorded as a credit to operating costs.

5 *Significant accounting judgements and estimates*

The preparation of these carve-out combined financial statements in conformity with IFRS requires estimates and assumptions that affect the amounts reported. Those estimates and assumptions concerning the future may differ from actual results. The following are the estimates, assumptions and areas of judgment applied by management that most significantly affect the Business' financial statements. These sources of estimation uncertainty have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Ore reserve and resource estimates

Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Business' mining properties. The Business estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, metallurgical recoveries, permitting and production costs along with geological assumptions and judgments made in estimating the size, and grade of the ore body. Changes in the reserve or resource estimates may impact the carrying value of mining interests, mine restoration provisions, recognition of deferred tax assets, depreciation and amortization charges.

Value-added tax receivables

The Business 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 Business' 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.

Deferred income taxes and valuation allowances

The Business is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur.

Each period, the Business evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable income are affected by, among other things, market gold prices, production costs, quantities of proven and probable gold reserves, interest rates and foreign currency exchange rates.

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

Impairment of long-lived assets

Long-lived assets are tested for impairment, or reversal of a previous impairment, if there is an indicator of impairment or a subsequent reversal. Calculating the estimated recoverable amount of cash-generating units for long-lived asset requires management to make estimates and assumptions including future production levels, mill recoveries, operating and capital costs in its life-of-mine plans, future metal prices, foreign exchange rates, taxation rates, and discount rates. Changes in any of the assumptions or estimates used in determining the recoverable amount could impact the analysis. Such changes could be material.

Exploration and evaluation expenditures

The application of the Business' accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely 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 carve-out combined statements of operations and comprehensive loss in the period when the new information becomes available.

6 Inventories

	June 30, 2019	*December 31, 2018*	*December 31, 2017*	*January 1, 2017*
	$	$	$	$
	(Unaudited)			
Gold and silver bullion	10,592	5,309	12,944	8,754
In-process inventory	4,911	4,260	3,818	4,140
Ore stock-pile inventory	639	487	501	538
Materials and supplies	23,775	25,956	22,834	23,541
	39,917	36,012	40,097	36,973

At December 31, 2018 and 2017, the Business recorded a net realizable value adjustments of $1.7 million and $1.5 million respectively in regards to the carrying value of certain gold bullion and in-process inventory balances related to the El Limon and La Libertad mines.

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

7 *Mining interests*

	June 30, 2019	*December 31, 2018*	*December 31, 2017*	*January 1, 2017*
	$	$	$	$
	(Unaudited)			
Property, plant and equipment (depletable)				
El Limon Mine, Nicaragua				
Cost, net of impairment	237,963	217,263	173,358	151,186
Accumulated depreciation and depletion	(160,104)	(149,541)	(127,740)	(107,255)
	77,859	67,722	45,618	43,931
La Libertad Mine, Nicaragua				
Cost, net of impairment	332,884	315,569	335,651	300,816
Accumulated depreciation and depletion	(301,427)	(295,715)	(263,838)	(226,488)
	31,457	19,854	71,813	74,328
Exploration and evaluation properties (non-depletable)	337	-	4,017	3,614
	109,653	87,576	121,448	121,873

Impairment of long-lived assets

La Libertad

During the three months ended September 30, 2018, the Business completed its annual life-of-mine (“LoM”) plan for La Libertad. As a result of delays in permitting the Jabali Antenna Open Pit, the expected ounces produced in the new LoM plan have been reduced compared to previous LoM plans. The Business considered this reduction in expected production to be an indicator of impairment for La Libertad. The Business conducted an impairment analysis whereby the carrying values of La Libertad Mine property, plant and equipment, were compared to the mine’s recoverable amount which was determined to be its fair value less costs of disposal (“FVLCD”) at September 30, 2018. The Business’ analysis concluded that the carrying values of La Libertad Mine property, plant and equipment at September 30, 2018 were impaired resulting in an impairment charge of $16 million being recorded in the carve-out combined statements of operations and comprehensive loss.

During the three months ended December 31, 2018, the Business completed its annual budget for La Libertad. As a result of continued delays in permitting the Jabali Antenna Open Pit, there were further reductions in the ounces expected to be produced compared with the recent LoM plan. The Business considered this reduction in expected production to be an indicator of impairment for La Libertad. The Business conducted an impairment analysis whereby the carrying values of La Libertad Mine property, plant and equipment, were compared to the mine’s recoverable amount which was determined to be its FVLCD at December 31, 2018. The Business’ analysis concluded that the carrying values of La Libertad Mine property, plant and equipment at December 31, 2018 were impaired resulting in a further impairment charge of $34.0 million being recorded in the carve-out combined statements of operations and comprehensive loss.

To estimate the recoverable amount of La Libertad Mine’s long-lived assets for impairment, the Business utilized discounted cash flow models incorporating estimates and assumptions that included such factors as future production levels, metallurgical recovery estimates, operating and capital costs in its life-of-mine plans, future metal prices, foreign exchange rates and discount rates. Management’s estimate of the FVLCD of its cash generating units (“CGUs”) is classified as level 3 in the fair value hierarchy. Management’s estimate of future cash flows is subject to risks and uncertainties and therefore could change in the future if the underlying assumptions change.

Key assumptions used for the impairment test at September 30, 2018 and December 31, 2018 were:

Long-term gold price	$1,250/ounce
Silver price	$17/ounce

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

Mine life	2019 to 2020
Discount rate	5%

El Limon

During the year-ended December 31, 2015, the Business recorded a pre-tax impairment charge of $23.0 million on the carrying value of El Limon Mine property, plant and equipment. The net impairment recorded in the statements of operations and comprehensive loss after taking into account a deferred income tax recovery of $7.0 million was $16.0 million.

During the three months ended September 30, 2018, the Business completed its annual LoM plan for El Limon. As a result of the inclusion of ounces produced from the Limon Central Zone, the expected ounces produced and mine life in the new LoM plan has significantly increased compared to previous LoM plans. The Business considered the increase in expected production and mine life to be an indicator of impairment reversal for El Limon. The Business conducted an impairment analysis whereby the carrying values of El Limon Mine property, plant and equipment, were compared to the mine's recoverable amount which was determined to be its FVLCD at September 30, 2018. To estimate the recoverable amount of El Limon Mine's long-lived assets for impairment reversal, the Business utilized discounted cash flow models incorporating estimates and assumptions that included such factors as future production levels, metallurgical recovery estimates, operating and capital costs in its life-of-mine plans, future metal prices, foreign exchange rates and discount rates. Management's estimate of the FVLCD of its CGUs is classified as level 3 in the fair value hierarchy. Management's estimate of future cash flows is subject to risks and uncertainties and therefore could change in the future if the underlying assumptions change.

Key assumptions used for the impairment reversal test at September 30, 2018 were:

Long-term gold price	$1,250/ounce
Silver price	$17/ounce
Mine life	2019 to 2030
Discount rate	5%

Management's analysis concluded that the carrying values of El Limon Mine property, plant and equipment at September 30, 2018 were lower than the FVLCD and has therefore resulted in a full reversal of the original impairment loss recorded in 2015. After reflecting the amount of depreciation that would have been taken on the impaired assets, the Business recorded a pretax impairment reversal of $13.0 million. The net impairment reversal recorded in the statements of operations and comprehensive loss after taking into account a deferred income tax expense of $4.0 million was $9.0 million.

Sensitivities

The recoverable amounts for El Limon and La Libertad are most sensitive to changes in gold prices and discount rates. A decrease in gold prices would result in the Business making amendments to the mine plans that would partially offset the effect of lower prices through lower operating and capital costs. Ignoring the impact on the mine plans, in isolation, a $50 decrease in the gold price assumptions would result in an additional impairment of approximately $8 million for La Libertad Mine. Due to the short mine life, a 50 basis point increase in the discount rate would not have a significant impact on the post-tax recoverable amounts of La Libertad Mine. There would be no change to the reversal of the previous impairment of El Limon Mine as a result of either a $50 decrease in the gold price assumptions or a 50 basis point increase in the discount rate.

Exploration and evaluation properties

During the year ended December 31, 2018, the Business wrote off $4.6 million of exploration stage mineral properties in Nicaragua which the Business had made the decision to no longer pursue.

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

8 *Equipment loans*

During 2014 and 2015, the Business purchased mobile heavy equipment valued at $3.0 million and $2.0 million, respectively for its Nicaraguan operations. The Business paid 15% of the value of the equipment in cash and entered into five credit contracts with Caterpillar Crédito S.A de C.V for the remaining 85%. Two of the five contracts expired at December 31, 2018. The three remaining contracts, with a carrying value of $0.4 million at December 31, 2018 have all remaining payments due in 2019 with quarterly payments of principal and interest at a variable rate of LIBOR plus 4.1%. The Business has provided security on the loan in the form of the related equipment.

9 *Mine restoration provisions*

The Business' mine restoration provisions consist primarily of costs associated with mine reclamation and closure activities. These activities, which tend to be site specific, generally include costs for earthworks, including detoxification and recontouring, revegetation, water treatment and demolition. In calculating the present value of the Business' mine restoration provisions as at December 31, 2018, management used a risk-free rate applicable to each location's functional currency ranging from 2.50% to 2.74% and an inflation rate of 2.10%. The undiscounted cash flows, before inflation adjustments, estimated to settle the mine restoration provisions was approximately $52.8 million at December 31, 2018 (2017 - $39.7 million). Due to the nature of mine closure plans, cash expenditures are expected to occur over a significant period of time with the majority of the expenditures expected to occur in the years from 2019 to 2037.

The following table shows the movement in mine restoration provisions:

	June 30, 2019	*December 31, 2018*	*December 31, 2017*
	$	*$*	*$*
	(Unaudited)		
El Limon Mine			
Beginning balance	16,554	15,549	14,444
Accretion expense	217	398	286
Change in obligation	1,506	607	819
Ending balance	18,277	16,554	15,549
Less: current portion	-	-	-
	18,277	16,554	15,549
La Libertad Mine			
Beginning balance	34,039	23,931	19,396
Reclamation spending	(726)	(666)	(320)
Accretion expense	400	674	352
Change in obligation	792	10,100	4,503
Ending balance	34,505	34,039	23,931
Less: current portion	(3,256)	(3,170)	(1,819)
	31,249	30,869	22,112
Total	49,526	47,423	37,661

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

10 Related Party Transactions

Related party loans

	June 30, 2019 $	December 31, 2018 $	December 31, 2017 $
	(Unaudited)		
Balance, beginning of the year	176,367	148,310	119,173
Repayments	-	(7,808)	(38,926)
Interest on related party loans	1,638	-	11,394
Interest on related party loans – paid	-	-	(11,999)
Advances from related parties	23,494	35,865	68,668
Balance, end of period	201,499	176,367	148,310
B2Gold Corp.	24,773	23,888	9,560
Central Sun Mining Investments	176,726	152,479	138,750
	201,499	176,367	148,310

	For the Six Months Ended June 30, 2019 $	For the Six Months Ended June 30, 2018 $	For the Year Ended December 31, 2018 $	For the Year Ended December 31, 2017 $
	(Unaudited)	(Unaudited)		
Gold sales to B2Gold	32,941	33,951	65,510	65,249
Related party charges	1,718	1,414	3,952	3,376
Interest on related party loans	1,638	-	-	11,394

Gold sales to B2Gold are based on prevailing gold spot price at the time of the transaction.

Related party charges relate to corporate services provided by B2Gold to the Business for Management oversight, exploration oversight, insurance premiums, selling gold, treasury services, accounting oversight, share based payments and other corporate services.

In 2017, related parties charged the Business $11.4 million in interest on its outstanding loans which is based on an annual interest rate of 10%. During 2018, no interest was charged on the related party loans. Central Sun Mining Investments charged the Business an annual interest rate of 5% on one of its loans with the Business and did not charge the Business interest for another of its loans in 2019. B2Gold charged an annual interest rate of 5% its loan with the Business in 2019. All related party loans are due on demand.

For the revolving credit facility of B2Gold, a general security is provided by the shares of the El Limon and La Libertad mines.

11 Financial instruments

The Business' financial assets and liabilities consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and debt.

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

Fair values

The Business' 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.

Capital risk management

The Business' 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 Business reach its capital risk management objectives.

Credit risk

As at December 31, 2018, the Business' maximum exposure to credit risk was the book value of cash and cash equivalents, accounts receivable, value added and other taxes receivable and loans receivable. The Business 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.

Liquidity risk

The Business manages its liquidity risk 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 Business' current operations and expansion and development plans and by managing its capital structure as described above.

As at December 31, 2018, the Business had cash and cash equivalents of $12.4 million. Cash provided by operating activities totaled $25.8 million for the year ended December 31, 2018.

As at December 31, 2018, the Business' significant commitments are disclosed in the table below. In addition, significant commitments are disclosed in Note 8 for debt repayments and Note 16 for capital expenditure commitments.

	2019	***2020***	***2021***	***2022***	***2023***	***Total***
	$	***$***	***$***	***$***	***$***	***$***
Accounts payable and accrued liabilities	10,265	-	-	-	-	10,265
Equipment loans:						
Principal	398	-	-	-	-	398
Interest (estimated)	9	-	-	-	-	9
	10,672	-	-	-	-	10,672
Capital expenditure commitments *(Note 16)*	6,608	-	-	-	-	6,608
Mine restoration provision	3,170	2,268	3,711	6,321	5,668	21,138
Employee future benefits	1,184	3,059	210	210	210	4,873
Operating lease commitments	297	64	9	-	-	370
	21,931	5,391	3,930	6,531	5,878	43,661

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

Market risk

Market risk includes currency and price risk.

The Business's operations in Nicaragua are subject to currency fluctuations and such fluctuations may materially affect the Business's financial position and results. The Business reports its financial results in United States dollars and incurs expenses in Nicaraguan córdobas, United States dollars and Canadian dollars. As these exchange rates fluctuate against the United States dollar, the Business will experience foreign exchange gains and losses.

The córdoba has been annually devalued versus the United States dollar by means of a crawling peg mechanism which currently stands at approximately 5%. All of the Business' gold production is in Nicaragua.

The Business also holds cash and cash equivalents that are denominated in non-United States dollar currencies which are subject to currency risk. As at December 31, 2018, $0.4 million of the Business' $12.4 million in cash and cash equivalents was held in córdoba's and other foreign currency.

12 Income and other taxes

Income tax expense differs from the amount that would result from applying the Nicaraguan income tax rates to earnings from operations before taxes. These differences result from the following items:

	June 30, 2019	*June 30, 2018*	*December 31, 2018*	*December 31, 2017*
	$	$	$	$
	(Unaudited)	*(Unaudited)*		
Carve-out combined net loss before income taxes	(10,979)	(14,005)	(74,104)	(41,935)
Nicaraguan income taxes at statutory income tax rates	30%	30%	30%	30%
Income tax expense at statutory rates	(3,294)	(4,202)	(22,231)	(12,581)
Increase (decrease) attributable to:				
Non-deductible expenditures	2,588	1,084	5,148	2,993
Losses for which no tax benefit has been recorded	(2,862)	631	24,712	6,539
Minimum tax	3,478	2,541	4,965	4,780
Change due to foreign exchange	1,444	329	831	1,105
Change in accruals for tax audits	-	-	-	(648)
Expiry of tax losses	1,436	379	1,509	-
Income tax expense	2,790	762	14,934	2,188
Current income tax, withholding and other taxes	3,478	2,541	4,965	4,052
Deferred income tax (recovery) expense	(688)	(1,779)	9,969	(1,864)
Income tax expense	2,790	762	14,934	2,188

Income tax expense (recovery) is attributable to Nicaragua.

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

The composition of the Business's net deferred income tax (liabilities) assets and deferred tax expense (recovery) is as follows:

	Deferred tax (liabilities)/assets			*Deferred income tax expense/(recovery)*	
	December 31, 2018	*December 31, 2017*	*January 1, 2017*	*2018*	*2017*
	$	$	$	$	$
Operating loss carry-forwards	1,982	8,894	4,298	6,912	(4,596)
Current assets and liabilities	(31)	(1,016)	268	(985)	1,283
Mining interests	(9,487)	(5,232)	(4,409)	4,255	823
Mine restoration provisions	232	19	643	(213)	626
	(7,304)	2,665	800	9,969	(1,864)

Represented on the balance sheet as:

	December 31, 2018	*December 31, 2017*	*January 1, 2017*
	$	$	$
Deferred tax asset	-	2,665	800
Deferred tax liability	(7,304)	-	-
Balance, end of period	(7,304)	2,665	800

The Business has the following temporary differences for which no deferred tax assets have been recognized:

	December 31, 2018	*December 31, 2017*	*January 1, 2017*
	$	$	$
Current assets	2,415	1,945	466
Mine restoration provisions	48,612	38,172	30,448
Mining interests and other	54,032	3,452	-
	105,059	43,569	30,914

The four Nicaraguan entities in these carve-out combined statements file stand-alone tax returns. Therefore, loss carryforward from one legal entity cannot be used by a different legal entity.

At December 31, 2018, the Business had tax losses which are not recognized as deferred tax assets. The Business recognizes the tax benefit of the tax losses only to the extent of anticipated future taxable income that can be reduced by tax losses. The gross amount of the tax losses for which a tax benefit has not been recorded expire as follows:

Year of expiry	**Nicaragua $**
2019	6,955
2020	21,233
No expiry	19,193
Total	47,381

The tax losses are all related to the Nicaraguan operations. Loss carryforward period is normally three years, however losses from an exploration company can be carried forward until commercial operations commence which have been classified as not having an expiry date at this time.

During the years ended December 31, 2018 and 2017, the Business paid $1.7 million (2017 - $7.0 million) of income taxes in cash.

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

13 *Supplementary cash flow information*

Supplementary disclosure of cash flow information is provided in the table below:

Non-cash (credits) charges:

	For the Six Months Ended June 30, 2019 $	*For the Six Months Ended June 30, 2018* $	*For the Year Ended December 31, 2018* $	*For the Year Ended December 31, 2017* $
	(Unaudited)	*(Unaudited)*		
Depreciation and depletion	14,237	30,474	58,231	56,206
Related party interest expense	1,638	-	-	11,394
Share-based payments *(Note 10)*	1,492	1,117	3,379	2,684
Accretion of mine restoration provisions *(Note 9)*	617	464	1,073	638
Impairment of long-lived assets, net of reversal (Note 7)	-	-	37,167	-
Write-down of mineral property interests	-	-	4,556	-
Deferred income tax expense (recovery) (*Note 12)*	(688)	(1,779)	9,969	(1,864)
Provision for non-recoverable input taxes	169	1,500	2,463	90
Other	91	981	2,450	(1,380)
	17,556	32,757	119,288	67,768

Changes in non-cash working capital:

	For the Six Months Ended June 30, 2019 $	*For the Six Months Ended June 30, 2018* $	*For the Year Ended December 31, 2018* $	*For the Year Ended December 31, 2017* $
	(Unaudited)	*(Unaudited)*		
Accounts receivable and prepaids	2,118	(406)	(2,308)	(773)
Value-added and other tax receivables	516	522	675	1,225
Inventories	(1,825)	(1,304)	479	(290)
Accounts payable and accrued liabilities	4,415	(2,136)	(2,773)	(1,311)
Current income and other taxes payable	2,925	(210)	167	(7,112)
	8,149	(3,534)	(3,760)	(8,261)

Other exploration and development:

	For the Six Months Ended June 30, 2019 $	*For the Six Months Ended June 30, 2018* $	*For the Year Ended December 31, 2018* $	*For the Year Ended December 31, 2017* $
	(Unaudited)	*(Unaudited)*		
El Limon Mine, exploration	(1,208)	(3,798)	(6,246)	(6,362)
La Libertad Mine, exploration	(1,894)	(2,734)	(4,798)	(6,751)
Other	(336)	(225)	(452)	(396)
	(3,438)	(6,757)	(11,496)	(13,509)

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

Non-cash investing and financing activities:

	For the Six Months Ended June 30, 2019 $	For the Six Months Ended June 30, 2018 $	For the Year Ended December 31, 2018 $	For the Year Ended December 31, 2017 $
	(Unaudited)	(Unaudited)		
Change in accounts payable and accrued liabilities relating to mineral property expenditures	(807)	290	807	-

14 Production costs by nature

	December 31, 2018 $	December 31, 2017 $
Raw materials and consumables	42,853	40,496
Contractors	47,626	35,563
Salaries and employee benefits	27,989	24,964
Electricity	19,407	18,640
Equipment rental	1,188	1,766
Other	4,497	4,878
Silver credits	(2,366)	(4,140)
Change in inventories	3,698	(1,275)
Capitalized to mining interests	(19,635)	(12,534)
	125,257	108,358

Salaries and employee benefits expense included in general and administrative costs were $2.4 million for the year ended December 31, 2018 (2017 - $2.6 million).

15 Segmented information

The Business's reportable operating segments include its mining operations and development projects, namely the El Limon and La Libertad mines, which are both located in Nicaragua.

The Business's segments are summarized in the following tables.

	For the six months ended June 30, 2019 (unaudited)			
	Limon Mine $	Libertad Mine $	Exploration & Administration $	Total $
Gold revenue*	27,780	52,935	-	80,715
Production costs	20,833	45,840	-	66,673
Depreciation & depletion	8,391	5,846	-	14,237
Net loss	(7,197)	(6,536)	(36)	(13,769)
Capital expenditures	19,575	16,801	336	36,712
Total assets	110,444	55,637	364	166,445

(All tabular amounts are in thousands of United States dollars unless otherwise stated)

*Includes related party gold sales of $16.5 million (unaudited) for the Limon Mine and $16.4 million (unaudited) for the Libertad Mine.

For the six months ended June 30, 2018 (unaudited)

	Limon Mine $	Libertad Mine $	Exploration & Administration $	Total $
Gold revenue*	37,149	51,475	-	88,624
Production costs	24,048	37,656	-	61,704
Depreciation & depletion	14,693	15,778	3	30,474
Net loss	(6,054)	(8,667)	(46)	(14,767)
Capital expenditures	17,001	12,814	225	30,040
Total assets	76,937	105,178	4,526	186,641

*Includes related party gold sales of $28.8 million (unaudited) for the Limon Mine and $5.1 million (unaudited) for the Libertad Mine.

For the year ended December 31, 2018

	Limon Mine $	Libertad Mine $	Exploration & Administration $	Total $
Gold revenue*	68,486	105,151	-	173,637
Production costs	47,388	77,869	-	125,257
Depreciation & depletion	25,254	32,977	-	58,231
Write-down of mineral property interests	-	-	(4,556)	(4,556)
Impairment (reversal) of long-lived assets	(13,434)	50,601	-	37,167
Current income tax, withholding and other taxes	695	4,270	-	4,965
Net loss	(13,124)	(71,253)	(4,661)	(89,038)
Capital expenditures	28,254	20,981	452	49,687
Total assets	85,443	59,834	154	145,431

*Includes related party gold sales of $56.5 million for the Limon Mine and $9.0 million for the Libertad Mine.

For the year ended December 31, 2017

	Limon Mine $	Libertad Mine $	Exploration & Administration $	Total $
Gold revenue*	49,579	104,784	-	154,363
Production costs	39,700	68,658	-	108,358
Depreciation & depletion	18,145	38,061	-	56,206
Current income tax, withholding and other taxes	682	3,370	-	4,052
Net loss	(13,992)	(30,029)	(102)	(44,123)
Capital expenditures	22,411	30,557	396	53,364
Total assets	72,420	108,109	4,207	184,736

*Includes related party gold sales of $43.7 million for the Limon Mine and $21.5 million for the Libertad Mine.

16 Commitments

At June 30, 2019, the Business had commitments of $0.5 million (unaudited) for the purchase of an electrical ball mill motor at the El Limon mine .

At December 31, 2018, the Business had commitments for payments of $6.6 million for tailings storage facility at La Libertad mine, all of which is expected to be incurred in 2019.

EL LIMON AND LA LIBERTAD MINES
MINING INTEREST SCHEDULE (NOTE 17)
For the year ended December 31, 2018
(All tabular amounts are in thousands of United States dollars unless otherwise stated)

	Cost				Accumulated depreciation				Net Carrying Value	
	Balance at Dec. 31, 2017 $	Additions $	Disposals / write-offs / impairments $	Balance at Dec. 31, 2018 $	Balance at Dec. 31, 2017 $	Depreciation $	Disposals / write-offs $	Balance at Dec. 31, 2018 $	As at Dec. 31, 2018 $	As at Dec. 31, 2017 $
Property, plant and equipment (depletable)										
El Limon	173,358	30,836	13,069	217,263	(127,740)	(22,124)	323	(149,541)	67,722	45,618
La Libertad	335,651	31,544	(51,626)	315,569	(263,838)	(32,501)	624	(295,715)	19,854	71,813
	509,009	62,380	(38,557)	532,832	(391,578)	(54,625)	947	(445,256)	87,576	117,431
Other	4,017	763	(4,780)	-	-	-	-	-	-	4,017
	513,026	63,143	(43,337)	532,832	(391,578)	(54,625)	947	(445,256)	87,576	121,448

EL LIMON AND LA LIBERTAD MINES
MINING INTEREST SCHEDULE (NOTE 17)
For the year ended December 31, 2017
(All tabular amounts are in thousands of United States dollars unless otherwise stated)

	Cost				Accumulated depreciation				Net carrying value
	Balance at Dec. 31, 2016 $	Additions $	Disposals / write-offs / impairments $	Balance at Dec. 31, 2017 $	Balance at Dec. 31, 2016 $	Depreciation $	Disposals / write-offs $	Balance at Dec. 31, 2017 $	As at Dec. 31, 2017 $
Property, plant and equipment (depletable)									
El Limon	151,186	23,420	(1,248)	173,358	(107,255)	(21,610)	1,125	(127,740)	45,618
La Libertad	300,816	35,190	(355)	335,651	(226,488)	(37,425)	75	(263,838)	71,813
	452,002	58,610	(1,603)	509,009	(333,743)	(59,035)	1,200	(391,578)	117,431
Other	3,613	404	-	4,017	-	-	-	-	4,017
	455,615	59,013	(1,603)	513,026	(333,743)	(59,035)	1,200	(391,578)	121,448

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") of financial condition and results of operations for the combined operations of the El Limon and La Libertad mines, as well as certain exploration properties in Nicaragua (as defined and described below), contains information that is believed to be relevant to an assessment and understanding of the El Limon and La Libertad mines, and related operating, development, and exploration activities. The MD&A should be read in conjunction with the information circular of Calibre Mining Corp. (the "Information Circular"), to which this MD&A is attached, and with the unaudited carve-out combined financial statements for the El Limon and La Libertad mines for the six months ended June 30, 2019 and 2018 and with the audited combined carve-out combined financial statements for the El Limon and La Libertad mines for the years ended December 31, 2018 and 2017 (collectively, the "Carve-out Combined Financial Statements"). The Carve-out Combined Financial Statements were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

This MD&A contains statements that may be forward-looking under Canadian securities laws. All statements, other than statements of historical fact, included herein, including without limitation: statements regarding potential mineralization, exploration results and future plans, production and objectives of the Business (as defined below), are forward-looking statement, which involve various risks, uncertainties and assumptions. See the "Caution on Forward-Looking Information" section at the end of this MD&A. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements, as a result of a number of factors, including those set out in the "Risks and Uncertainties" section of this MD&A.

NON-IFRS MEASURES DISCUSSED IN THIS MD&A

Certain non-IFRS measures are included in this MD&A, including cash operating costs and total cash costs, cash operating costs per gold ounce sold and total cash costs per gold ounce sold, all-in sustaining costs ("AISC") and AISC per ounce sold. In the gold mining industry, these are common performance measures but may not be comparable to similar measures presented by other entities. Management 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 Business' performance and ability to generate cash flow from its operations. Accordingly, these measures are intended to provide additional information to readers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. For further information, refer to the "Non-IFRS Measures" section of this MD&A.

The following additional abbreviations may be used throughout this MD&A: General and Administrative Expenses ("G&A"); Troy Ounces ("oz"); Grams per Tonne ("g/t"); Tonnes ("t"); Meters ("m"); Tonnes per Annum ("tpa"); Hectares ("ha") and Life of Mine ("LoM").

REPORTING CURRENCY

All amounts in this MD&A are presented in U.S. dollars ("$") unless otherwise noted and all tabular amounts are expressed in thousands of U.S. dollars, except per ounce amounts. References to C$ indicate denominations that are in Canadian dollars.

BUSINESS OVERVIEW AND BASIS OF PRESENTATION

The Carve-out Combined Financial Statements and this MD&A report on the financial condition and results of the operations of the El Limon Mine, the La Libertad Mine, and certain exploration properties in Nicaragua, (together, the "Business"). The entities conducting the operations of the Business are wholly-owned, direct or indirect subsidiaries of B2Gold Corp. ("B2Gold") and were wholly-owned (directly or indirectly) by B2Gold as at June 30, 2019 and December 31, 2018.

The Business consists of the accounts of a combined 100% of the following seven entities:

- Triton Minera S.A. – incorporated in Nicaragua (owns 100% of the El Limon mine);
- Minera Glencairn S.A. – incorporated in Nicaragua (owns certain exploration concessions);
- Desarrollo Minero de Nicaragua S.A. – incorporated in Nicaragua (owns 100% of the La Libertad mine);
- Central American Mine Holdings Limited – incorporated in Belize (holding company);
- Minesa (Cayman) Inc. – incorporated in the Cayman Islands (holding company);
- Minerales Nueva Esperanza S.A. – incorporated in Nicaragua (owns 100% of the El Pavon gold project); and
- Cerro Quiros Gold S.A. – incorporated in Nicaragua (owns certain exploration concessions).

The El Limon and La Libertad mines are producing mines engaged in the operation, exploration, development and acquisition of precious metal properties in Nicaragua. The El Limon and La Libertad mines' current sources of operating cash flows are primarily from the sale of gold and silver.

An overview on each of the mines and further information on the development and exploration projects are discussed below.

On July 2, 2019, B2Gold and Calibre Mining Corp. ("Calibre") announced that they had entered into a letter of intent for B2Gold to restructure its interests in, and for Calibre to acquire, the producing El Limon and La Libertad gold mines, the Pavon Gold Project and additional mineral concessions in Nicaragua (collectively, the "Nicaraguan Assets") held by B2Gold for aggregate consideration of $100 million (the "Purchase Price"), which Purchase Price will be paid with a combination of cash, common shares and a convertible debenture (the "Transaction"). On August 29, 2019, B2Gold and Calibre executed a definitive share purchase and consolidation agreement in respect of the Transaction, as contemplated in the letter of intent. Following the completion of the Transaction, B2Gold will own an approximate 31% direct equity interest in Calibre. B2Gold's ongoing commitment to continuing involvement with the Nicaraguan operations will be secured by its significant equity interest in Calibre, its right to appoint one director to the Board of Calibre, and its participation in an Advisory Board to the main Board of Calibre. The closing of this Transaction will be subject to certain conditions including majority of minority shareholder approval and the closing of the concurrent private placement by Calibre (for gross proceeds of up to C$100 million). It is expected that the sale of the Nicaraguan Assets will be completed early in the fourth quarter of 2019.

The Carve-out Combined Financial Statements include the operations of El Limon and La Libertad mines and exploration activity in Nicaragua and present the historical financial position, financial performance, changes in B2Gold's net investment and cash flows of the Business on a carve-out combined basis. Transactions that relate to the El Limon and La Libertad mines that historically were included in related entities have been included in these statements. Gold and silver revenues reflect sales prices, consistent with the revenues historically reported in B2Gold's financial statements for the El Limon and La Libertad segments.

The Carve-out Combined Financial Statements present the net investment by B2Gold in the Business, rather than shareholders' equity. Related party loans are shown separate from the net investment by B2Gold. B2Gold's net investment comprises the accumulated earnings of the Business, contributions by, less distributions to, B2Gold. Due to the inherent limitation of carving out the assets, liabilities, operations and cash flows from larger entities, these financial statements may not necessarily reflect the financial position, results of operations and cash flow that would have been realized had the Business been a stand-alone entity during the periods presented.

The Carve-out Combined Financials Statements are the first IFRS statements of the Business with January 1, 2017 being the opening balance sheet. These Carve-out Combined Financial Statements as of December 31, 2018, December 31, 2017 and for the years then ended have been prepared in accordance with IFRS as issued by the IASB, effective as of December 31, 2018.

The unaudited interim financial statements as of June 30, 2019 and for the six months ended June 30, 2019 and 2018 have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting as issued by the IASB. Accordingly, certain disclosures included in annual financial statements prepared in accordance with IFRS as issued by the IASB have been omitted.

The accounting policies applied in the preparation of the unaudited interim financial statements are consistent with those applied and disclosed in the Business' audited financial statements for the year ended December 31, 2018, except the adoption of IFRS 16 (Leases), effective January 1, 2019. However, the adoption of the leasing standard did not have an impact on the Business' unaudited interim financial statements as no applicable leases were identified. The Business' significant accounting policies are described in Notes 3 and 4 of the Carve-out Combined Financial Statements.

The Business' interim results are not necessarily indicative of its results for a full year.

The Carve-out Combined Financial Statements have been prepared on a going concern basis using historical cost, which assumes the Business will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities. For the year ended December 31, 2018, the Business reported losses of $89.0 million (2017 - $44.1 million) and had an accumulated deficit of $109.8 million (2017 - $25.7 million). For the six months ended June 30, 2019, the Business reported losses of $13.8 million and an accumulated deficit of $121.5 million. At June 30, 2019, the Business had loans from related parties of $201.5 million, which if capitalized, would provide sufficient capital to operate. The related party loans are not included in the net investment schedule as they are subject to loan agreements between related companies. Prior to the close of acquisition of the Business, $127.1 million of the related party loans will be capitalized to equity as preferred shares. In connection with and concurrent to the acquisition of the Business, the remaining related party loan balance will be settled with B2Gold and the related companies.

EL LIMON MINE OVERVIEW

The El Limon Mine is located in northwestern Nicaragua approximately 100 km northwest of Managua, the capital of Nicaragua. B2Gold holds an indirect 100% interest in Triton Minera S.A. ("**Triton Minera**"), the mine operator. The El Limon Mine is within a 12,000 ha "Mina El Limon" mineral concession that has a term of 25 years, expiring in April 2027. Triton Minera also holds three exploration-stage mineral concessions: Bonete-Limon, and Villanueva 2, which collectively cover a total of 7,200 ha.

Mining operations use conventional open pit mining methods at the El Limon Central open pit and a top-down sequenced long hole open stoping and AVOCA stoping methods at the Santa Pancha underground mine. El Limon has a conventional processing plant consisting of agitated cyanide leaching and carbon absorption, followed by carbon elution, electrowinning, and doré production. The annual mill throughput is approximately 485,000 tpa and the historical recoveries are 94% to 95%. In 2018, El Limon processed 447,961 t, grading 3.64 g/t Au, with a metallurgical recovery of 94.9%, and produced 49,629 oz Au.

For additional technical information on the El Limon Mine and its related exploration projects, refer to the NI 43-101 technical report prepared by Roscoe Postle Associates Inc. ("RPA"), titled, "*Technical Report on the El Limon Mine, Leon and Chinandego Departments, Nicaragua*", dated July 31, 2019 (with an effective date of June 30, 2019) and available on Calibre's SEDAR profile at www.sedar.ca.

The following tables summarize the El Limon reserve and resource from the noted RPA NI 43-101 technical report:

El Limon – Underground and Open Pit Mines Mineral Reserves

Description	Tonnes	Gold Grade (g/t)	Contained Gold Ounces
Probable Mineral Reserve - Underground	787,000	4.58	116,000
Probable Mineral Reserve - Open Pit	1,472,000	4.09	193,000
Total Probable Mineral Reserves	2,259,000	4.26	309,000

Notes:

1) Canadian Institute of Mining, Metallurgy and petroleum ("CIM") (2014) definitions were followed for Mineral Reserves.
2) Underground Mineral Reserves are estimated at a cut-off grade of 2.75 g/t Au. Open pit Mineral Reserves are estimated at a cut-off of 1.32 g/t Au, and incorporate estimates of dilution and mining losses and are reported in dry tonnes.
3) Mineral Reserves are estimated using an average long-term gold price of US$1,350 per ounce.
4) For Underground Mineral Reserves – minimum mining widths of 4 m, 5 m, and 3 m were used for Santa Pancha 1, Santa Pancha 2, and Veta Nueva respectively. For Open Pit Mineral Reserves – minimum mining width of 30 m was used.
5) For Underground Mineral Reserves bulk density averages 2.5 t/m^3. For Open Pit Mineral Reserves bulk density averages 2.26 t/m^3.
6) For Underground Mineral Reserves a mining extraction factor of 95% was applied to the underground stopes. Where required a pillar factor was also applied for sill or crown pillar. A 100% extraction factor was assumed for development.
7) Numbers may not add due to rounding.

El Limon – Indicated and Inferred Mineral Resources

Description	Tonnes	Gold Grade (g/t)	Contained Gold Ounces
Indicated Mineral Resource	11,422,000	2.25	827,000
Inferred Mineral Resource	4,557,000	5.21	763,000

Notes:

1) CIM (2014) definitions were followed for Mineral Resources.
2) Mineral Resources are based on 100% ownership.
3) Mineral Resources are estimated at cut-off grades of 1.25 g/t Au for the Limón open pit, 1.20 g/t Au for the Tailings, and 2.25 g/t Au for underground in Santa Pancha 1, Santa Pancha 2, and Veta Nueva.
4) Mineral Resources are estimated using a long-term gold price of US$1,500 per ounce.
5) Bulk density is from 1.86 t/m^3 to 2.85 t/m^3 for the Limón open pit material, 2.50 t/m^3 for the SP1, and Veta Nueva underground material, from 2.45 t/m^3 to 2.50 t/m^3 for the SP2 and from 1.29 t/m^3 to 1.33 t/m^3 for tailings material.
6) Numbers may not add due to rounding.

A description of the recent operating and financial results of La Libertad for the three and six months ended June 30, 2019 and 2018 and for the years ended December 31, 2018 and 2017 are provided in this MD&A under the section "*Review of Operating Mines*".

LA LIBERTAD MINE OVERVIEW

The La Libertad Mine is an open pit and underground property located in the La Libertad-Santo Domingo Region of the Department of Chontales in Central Nicaragua. The mine is situated approximately 110 km due east of Managua, and 32 km northeast of Juigalpa, the capital city of the Department of Chontales. The La Libertad exploitation concession, covering an area of 10,937 ha, was granted by a Ministerial Decree for a 40-year term expiring in 2034. In addition, the Business also holds a controlling interest in the Buenaventura, Cerro Quiroz, Kinuma, and San Marcos exploration concessions, which are contiguous with the La Libertad exploitation concession and cover a total area of 10,526 ha.

Mining operations are conventional open pit mining methods and a bottom-up sequenced long hole stoping mining method with unconsolidated backfill at the Jabali underground mine. Mill feed processed through a grinding circuit consisting of a semi-autogenous grinding ("SAG") mill, pebble crusher, and two ball mills, then classified by cyclones, thickened, and passed to a series of leach tanks. The leached slurry is processed in a carbon-in-pulp ("CIP") circuit; then loaded carbon is delivered to the absorption, desorption, and refining ("ADR") plant for stripping, electrowinning, and production of gold and silver doré bars. The annual throughput is approximately 2.25 million tpa and current gold recoveries are approximately 94% to 95%. In 2018, La Libertad processed 2,250,687 t, grading 1.19 g/t Au, with a process gold recovery of 94.4%, and produced 80,963 oz Au.

For additional technical information on the La Libertad Mine and its related exploration projects, refer to the NI 43-101 technical report prepared by RPA, titled, "*Technical Report on the La Libertad Mine, Chontales Department, Nicaragua*", dated July 24, 2019 (with an effective date of June 30, 2019) and available on Calibre's SEDAR profile at www.sedar.ca.

The following table summarizes of the La Libertad's resource estimates from the noted RPA NI 43-101 technical report:

Description	Tonnes	Gold Grade (g/t)	Contained Gold Ounces
Indicated Mineral Resource	1,987,000	2.61	167,000
Inferred Mineral Resource	3,216,000	4.37	452,000

Notes:
1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are based on 100% ownership.
3. Mineral Resources are estimated at cut-off grades of 1.25 g/t Au for the Limón open pit, 1.20 g/t Au for the Tailings, and 2.25 g/t Au for underground in Santa Pancha 1, Santa Pancha 2, and Veta Nueva.
4. Mineral Resources presented are inclusive of Mineral Reserves.
5. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
6. Mineral Resources are estimated using a long-term gold price of US$1,500 per ounce.
7. Bulk density is 1.70 t/m3 to 2.65 t/m3 for the Limón open pit material, 2.50 t/m3 for the Santa Pancha 1, and Veta Nueva underground material, from 2.45 t/m3 to 2.50 t/m3 for the SP2 ,and from 1.29 t/m3 to 1.33 t/m3 for tailings material.
8. Numbers may not add due to rounding.

A description of the recent operating and financial results of La Libertad for the three and six months ended June 30, 2019 and 2018 and for the years ended December 31, 2018 and 2017 are provided in this MD&A under the section "*Review of Operating Mines*".

EXPLORATION – EL PAVON PROJECT

The El Pavon Gold Project ("El Pavon") is located approximately 150 km north of La Libertad. The mineralization at El Pavon is hosted in Tertiary Matagulpa Group volcanics. Gold mineralization is characterized as a low-sulphidation, quartz-adularia epithermal vein system. Gold mineralization is primarily hosted in quartz vein and quartz vein breccia units with localized high grade in stockwork zones. Minor pyrite and trace amounts of base metal sulphides are also present.

Gold mineralization is hosted in two zones: El Pavon Norte and El Pavon Central, which the Business believes offers significant exploration potential. A total of 16,155 metres of drilling in 133 holes has been completed on at El Pavon. Highlighted drill intercepts include: 19.37m containing 13.19 g/t Au; 7.88m containing 16.12 g/t Au; 20.02m containing 4.74 g/t Au; 6.40m containing 8.13 g/t Au; 3.10m containing 11.18 g/t Au; 3.46m containing 6.09 g/t Au; and 7.57m containing 4.24 g/t Au.

Historical Mineral Resources for El Pavon, as at November 14, 2014, are as follows:

- Indicated – 290,000 t, grading 5.82 g/t Au, containing 55,000 oz Au;
- Inferred – 130,000 t, grading 5.50 g/t Au, containing 23,000 oz Au.

These resource estimates are historical and should not be relied upon. The technical information related to El Pavon are based on disclosure contained in the B2Gold Annual information Form dated March 27, 2015, a copy of which is available under B2Gold's profile on SEDAR.

Additional exploration work is being considered with a view towards expanding the current resource at El Pavon and evaluating the project as a possible source of ore that can be transported to La Libertad for processing.

REVIEW OF FINANCIAL RESULTS

Selected Financial and Operating Results for the three and six months ended June 30, 2019 and 2018 and the years ended December 31, 2018 and 2017

in thousands of dollars (except per ounce figures, as noted)	**Three months ended June 30, 2019**	**Three months ended June 30, 2018**	**Six months ended June 30, 2019**	**Six months ended June 30, 2018**	**Year ended December 31, 2018**	**Year ended December 31, 2017**
Gold revenue [1]	**43,034**	42,495	**80,715**	88,624	**173,637**	154,363
Net loss [1]	**-**	-	**(13,769)**	(14,767)	**(89,038)**	(44,123)
Cash flows from operating activities [1]	**-**	-	**11,210**	14,228	**25,824**	15,064
Total assets (at period end) [1]	**166,445**	-	**166,445**	-	**145,431**	184,736
Non-current liabilities (at period end) [1]	**64,826**	-	**64,826**	-	**63,177**	45,429
Gold sold (ounces) [2]	**32,582**	32,709	**61,258**	67,117	**136,713**	122,593
Average realized gold price ($/ounce)	**1,321**	1,299	**1,318**	1,320	**1,270**	1,259
Gold produced (ounces) [2]	**37,130**	32,517	**67,447**	65,413	**130,592**	125,113
Total cash costs per ounce sold [3] ($/oz Au)	**1,058**	941	**1,137**	970	**962**	925
Cash operating costs per ounce sold [3] ($/oz Au)	**1,013**	895	**1,088**	919	**916**	884
All-in sustaining costs per ounce sold [3] ($/oz Au)	**1,589**	1,353	**1,593**	1,348	**1,265**	1,245

Notes:

1) Information for the six months ended June 30, 2019 and 2018 and for the years ended December 31, 2018 and 2017 are derived from the Carve-out combined Financial Statements of the Business. Information for the three months ended June 30, 2019 and 2018 are based on B2Gold's previously filed MD&A and financial statements. Certain information, including net loss and cash flows from operating activities, is not available for the three months ended June 30, 2019 and 2018 as carve-out combined financial information was not prepared for the El Limon and La Libertad mines for these periods.
2) Information derived from B2Gold's previously filed MD&A and/or financial statements.
3) This is a Non-IFRS measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS, refer to the "Non-IFRS Measures" section of this MD&A. These figures were calculated using information derived from B2Gold's previously filed MD&A and/or financial statements.

Three months ended June 30, 2019 and 2018

Gold revenue for the three months ended June 30, 2019 was $43.0 million on gold sales of 32,582 ounces at an average realized gold price of $1,321 per ounce, which is generally consistent with the same period in 2018, with $42.5 million in gold revenue, on 32,709 ounces sold at an average realized gold price of $1,299 per ounce. The 1.7% increase in average realized gold price directly impacted a similar increase in gold revenue for each three-month period.

Combined production for the three months ended June 30, 2019 increased 14.2% to 37,130 ounces produced compared to 32,517 ounces produced in the same period in 2018. Total cash costs per ounce increased 12.4% to $1,058 per ounce for the three months ended June 30, 2019 compared to $941 per ounce for the same period in 2018 and similarly, cash operating costs increased 13.2% to $1,013 per ounce in Q2 2019 compared to $895 per ounce in Q2 2018. The increase was a result of higher waste movement at La Libertad, higher fuel costs and labour cost increases over the comparable periods. In the first half of 2019, operations moved additional waste at La Libertad, that had not been moved as planned in 2018 due to temporary limitations in mining fleet capacity in the second half of 2018. Further analysis of cost and production is included in the section *"Review of Mining Operations"* on an individual mine basis.

Six months ended June 30, 2019 and 2018

Gold revenue for the six months ended June 30, 2019 was $80.7 million on gold sales of 61,258 ounces at an average realized gold price of $1,318 per ounce, which is lower than the same period in 2018, with $88.6 million in gold revenue, on 67,117 ounces sold at an average realized gold price of $1,320 per ounce. The 8.7% decrease in gold ounces sold was a direct impact on the 8.9% decrease in gold revenue over the same periods. The decrease in gold ounces sold was largely the result of the timing of gold sales.

Combined production for the six months ended June 30, 2019 increased 3.1% to 67,447 ounces produced compared to 65,413 ounces produced in the same period in 2018. Total cash costs per ounce increased 17.2% to $1,137 per ounce for the six months ended June 30, 2019 compared to $970 per ounce for the same period in 2018 and similarly, cash operating costs increased 18.4% to $1,088 per ounce for the six months ended June 30, 2019 compared to $919 per ounce for the same period in 2018. Further analysis of cost and production is included in the section *"Review of Mining Operations"* on an individual mine basis.

Depreciation and depletion was $14.2 million for the six months ended June 30, 2019 compared to $30.5 million for the same period in 2018. The decrease was a result of the La Libertad impairments during the year ended December 31, 2018, which are discussed below in this MD&A.

Royalties and production taxes decreased to $3.0 million for the six months ended June 31, 2019 from $3.4 million the same period in 2018, a decrease of 12.9% which was directly related to a decrease in revenue of 8.9% over the same period.

Combined G&A, share-based payments, community relations and other costs were unchanged for the six months ended June 30, 2019, totalling $4.8 million compared to the same period in 2018 total of $4.9 million.

Related party interest expense for the six months ended June 30, 2019 was $1.6 million compared to $Nil for the same period in 2018. B2Gold charged an annual interest rate of 5% on its loans with the Business in 2019.

Net loss and comprehensive loss for the six months ended June 30, 2019 was $13.8 million compared $14.8 million for the same period in 2018, which was the result of lower gold sales (decrease of $7.9 million) offset by a decrease in total costs of sales (decrease of $11.7 million) and the related party interest charge of $1.6 million during the six months ended June 30, 2019.

Year ended December 31, 2018 and 2017

Combined revenue from El Limon and La Libertad mines, for the year ended December 31, 2018 was $173.6 million on sales of 136,713 ounces of gold at an average realized gold price of $1,270 per ounce compared to $154.4 million on sales of 122,593 ounces of gold at an average realized gold price of $1,259 per ounce in 2017. The significant increase in gold revenue was attributable to a number of factors, including: higher gold production at El Limon from higher grade ore being processed, timing of gold sales relating to the sale of gold bullion and in-circuit inventories included in opening inventories at the beginning of the year, and a slightly higher gold price in 2018 when compared to 2017. Overall gold ounces sold increased 11.5% year over year, resulting in gross revenue increasing by 12.5% over the same period.

Combined gold production totaled 130,592 ounces for 2018 compared to 125,113 ounces in the prior year, an increase of 4.4%. Total production costs increased 15.6% to $125.3 million in 2018 from $108.4 million in 2017. El Limon's 2018 gold production was 49,629 ounces compared to 42,776 ounces in 2017, an increase of 16.0% from higher grade ore mined from the Mercedes open pit in the second half of 2018. Despite some disruptions from social unrest, which impacted combined mining operations in the first half of 2018, mining operations returned to normal in the second half of 2018. Also, the development of the new Limon Central pit commenced in October 2018 after receipt of the mine permit.

For the year ended December 31, 2018, combined cash operating costs increased 3.6% to $916 per ounce compared to $884 per ounce in the prior year. Combined total cash costs increased to $962 an ounce in 2018 from $925 an ounce in 2017. Combined cash operating costs and total cash costs per ounce were both lower at El Limon ($883 and $959) in 2018 vs $1,016 and $1,088 in 2017, respectively). El Limon's lower costs in 2018 were offset by higher cash operating and total cash costs per ounce of $938 and $963 per ounce in 2018 at La Libertad compared to $822 and $848 in 2017, respectively.

Cash operating costs per ounce and total cash costs per ounce remained fairly consistent as a result of increases in costs due to timing of development costs related to waste movement at the Mercedes pit (at El Limon) from December 2017 to early 2018, delays in the permitting and development of the Jabali Antenna Open Pit (at Libertad), higher equipment maintenance costs, unbudgeted ore purchases to provide plant feed and disruption of local operations as a result of the general social unrest in the country in the first half of 2018, which were partially offset by a significant increase in gold ounces sold, resulting in an increase of 11.5% from the prior year as discussed above.

Combined AISC increased 1.6% to $1,265 per ounce in 2018 compared to $1,245 per ounce in 2017. The increase reflects increased total operating costs at La Libertad, lower production at La Libertad and increased sustaining capital expenditures at El Limon (which are discussed further below) partially offset by higher gold sales at El Limon.

Depreciation and depletion was $58.2 million for the year ended December 31, 2018 compared to $56.2 million in 2017. The slight increase in depreciation expense was from the increase of gold sales of 136,713 ounces of gold in 2018 compared to 122,593 ounces of gold sold in 2017, an 11.5% increase year over year. The impact of the deprecation on sales was mainly offset by the La Libertad impairments discussed below.

Royalties and production taxes included in total cost of sales were $6.2 million for the year ended December 31, 2018 compared to $5.0 million in 2017. The increase is directly attributable to the increase in combined gold sales over the same period. As a percentage of sales, royalties and production taxes remained consistent year over year, with costs totalling 3.6% of gold sales in 2018 and 3.2% in 2017.

During the year ended December 31, 2018, management of the Business identified an indicator of impairment reversal for El Limon and an indicator of impairment for La Libertad, resulting in a net impairment charge for the Nicaraguan operations of $37.2 million. For further details refer to "Critical accounting estimates" in this MD&A. Also, in 2018, the management of the Business wrote off $4.6 million of mineral properties in Nicaragua as the decision was made not to proceed with further exploration on certain early stage projects.

For the year ended combined G&A decreased from $5.6 million in 2017 to $4.8 million in 2018.

Share-based payment expense for the year ended December 31, 2018 increased to $3.4 million from $2.7 million in 2017 as a result of a higher number of options granted to staff in 2018 that were involved with the Business than were issued in the prior year.
Provision for non-recoverable input taxes increased in 2018 to $2.5 million from $0.1 million in 2017.

During the year ended 2018, the Business recorded a related party interest expense of $Nil, compared to a charge of $11.4 million in 2017. In 2017, related party interest was charged on its outstanding related party loans, which was based on an annual rate of 10%. During 2018, no interest was charged on related party loans.

For the year ended 2018, the Business incurred $2.6 million in charges related to community relations in Nicaragua compared to $4.3 million in 2017. Community relations and projects in Nicaragua are a significant focus and an important aspect of operating in Nicaragua. Further detail of community related expenditures is outlined in the section *"Community Relations Update"*.

The Business recorded current income tax, withholding and other taxes of $5.0 million for the year ended December 31, 2018 compared to $4.1 million in 2017, which related to Nicaraguan ad valorem and alternative minimum tax which increased as a result of increased gold sales revenue. For the year ended 2018, the Business recorded deferred income tax expense of $10.0 million, compared to a deferred income tax recovery of $1.9 million in 2017. The difference was mostly related to the reversal of an impairment of El Limon in the second half of 2018, as well as a reduction in the tax benefit associated with El Limon's older loss carry forwards.

For the year ended December 31, 2018, the Business reported a net loss of $89.0 million compared to a net loss of $44.1 million in 2017. The increase in loss is attributable to the impairment charges related to La Libertad, the write-down of mining interest properties, and the increased deferred tax expense recognized in 2018 compared to 2017 for the reasons discussed above.

REVIEW OF OPERATING MINES

El Limon Mine – Nicaragua

	Three months ended		Six months ended		Year ended	
Operating Results	**June 30, 2019**	**June 30, 2018**	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
Tonnes of Ore Milled (t)	**565,290**	564,143	**1,136,383**	1,125,841	**2,250,687**	2,161,917
Average Gold Grade (g/t)	**1.48**	1.25	**1.26**	1.21	**1.19**	1.27
Recovery (%)	**95.4**	95.1	**95.4**	93.9	**94.4**	93.8
Gold Production (oz)	**25,672**	21,408	**43,758**	40,775	**80,963**	82,337
Gold Revenue ($ in thousands)	**30,226**	26,638	**52,935**	51,475	**105,151**	104,784
Gold Sold (oz)	**22,791**	20,484	**40,063**	39,042	**83,018**	83,509
Average Realized Gold Price ($/oz)	**1,326**	1,300	**1,321**	1,318	**1,267**	1,255
Cash Operating Costs per oz sold(1) ($/oz)	**1,030**	896	**1,144**	964	**938**	822
Total Cash Costs per oz sold(1) ($/oz)	**1,060**	924	**1,173**	992	**963**	848
All-in Sustaining Costs per oz sold(1) ($/oz)	**1,577**	1,237	**1,607**	1,296	**1,190**	1,088
Capital Expenditures ($ in thousands)	**10,556**	5,425	**14,907**	10,040	**16,143**	23,806
Exploration Expenditures ($ in thousands)	**748**	1,566	**1,894**	2,733	**4,798**	6,751

Notes:

1) Non-IFRS measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS, refer to "Non-IFRS Measures."
2) The information in the table above was based on B2Gold's previously filed MD&A and financial statements.

Three months ended June 30, 2019 and 2018

The El Limon mine produced 11,458 ounces of gold in the second quarter of 2019, comparable to the same quarter in 2018 (11,109 gold ounces produced). Production was from the new El Limon Central Pit continuing along with production from the Santa Pancha underground mine.

For the second quarter of 2019, El Limon's cash operating costs were $973 per gold ounce sold, and $893 per gold ounce sold for the second quarter of 2018. The higher per ounce costs reflect the lower ounces of gold sold in Q2 2019, resulting from the timing of the gold sales.

All-in sustaining costs for the second quarter of 2019 were $1,617 per gold ounce sold compared to $1,547 per ounce for the prior year quarter. All-in sustaining costs were higher because of the timing of selling the ounces produced.

Total capital expenditures in the second quarter of 2019 were $10.9 million, mainly consisting of $6 million for Limon Central pre-stripping and $4 million for underground development at the Santa Pancha and Veta Nueva underground mines.

Six months ended June 30, 2019 and 2018

For the first half of 2019, El Limon Mine produced 23,689 ounces of gold (H1 2018 – 24,638 ounces), the decrease was a result of processing lower grade ore, which was offset by an increase in tonnes processed.

For the first half of 2019, El Limon's cash operating costs were $983 per gold ounce sold, higher than the prior year period cost of $857 per gold ounce sold from lower ounces sold mainly from timing of selling the ounces produced.

All-in sustaining costs for the first half of 2019 were $1,567 per gold ounce sold compared to $1,421 per gold ounce sold for the first half of 2018. All-in sustaining costs were higher in 2019 from the timing of selling the ounces produced.

For the six months ended June 30, 2019, capital expenditures were $18.4 million, mainly consisting of $9 million for Limon Central pre-stripping and $7 million for Santa Pancha and Veta Nueva underground development.

Year ended December 31, 2018 and 2017

El Limon produced a total of 49,629 ounces of gold in 2018 compared to 42,776 in 2017, resulting in a 16.0% increase in gold production year over year. The increase in gold production was the result of a 17.8% increase in average gold grade from 3.09 g/t gold in 2017 to 3.64 g/t gold in 2018.

On October 22, 2018, the existing collective union bargaining agreement was renewed for two years with the representatives of the labour unions at the El Limon Mine.

For the year ended December 31, 2018, El Limon's cash operating costs were $883 per gold ounce, which were lower than the cash operating cost of $1,016 per ounce in the same period in 2017. The decrease was largely the result of increased gold sales, mostly resulting from improved production results highlighted by the significant increase in the average gold grade. Gold sales was also higher due to timing of gold sales relating to the sale of gold bullion and in-circuit inventories included in opening inventories at the beginning of 2017. For the year ended December 31, 2018, gold sold totaled 53,695 ounces compared to 2017 when 39,084 ounces were sold, an increase in 37.4% year over year.

AISC for the year ended December 31, 2018 was $1,382 per ounce which significantly declined from the prior year, which totaled $1,580, as higher gold sales was partially offset by higher sustaining capital expenditures.

For the year ended December 31, 2018, capital expenditures at El Limon totaled $22.0 million, consisting primarily of $8 million of underground development costs for Santa Pancha, $3 million of tailing storage facility costs and $2 million for mobile equipment purchases.

Ongoing El Limon Exploration and Development

Positive drilling results continue to expand the El Limon Central zone to the north, indicating the potential to expand the Mineral Resources. The zone is also open to depth, indicating the potential to produce ore from underground in El Limon Central area once open-pit mining is completed.

Development of the Limon Central pit remains the focus of surface operations at El Limon Mine, the Santa Pancha underground mine continues to operate normally and development of the Veta Nueva underground mine is proceeding as planned. El Limon's full-year 2019 gold production is scheduled to be weighted towards the second-half of the year, as high-grade ore production from the new Limon Central pit is scheduled to fully come on line at the beginning of the second-half of 2019.

Currently, the plans for 2019 are to complete upgrades of the grinding circuit at a capital cost of approximately $3 million. This work is underway and is scheduled to be completed by October 2019. This upgrade is designed to allow El Limon's plant to maintain grind size and a throughput rate of 500,000 tpa when the harder Limon Central ore is fed to the mill.

La Libertad Mine – Nicaragua

	Three months ended		Six months ended		Year ended	
Operating Results	**June 30, 2019**	**June 30, 2018**	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
Tonnes of Ore Milled (t)	**123,356**	89,590	**244,714**	205,900	**447,961**	458,419
Average Gold Grade (g/t)	**3.12**	4.07	**3.23**	3.92	**3.64**	3.09
Recovery (%)	**93.1**	94.8	**93.4**	95.0	**94.9**	94.1
Gold Production (oz)	**11,458**	11,109	**23,689**	24,638	**49,629**	42,776
Gold Revenue ($ in thousands)	**12,808**	15,857	**27,781**	37,149	**68,486**	49,579
Gold Sold (oz)	**9,791**	12,225	**21,195**	28,075	**53,695**	39,084
Average Realized Gold Price ($/oz)	**1,308**	1,297	**1,311**	1,323	**1,275**	1,269
Cash Operating Costs per oz sold(1) ($/oz)	**973**	893	**983**	857	**883**	1,016
Total Cash Costs per oz sold(1) ($/oz)	**1,053**	970	**1,068**	940	**959**	1,088
All-in Sustaining Costs per oz sold(1) ($/oz)	**1,617**	1,547	**1,567**	1,421	**1,382**	1,580
Capital Expenditures ($ in thousands)	**10,938**	7,223	**18,367**	13,203	**22,008**	16,048
Exploration Expenditures ($ in thousands)	**743**	2,490	**1,208**	3,798	**6,247**	6,362

Notes:

1) Non-IFRS measure. For a description of how these measures are calculated and a reconciliation of these measures to the most directly comparable measures specified, defined or determined under IFRS, refer to "Non-IFRS Measures."

2) The information in the table above was derived from B2Gold's previously filed MD&A and financial statements.

Three months ended June 30, 2019 and 2018

The La Libertad mine in Nicaragua produced 25,672 ounces of gold in the second quarter of 2019, 20% (4,264 ounces) higher when compared to the prior year quarter. The higher gold production was largely due to higher grade ores processed from the San Juan and Mojon East Pits and the Jabali Underground Mine. The head grade for the quarter was 1.48 g/t versus 1.25 g/t in the prior year quarter.

During the quarter, the Business received the mining permit for the new Jabali Antenna open-pit and has commenced construction of roads and other related infrastructure. It is anticipated that production will start from the pit in October 2019.

For the second quarter of 2019, La Libertad's cash operating costs were $1,030 per gold ounce sold, which was higher than the second quarter of 2018 of $896 as a result of catching up movement of waste material that was deferred from 2018 and higher mining costs resulting from higher waste tonnes mined at the San Diego and San Juan pits during Q2 2019.

All-in sustaining costs for the second quarter of 2019 were $1,577 per gold ounce sold compared to $1,237 per gold ounce sold for the second quarter of 2018 from higher sustaining capital expenditures and higher movement of waste material.

Total capital expenditures in the second quarter of 2019 were $10.6 million, mainly consisting of $8 million for tailings storage facility construction and $2 million for land purchase and resettlement related to the Jabali Antenna open-pit.

Six months ended June 30, 2019 and 2018

For the first half of 2019, La Libertad produced 43,758 ounces of gold, 7.3% (2,983 ounces) higher than in the first half of 2018 from higher grade ore being processed.

For the first half of 2019, La Libertad's cash operating costs sold were $1,144 per gold ounce sold, which was $180 higher than the 2018 period as a result of higher waste tonnes mined. In the first half of 2019, operations moved additional waste that had not been moved as planned in 2018 due to temporary limitations in mining fleet capacity in the second half of 2018. The fleet capacity issues were resolved by late 2018 and movement of the additional waste material was caught up by the end of the first half of 2019.

All-in sustaining costs for the first half of 2019 were $1,607 per gold ounce sold compared to $1,296 per gold ounce sold for the first half of 2018. The higher AISC for the first half of 2019 resulted from higher cash operating costs per ounce as described above and higher sustaining capital expenditures. La Libertad's AISC are forecast to decrease in the second half of 2019 compared to the first half of the year.

For the six months ended June 30, 2019, capital expenditures totalled $14.9 million, mainly consisting of $11 million for tailings storage facility construction and $3 million for land purchase and resettlement related to the Jabali Antenna open-pit.

Year ended December 31, 2018 and 2017

In 2018, the La Libertad Mine produced 80,963 ounces of gold compared to 82,337 ounces of gold in the prior period, a 1.7% decrease, as a result of lower grade ore being processed, social unrest in Nicaragua, and delays in opening the Jabali Antenna underground mine, which resulted in higher grade open-pit ore being replaced with lower-grade ore to reduce lime and fuel consumption.

For the year ended December 31, 2018, La Libertad's cash operating costs were $938 per gold ounce, which was 14.1% higher than 2017 and which totaled $822 per gold ounce. The increase was attributed to increased costs resulting from delays in the permitting and development of the Jabali Antenna Open Pit, higher equipment maintenance costs, unbudgeted ore purchases to provide plant feed and disruption of local operations as a result of the general social unrest in the country in the first half of 2018, combined with a flat production gold output year over year.

AISC for the year ended December 31, 2018 were $1,190 per ounce compared to $1,088 per ounce (a 9.4% increase) in 2017. The AISC for the year ended December 31, 2018 reflect the higher cash operating costs as described above and higher sustaining capital expenditures. For the year ended December 31, 2018, capital expenditures totaled $16.1 million, consisting primarily of $6 million of underground development costs, $5 million of pre-stripping and costs incurred at tailings storage facilities of $1 million.

Ongoing La Libertad Exploration and Development

Gold production is scheduled to be weighted towards the second-half of the year with development of the new Jabali Antenna open-pit planned for August and September 2019, and ore production expected to begin in October 2019. All necessary permits to develop the Jabali Antenna open-pit have now been received.

Current plans at La Libertad include mining and processing into 2020, with a combination of mineral reserves and mineral resources. Management of the Business is currently updating its LoM plan for La Libertad based on revised estimates for the timing of expected production from its existing ore sources and the expected timing for bringing Jabali Antenna open-pit on-line. Mineral resources that are not mineral reserves have not demonstrated economic viability.

La Libertad’s exploration is on-going and aims to test several identified regional surface targets.

COMMUNITY RELATIONS UPDATE

The Business’ community investment plans in Nicaragua focus on four strategic areas: education, health, livelihoods and social infrastructure. In education, the Business supported more than 900 students in four communities around El Limon by providing transportation, classroom materials and school internet services, along with teacher training in alliance with the Telefónica Foundation. At La Libertad and Santo Domingo, the Business awarded 60 scholarships in 2018, enabling local youth to enroll in university. In the health sector, the Business continued to ensure access to potable water for a total population of more than 11,000 people in eight communities around El Limon. At La Libertad and Santo Domingo, the Business supported specialized healthcare for more than 80 children with special needs and collaborated with the Nicaraguan Health Ministry’s anti-epidemic campaign. To improve livelihoods in the communities, the Business provided agricultural inputs and technical assistance to 68 small farmers in El Limon. Investments in public services and infrastructure included the construction of the first fire station in the El Limon district and the installment of pipelines for poor neighborhoods of Santo Domingo previously without connection to the local water system. 111 families (over 500 people) now have access to safe drinking water in their homes.

LIQUIDITY AND CAPITAL RESOURCES

The Business manages liquidity by achieving positive cash flows from its mine operations to fund operating and capital requirements, as well as development projects. The expected settlement of financial assets and liabilities are monitored on an ongoing basis. However, the profitability and operating cash flow of the Business is affected by various factors, including the amount of gold produced at the mines, the market price of gold, operating costs, interest rates, regulatory and environmental compliance, the level of exploration activity and capital expenditures, general and administrative costs and other discretionary costs and activities. The Business is also exposed to fluctuations in currency exchange rates, interest rates, regulatory, licencing and political risks and varying levels of taxation that can impact profitability and cash flow. Management seeks to manage the risks associated with the Business' operations, however, many of the factors affecting these risks are beyond the Business' control.

In connection with the Transaction, Calibre has engaged certain agents to complete a private placement, on a best efforts' basis, of up to gross proceeds of up to C$100 million (not including over-allotment allowance permitted), with each subscription receipt issued at a price of C$0.60 per share. Upon closing of the Transaction, the net proceeds will be used as follows: $40 million will be used to satisfy the cash component of the purchase price payable on closing and the remaining proceeds of up to $36 million will be used for mine operations, exploration, working capital and general corporate purposes. Further details of the terms of the private placement are included in the Information Circular to which this MD&A is attached.

Calibre believes that the Business' working capital at June 30, 2019, combined with forecasted cash to be generated over the next 12 months and the proposed financing discussed above, will be sufficient to satisfy obligations due in the next 12 months, and to fund ongoing operations, exploration expenditures and corporate activities.

As at June 30, 2019, the Business had cash and cash equivalents of $10.2 million (compared to $12.4 million as at December 31, 2019 and $9.0 million as at December 31, 2017). Working capital deficiency at June 30, 2019 was $166.5 million (which included $201.5 million in related party loans classified as a current liability). This is compared to working capital deficiency of $134.4 million (which included $176.4 million in related party loans classified as a current liability) as at December 31, 2018 and $105.4 million (which included $148.3 million in related party loans classified as a current liability) as at December 31, 2017. The related party loans are shown as a current liability due to the form of the agreements. However, if the working capital deficiency is combined with related party loans, there would be sufficient capital to operate at this time. Prior to the close of acquisition of the Business, $127.1 million of the related party loans will be capitalized to equity as preferred shares. In connection with and concurrent to the acquisition of the Business, the remaining related party loan balance will be settled with B2Gold and the related companies.

Cash flow from operating activities

Cash flows from operating activities totaled $11.2 million for the six months ended June 30, 2019 compared to $14.2 million for the same period in 2018. The decrease is the result of decreased gold revenue due to timing of gold sales, slightly higher production costs and offset by working capital changes during the period.

Cash provided by operating activities was $25.8 million for the year ended December 31, 2018 compared to $15.1 million for the year ended December 31, 2017, an increase of $10.7 million. The increase was mainly due to an increase in revenues of $19.3 million and change to non-cash working capital compared to the prior year, partially offset by an increase of $16.9 million in production costs.

Cash flow from financing activities

Cash inflow from financing activities, which relate to the capital expenditure programs at El Limon and La Libertad, are entirely from borrowings received from the ultimate parent company of the Business. For the six months ended June 30, 2019, net borrowings from related parties totaled $23.7 million and the Business repaid $0.3 million in interest and equipment loans. For the year ended December 31, 2018, net borrowings from related parties totaled $28.3 million compared to $30.1 million for the year ended December 31, 2017. During the year ended 2018, the Business also paid $1.0 million in interest and commitment fees and repaid certain equipment loans, compared to $1.6 million in 2017. The Business paid $12.0 million in interest from related party loans in 2017 compared to $Nil in 2018.

Cash flow used in investing activities

For the six months ended June 30, 2019, net resource property expenditures totaled $36.7 million compared to $30.0 million for the same period in 2018. For the six months ended June 30, 2019, $18.4 million was invested at El Limon (for the same period in 2018 - $13.2 million) and $14.9 million was invested at La Libertad (for the same period in 2018 - $10.1 million). An additional $3.4 million was incurred in exploration at El Limon, La Libertad and other surrounding areas during the six months ended June 30, 2019 (compared to the same period in 2018 - $6.8 million).

For the six months ended June 30, 2019, capital expenditures at El Limon were $18.4 million, including $9 million for Limon Central pre-stripping and $7 million for Santa Pancha and Veta Nueva underground development. At La Libertad capital expenditures totalled $14.9 million, including $11 million for tailings storage facility construction and $3 million for land purchase and resettlement related to the Jabali Antenna open-pit.

For the year ended December 31, 2018, net resource property expenditures totaled $49.7 million compared to $53.4 million in 2017. During 2018, $22.0 million of expenditures were incurred at El Limon, consisting primarily of $8 million of underground development costs for Santa Pancha, $3 million of tailing storage facility costs and $2 million for mobile equipment. During 2018, $16.2 million was spent at La Libertad, consisting primarily of $6 million of underground development costs, $5 million of pre-stripping and costs incurred at tailings storage facilities of $1 million.

The Business also incurred $11.5 million in exploration and development costs over the course of the year ended December 31, 2018. For the year ended December 31, 2018, the Business invested $4.8 million on La Libertad Mine exploration for a total of approximately 9,000 metres of diamond drilling. The program was split between infill (near mine) drilling and drilling on several regional targets. For the year ended December 31, 2018, the Business invested $6.2 million on El Limon Mine exploration for further infill drilling at the Central zone and to further explore the structure along strike where it remains open. Positive drilling results continue to expand El Limon Central zone to the north and at depth, indicating the potential to expand the Mineral Resources. The zone is open to depth, indicating the potential to produce ore from underground in El Limon Central area once open-pit mining is completed.

QUARTERLY INFORMATION

The following table provides operational and financial information for each of the operating mines in the Business over the course of the last eight completed quarters:

in thousands of dollars	**June 30,**		**March 31,**		**December 31,**		**September 30,**	
(except ounce figures, as noted)	**2019**	**2018**	**2019**	**2018**	**2018**	**2017**	**2018**	**2017**
El Limon Mine								
Gold revenue ($ in thousands)	12,808	15,857	14,973	21,292	15,668	17,784	15,669	12,975
Gold sold (ounces)	9,791	12,225	11,404	15,850	12,626	13,970	12,994	10,026
Average realized gold price ($/ounce)	1,308	1,297	1,313	1,343	1,241	1,273	1,206	1,294
Tonnes of ore milled	123,356	89,590	121,358	116,310	120,852	114,325	121,208	114,811
Grade (grams/tonne)	3.12	4.07	3.34	3.81	3.23	4.33	3.56	3.20
Recovery %	93.1	94.8	93.7	95.2	95.0	95.0	94.4	94.5
Gold production (ounces)	11,458	11,109	12,231	13,529	11,893	15,082	13,098	11,093
Capital expenditures ($ in thousands)	10,938	7,223	7,429	5,980	4,723	5,072	4,082	4,541
Exploration ($ in thousands)	743	2,490	465	1,308	689	2,207	1,760	1,929
La Libertad Mine								
Gold revenue ($ in thousands)	30,226	26,638	22,709	24,837	25,534	19,737	28,142	21,739
Gold sold (ounces)	22,791	20,484	17,272	18,558	20,652	15,439	23,324	17,142
Average realized gold price ($/ounce)	1,326	1,300	1,315	1,338	1,236	1,278	1,207	1,268
Tonnes of ore milled	565,290	564,143	571,093	561,698	565,230	518,372	559,616	527,857
Grade (grams/tonne)	1.48	1.25	1.04	1.16	1.06	0.95	1.29	1.04
Recovery %	95.4	95.1	95.4	92.7	94.3	92.9	95.5	94.2
Gold production (ounces)	25,672	21,408	18,086	19,367	18,193	14,696	21,995	16,487
Capital expenditures ($ in thousands)	10,556	5,425	4,351	4,615	3,535	5,669	2,568	5,868
Exploration ($ in thousands)	748	1,566	1,146	1,167	959	1,286	1,106	1,996

Notes:

1) Quarterly information provided above are based on B2Gold's previously filed MD&A and financial statements. Certain information is not available on a quarterly basis with respect to the carve-out combined financial statements for the El Limon and La Libertad mines, including net loss and cash flow from operating activities.

The gold revenue reported at each mine is driven largely by the amount of gold produced and sold and is subject to fluctuations in the market price of gold in US dollars. The timing of gold pours, gold sales, gold price fluctuations, ore grade, and gold inventory also affect quarterly results. Trends observed or averaged over a longer time period may be more representative of the true performance of the Business.

Quarterly operational mine results, including production, grade, and recovery can be impacted by a number of factors including, but not limited to, actual ore mined varying from estimates of grade, tonnage, dilution, metallurgical and other characteristics, and sequential development of ore bodies and the processing of new or different ore grades. As a consequence, operational results can vary significantly from quarter to quarter. Similarly, capital expenditure and exploration costs will vary and can be impacted by a number of factors including, but not limited to, asset upgrades, changes in mining methods, timing of capital expenditures, and exploration success.

COMMITMENTS AND CONTINGENCIES

As at December 31, 2018, the Business' significant commitments are disclosed in the table below.

	Year Ended					
in thousands of dollars	**2019**	**2020**	**2021**	**2022**	**2023**	**Total**
Accounts payable and accrued liabilities	10,265	-	-	-	-	10,265
Equipment loans:						-
Principal	398	-	-	-	-	398
Interest (estimated)	9	-	-	-	-	9
	10,672	-	-	-	-	10,672
Capital expenditure commitments (see below)	6,608	-	-	-	-	6,608
Mine restoration provision	3,170	2,268	3,711	6,321	5,668	21,138
Employee future benefits	1,184	3,059	210	210	210	4,873
Operating lease commitments	297	64	9	-	-	370
	21,931	5,391	3,930	6,531	5,878	43,661

As at June 30, 2019, the Business had commitments of $0.5 million for an electrical ball mill motor at the El Limon mine.

At December 31, 2018, the Business had commitments for payments of $6.6 million for tailings storage facility at La Libertad Mine, all of which is expected to be incurred in the first half of 2019.

RELATED PARTY TRANSACTIONS

The following table outlines the Business' related party loan transactions during each of the periods shown:

in thousands of dollars	**Six Months Ended June 30, 2019**	**Year Ended December 31, 2018**	**Year Ended December 31, 2017**
Balance, beginning of the year	176,367	148,310	119,173
Repayments	-	(7,808)	(38,926)
Intererst on related party loans	1,638	-	11,394
Intererst on related party loans - paid	-	-	(11,999)
Advances from related parties	23,494	35,865	68,668
Balance, end of the period	201,499	176,367	148,310
Breakdown of related party loans at period end:			
B2Gold	24,773	23,888	9,560
Central Sun Mining Investments Corp.	176,726	152,479	138,750
	201,499	176,367	148,310

Related party charges that were settled for cash are noted below:

	Six months ended		Year ended	
in thousands of dollars	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
	(unaudited)	*(unaudited)*		
Gold sales to B2Gold	32,941	33,951	65,510	65,249
Related party charges	1,718	1,414	3,952	3,376
Interest on related party loans	1,638	-	-	11,394

Gold sales to B2Gold are based on prevailing gold spot price at the time of the transaction.

Related party charges relate to corporate services provided by B2Gold to the Business for Management oversight, exploration oversight, insurance premiums, selling gold, treasury services, accounting oversight, share based payments and other corporate services.

In 2017, related parties charged the Business $11.4 million in interest on its outstanding loans which is based on an annual interest rate of 10%. During 2018, no interest was charged on the related party loans. Central Sun Mining Investments (a wholly-owned subsidiary of B2Gold) charged the Business an annual interest rate of 5% on one of its loans with the Business and did not charge the Business interest for another of its loans in 2019. B2Gold charged an annual interest rate of 5% on its loans with the Business in 2019. All related party loans are due on demand.

For the revolving credit facility of B2Gold, a general security is provided by the shares of the El Limon and La Libertad mines.

OFF-BALANCE SHEET ARRANGEMENTS

The Business has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

Full disclosure of the Business' accounting policies and significant accounting judgments and estimation uncertainties in accordance with IFRS can be found in the Carve-out Combined Financial Statements. The following estimates are considered to be the most critical in understanding the judgments involved in preparing the Carve-out Combined Financial Statements and the uncertainties that could impact the results of operations, financial condition and cash flows of the Business:

- Impairment of long-lived assets;
- Ore reserve and resource estimates;
- Value-added tax receivables;
- Deferred income taxes and valuation allowances; and
- Exploration and evaluation expenditures.

Impairment of long-lived assets

Long-lived assets are tested for impairment, or reversal of a previous impairment, if there is an indicator of impairment or a subsequent reversal. Calculating the estimated recoverable amount of cash-generating units

("CGU") for long-lived asset requires management to make estimates and assumptions including future production levels, mill recoveries, operating and capital costs in its LoM plans, future metal prices, foreign exchange rates, taxation rates, and discount rates. Changes in any of the assumptions or estimates used in determining the recoverable amount could impact the analysis. Such changes could be material.

La Libertad long-lived assets

During the year ended December 31, 2018, management of the Business completed its annual LoM plan for La Libertad. As a result of delays in permitting the Jabali Antenna Open Pit, the expected ounces produced in the LoM have been reduced compared to previous LoM plans. Management considered this reduction in expected production to be an indicator of impairment for La Libertad.

During the year ended December 31, 2018, management completed its annual budget for La Libertad. As a result of continued delays in permitting the Jabali Antenna Open Pit, there were further reductions in the ounces expected to be produced compared with the recent LoM plan. Management of the Business considered this reduction in expected production to be an indicator of impairment for La Libertad.

Management of the Business conducted an impairment analysis whereby the carrying values of the La Libertad Mine property, plant and equipment, were compared to the mine's recoverable amount, which was determined to be its fair value less costs of disposal ("FVLCD") at December 31, 2018. To estimate the recoverable amount of La Libertad Mine's long-lived assets for impairment, management utilized discounted cash flow models incorporating estimates and assumptions that included such factors as future production levels, metallurgical recovery estimates, operating and capital costs in its LoM plans, future metal prices, foreign exchange rates and discount rates. Management's estimate of the FVLCD of its CGU is classified as Level 3 in the value hierarchy. Management's estimate of future cash flows is subject to risks and uncertainties and therefore could change in the future if the underlying assumptions change. The analysis concluded that the carrying values of La Libertad Mine property, plant and equipment at December 31, 2018 were impaired, resulting in a further impairment charge of $34.0 million being recorded in the Carve-out Combined Financial Statements in the statements of operations and comprehensive loss.

Key assumptions used for the impairment tests at December 31, 2018 were:

Long-term gold price	$1,250/oz
Silver price	$17/oz
Mine life	2019 to 2020
Discount rate	5%

El Limon long-lived assets

During the year-ended December 31, 2015, a pre-tax impairment charge of $23.0 million was recorded on the carrying value of the El Limon Mine property, plant and equipment. The net impairment recorded in the statement of operations, in the Carve-out Combined Financial Statements, after taking into account a deferred income tax recovery of $7.0 million, was $16.0 million.

During the year ended December 31, 2018, management completed its annual LoM plan for El Limon. As a result of the inclusion of ounces produced from the El Limon Central Zone, the expected ounces produced and mine life in the LoM significantly increased compared to previous LoM plans. Management considered the increase in expected production and mine life to be an indicator of impairment reversal for El Limon. Management conducted an impairment analysis whereby the carrying values of the El Limon Mine property, plant and equipment, were compared to the mine's recoverable amount which was determined to be its FVLCD. To estimate the recoverable amount of El Limon's long-lived assets for impairment reversal, management utilized discounted cash flow models incorporating estimates and assumptions that included such factors as future production levels, metallurgical recovery estimates, operating and capital costs in its LoM plans, future metal prices, foreign exchange rates and discount rates. Management's estimate of future cash flows is subject to risks and uncertainties and therefore could change in the future if the underlying assumptions change.

Key assumptions used for the impairment reversal test were:

Long-term gold price	$1,250/oz
Silver price	$17/oz
Mine life	2019 to 2030
Discount rate	5%

Management's analysis concluded that the carrying values of the El Limon Mine property, plant and equipment were lower than the FVLCD and therefore resulted in a full reversal of the original impairment loss recorded in 2015. After reflecting the amount of depreciation that would have been taken on the impaired assets, the Business recorded a pre-tax impairment reversal of $13.0 million for the year ended December 31, 2018. The net impairment reversal recorded in the statement of operations and comprehensive loss, in the Carve-out Combined Financial Statements, after taking into account a deferred income tax expense of $4.0 million was $9.0 million.

Sensitivities

The recoverable amounts for El Limon and La Libertad are most sensitive to changes in gold prices and discount rates. A decrease in gold prices would result in the Business making amendments to the mine plans that would partially offset the effect of lower prices through lower operating and capital costs. Ignoring the impact on the mine plans, in isolation, a $50 decrease in the gold price assumptions would result in an additional impairment of approximately $8 million for the La Libertad Mine. Due to the short mine life, a 50-basis point increase in the discount rate would not have a significant impact on the post-tax recoverable amounts of La Libertad Mine. There would be no change to the reversal of the previous impairment of the El Limon Mine as a result of either a $50 decrease in the gold price assumptions or a 50-basis point increase in the discount rate.

Ore reserve and resource estimates

Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Business' mining properties. The Business' ore reserves and mineral resources are estimated based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, metallurgical recoveries, permitting and production costs along with geological assumptions and judgments made in estimating the size, and grade of the ore body. Changes in the reserve or resource estimates may impact the carrying value of mining interests, mine restoration provisions, recognition of deferred tax assets, depreciation and amortization charges and royalties receivable.

Value-added tax receivables

The Business 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 management's best estimate of recoverability under existing tax rules in the respective jurisdictions in which they arise. 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.

Deferred income taxes and valuation allowances

The Business is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur.

Each period, management evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable income are affected by, among other things, market gold prices, production costs, quantities of proven and probable gold reserves, interest rates and foreign currency exchange rates.

Exploration and evaluation expenditures

The application of the Business' accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely 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.

NEW ACCOUNTING STANDARDS AND AMENDMENTS ADOPTED

The following standard has been adopted as at January 1, 2019 in accordance with the transitional provisions outlined in the standard. The effect of adoption of the new pronouncement is outlined below.

IFRS 16 - Leases

IFRS 16 eliminates the classification of leases as either operating or finance leases and introduces a single lessee model which requires the lessee to recognize assets and liabilities for all leases with a term of longer than 12 months, with the exception of low-value assets. The Business adopted IFRS 16 effective January 1, 2019, using the modified retrospective approach. As a result, comparative information has not been restated and is accounted for under the old standard IAS 17, *Leases*.

Under IFRS 16, at the inception of a contract, to determine if it contains a lease, the Business assesses whether it conveys the right to control and obtain substantially all of the economic benefits of an identified asset, for a period of time, in exchange for consideration. Where a contract contains a lease, the Business recognizes a right-of-use asset and a lease liability at the commencement date of the lease.

The right-of-use asset is measured at cost less any accumulated depreciation and impairment losses and may be adjusted for any remeasurement of the lease liability. Cost is the amount of the initial lease liability plus any initial direct costs incurred and any lease payments made at or before the commencement date less any incentives received. The right-of-use assets are included in the cost of property, plant and equipment for the associated mining interest on the Balance Sheet. They are depreciated, in accordance with the Business’ existing accounting policy, over the shorter of the term of the lease or the life of the asset.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the contract. If the implicit rate cannot be determined, the incremental borrowing rate over a similar term and with similar security for the funds necessary to obtain an asset of similar value in a similar economic environment is used. The lease payments include fixed payments less any incentives receivable, variable lease payments that depend on an index or rate and amounts expected to be paid under residual value guarantees. Where the lease contains an extension or purchase option, the costs associated with the option are included if it is reasonably expected to be exercised by the Business. Thereafter, the amount of the lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of the lease liability is remeasured to reflect any modifications to the contract terms. Lease liabilities are presented as a component of debt on the carve-out combined balance sheets.

The Business has elected not to recognize right-of-use assets and lease liabilities for contracts that have a lease term of 12 months or less or are for the use of low value assets. These contracts are recognized as an expense in the Carve-Out Combined Financial Statements for the six months statements ended June 30, 2019 in the statements of operations and comprehensive loss in the period the cost is incurred. In addition, for certain asset classes, the Business has elected to treat both lease and non-lease components as a single lease component for the purposes of applying IFRS 16.

The Business’ analysis of IFRS 16 determined that no leases required reporting from this standard. Payments totaling $0.4 million relating to short-term leases (those with a term of 12 months or less at January 1, 2019) and $24.7 million relating to variable lease payments (including both lease and non-lease components) have been expensed in the Carve-out Combined Financial Statement of operations and comprehensive loss during the six months ended June 30, 2019.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Business’ financial assets and liabilities consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and debt.

Fair values

The Business’ 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.

Capital risk management

The Business' 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 Business reach its capital risk management objectives.

Credit risk

As at December 31, 2018, the Business' maximum exposure to credit risk was the book value of cash and cash equivalents, accounts receivable, value added and other taxes receivable and loans receivable. The Business 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. The majority of the Business' cash and cash equivalents is held with North American financial institutions.

Liquidity risk

The Business manages its liquidity risk 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 Business' current operations and expansion and development plans and by managing its capital structure as described above.

As at December 31, 2018, the Business had cash and cash equivalents of $12.4 million. Cash provided by operating activities totaled $25.8 million for the year ended December 31, 2018. For a summary of the Business' commitments, refer to the "*Commitments and Contingencies*" section of this MD&A.

Market risk

Market risk includes currency and price risk.

The Business's operations in Nicaragua are subject to currency fluctuations and such fluctuations may materially affect the Business's financial position and results. The Business reports its financial results in United States dollars and incurs expenses in Nicaraguan Córdoba, United States dollars and Canadian dollars. As these exchange rates fluctuate against the United States dollar, the Business will experience foreign exchange gains and losses.

The Córdoba has been annually devalued versus the United States dollar by means of a crawling peg mechanism which currently stands at approximately 5%. All of the Business' gold production is in Nicaragua.

The Business also holds cash and cash equivalents that are denominated in non-United States dollar currencies which are subject to currency risk. As at December 31, 2018, $0.4 million of the Business' $12.4 million in cash and cash equivalents was held in Córdoba's and other foreign currency.

RISKS AND UNCERTAINTIES

The exploration, development and mining of natural resources are highly speculative in nature and the Business' operations, investments and prospects are subject to significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. The Business is subject to a number of risk factors which could materially affect the operations, investments and prospects of the Business and could cause actual events to differ materially from those described in the forward-looking statements relating to its operations. Additional risks and uncertainties not presently known to the Business or that the Business currently considers immaterial may also impair the business, operations, investments and prospects of the Business. If any of the risks actually occur, the Business may be harmed and its financial condition and results of operations may suffer significantly. For a detailed discussion on such risks and uncertainties, refer to the "*Risks Factors*" section contained in the Information Circular to which this MD&A is attached.

OUTLOOK

Following the completion of the Transaction, the Business expects to continue mining operations and focus on optimizing current operations in an effort to lower overall costs and improve cash flows at El Limon and La Libertad. In addition, the Business anticipates a continued priority on exploration at La Libertad, El Limon, El Pavon, and other key areas in the Business' concession area. Exploration is expected to focus on expanding and further defining known resources and reserves, advancing existing priority targets, and generating new anomalies and first pass testing of additional areas.

El Limon

Exploration is continuing at El Limon, including:

1) in-fill drilling designed to upgrade Inferred Resources to Indicated Resources;
2) follow-up drilling on targets which have previously returned potentially economic drill intercepts;
3) first pass drilling on new targets which have been prioritized based on previous exploration results; and
4) surface exploration and sampling directed at identifying of new drill targets.

It is anticipated that concurrent exploration programs will occur simultaneously directed at:

1) identifying near-term sources of potential ore for the operations;
2) defining and expanding reserves and resources for mid-term mine planning; and
3) exploration and drilling targeted at understanding the overall potential of the El Limon property.

This exploration and drilling activity will continue throughout 2019 and exploration, drilling budgets and work programs will be updated as required. Permits and regulatory authorization are in hand for certain areas, have been applied for in other areas with approval pending, and it is anticipated that submissions for approval with be completed for additional areas.

La Libertad

At La Libertad, previous exploration has been successful in outlining new deposits and existing Inferred Resources. Additional surface work has also identified numerous additional targets which warrant further exploration. Following the completion of the Transaction, the following further exploration and drilling at La Libertad would be considered:

1) Drilling of existing Inferred Resources designed to upgrade to Indicated Resource;
2) Follow-up drilling on existing open drill targets (including nearby properties, i.e. at El Pavon);
3) Continued advancement and definition of existing anomalies; and
4) Additional sampling on newly discovered targets in the area.

Additional exploration work is being considered with a view towards expanding the current resource at El Pavon and evaluating the project as a possible source of ore that can be transported to La Libertad for processing.

OUTSTANDING SHARE DATA

Shareholder's equity and basic and diluted earnings are not set forth in this MD&A as the Carve-out Combined Financial Statements present the net investment by B2Gold in the Business rather than shareholder's equity. B2Gold's net investment comprises the accumulated earnings of the Business, contributions by, less distributions to, B2Gold.

QUALIFIED PERSONS

The technical content in this MD&A was read and approved by Gregory Smith, P. Geo, President and CEO of Calibre, who is the Qualified Person as defined by NI 43-101.

NON-IFRS MEASURES

Certain information related to Non-IFRS measures discussed in the tables below are based on B2Gold's previously filed MD&A and financial statements, as these amounts are not available on a quarterly basis with respect to the combined carve-out figures for the Business. In B2Gold's filings, for information related to December 31, 2018 and prior, B2Gold's calculation of "Cash operating costs per gold ounce", "Total cash costs per gold ounce", and "AISC per gold ounce" were based on gold ounces produced, however for periods beginning subsequent to December 31, 2018, the calculation was revised and based on gold ounces sold. As a result, for the purposes of this MD&A, calculations for each of the Non-IFRS measures noted above have been based on gold ounces sold for all periods presented and as a result may differ from B2Gold's previously filed MD&A and financial statements.

"Cash operating costs per gold ounce" and "Total cash costs per gold ounce"

''Cash operating costs per gold ounce'' and "total cash costs per gold ounce" are common financial performance measures in the gold mining industry but, as non-IFRS measures, they do not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Management of the Business believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate performance and ability to generate cash flow. Accordingly, these 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. The measures, along with sales, are considered to be a key indicator of the Business' ability to generate earnings and cash flow from its mining operations.

Cash cost figures are calculated on a sold ounce basis in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is the accepted standard of reporting cash cost of production in North America. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. Other companies may calculate these measures differently. Cash operating costs and total cash costs per ounce are derived from amounts included in the statement of operations and include mine site operating costs such as mining, processing, smelting, refining, transportation costs, royalties and production taxes, less silver by-product credits. The tables below show a reconciliation of cash operating costs per ounce and total cash costs per ounce to production costs as extracted from the Carve-out Combined Financial Statements on a combined and a mine-by-mine basis:

Combined El Limon Mine and La Libertad Mine

	Three months ended		**Six months ended**		**Year ended**	
in thousands of dollars (except per ounce figures noted)	**June 30, 2019**	**June 30, 2018**	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
Cash costs						
Production costs	**33,008**	29,273	**66,673**	61,704	**125,257**	108,358
Royalties and production taxes	**1,474**	1,505	**2,976**	3,417	**6,214**	4,985
Total cash costs	**34,482**	30,778	**69,649**	65,121	**131,471**	113,343
Gold sold (in ounces)	**32,582**	32,709	**61,258**	67,117	**136,713**	122,593
Cash operating costs per oz sold ($/oz)	**1,013**	895	**1,088**	919	**916**	884
Total cash costs per oz sold ($/oz)	**1,058**	941	**1,137**	970	**962**	925

El Limon Mine

	Three months ended		**Six months ended**		**Year ended**	
in thousands of dollars (except per ounce figures noted)	**June 30, 2019**	**June 30, 2018**	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
Cash costs						
Production costs	**9,531**	10,913	**20,833**	24,048	**47,388**	39,700
Royalties and production taxes	**783**	944	**1,804**	2,334	**4,130**	2,830
Total cash costs	**10,314**	11,857	**22,637**	26,382	**51,518**	42,530
Gold sold (in ounces)	**9,791**	12,225	**21,195**	28,075	**53,695**	39,084
Cash operating costs per oz sold ($/oz)	**973**	893	**983**	857	**883**	1,016
Total cash costs per oz sold ($/oz)	**1,053**	970	1,068	940	**959**	1,088

La Libertad Mine

	Three months ended		Six months ended		Year ended	
in thousands of dollars (except per ounce figures noted)	**June 30, 2019**	**June 30, 2018**	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
Cash costs						
Production costs	**23,477**	18,360	45,840	37,656	**77,869**	68,658
Royalties and production taxes	**691**	561	1,172	1,083	**2,084**	2,155
Total cash costs	**24,168**	18,921	47,012	38,739	**79,953**	70,813
Gold sold (in ounces)	**22,791**	20,484	40,063	39,042	**83,018**	83,509
Cash operating costs per oz sold ($/oz)	**1,030**	896	1,144	964	**938**	822
Total cash costs per oz sold ($/oz)	**1,060**	924	1,173	992	**963**	848

"All-in sustaining costs per gold ounce"

In June 2013, the World Gold Council, a non-regulatory association of the world's leading gold mining companies established to promote the use of gold to industry, consumers and investors, provided guidance for the calculation of the measure "all-in sustaining costs per gold ounce", but as a non-IFRS measure, it does not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The World Gold Council standard became effective January 1, 2014. Management believes that the AISC per gold ounce sold measure provides additional insight into the costs of producing gold by capturing all of the expenditures required for the discovery, development and sustaining of gold production and allows the Business to assess its ability to support capital expenditures to sustain future production from the generation of operating cash flows. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Business' performance and ability to generate cash flow. Accordingly, it is 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. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. The Business has applied the principles of the World Gold Council recommendations and has reported AISC on a gold sold basis. Other companies may calculate these measures differently.

The Business defines AISC per ounce as the sum of cash operating costs, royalty and production taxes, capital expenditures and exploration costs that are sustaining in nature, corporate general and administrative costs, share-based payment expenses related to Restricted Share Units/Deferred Share Units, community relations expenditures, reclamation liability accretion and realized (gains) losses on fuel derivative contracts, all divided by the total gold ounces sold to arrive at a per ounce figure. The Business defines non-sustaining capital expenditures and exploration costs as those that do not contribute to current year production or provide access to new material levels of production.

On November 16, 2018, the World Council announced an update to its Guidance Note on AISC with application effective starting January 1, 2019. This update is intended to provide additional transparency about the costs of gold production and support further consistency of application of the Guidance Note. The major updates to the Guidance Note include providing a more specific definition of non-sustaining costs as those costs incurred at 'new operations' and costs related to 'major projects at existing operations' where these projects will materially benefit the operation in the future. The Guidance Note has defined 'material benefit' as an increase of at least 10% in annual or life of mine production, net present value or reserves compared to the remaining life of the operation. In addition, the Guidance Note has been updated to clarify that production phase capitalized stripping only meets the definition of non-sustaining if the stripping is expected to take at least 12 months and the subsequent ore production phase is expected to be more than 5 years. This clarification on capitalized stripping is expected to result in the majority of the Business' deferred stripping being now classified as sustaining whereas previously, portions would have been classified as non-sustaining if the stripping did not benefit the current year's production. The Business adopted updates to the Guidance Note effective January 1, 2019. The Business has not applied these updates to prior periods, including 2018.

The tables below show a reconciliation of AISC per ounce to production costs as extracted from the Carve-out Combined Financial Statements on a combined and mine-by-mine basis:

Combined El Limon Mine and La Libertad Mine

	Three months ended		**Six months ended**		**Year ended**	
in thousands of dollars *(except per ounce figures noted)*	**June 30, 2019**	**June 30, 2018**	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
All-in sustaining costs						
Production costs	**33,008**	29,273	**66,673**	61,704	**125,257**	108,358
Royalties and production taxes	**1,474**	1,505	**2,976**	3,417	**6,214**	4,985
Corporate administration	**1,178**	1,162	**2,200**	2,410	**4,946**	5,685
Community relations	**570**	541	**979**	956	**2,641**	4,315
Reclamation liability accretion	**292**	261	**617**	464	**1,072**	638
Realized gains on fuel derivative contracts	**(29)**	(126)	**(20)**	(250)	**(496)**	(287)
Sustaining capital expenditures (1)	**14,937**	10,915	**23,301**	20,583	**31,333**	22,431
Sustaining mine exploration (1)	**348**	723	**881**	1,178	**2,004**	6,443
Total all-in sustaining costs	**51,778**	44,254	**97,607**	90,462	**172,971**	152,568
Gold sold (in ounces)	**32,582**	32,709	**61,258**	67,117	**136,713**	122,593
AISC per ounce sold ($/oz)	**1,589**	1,353	**1,593**	1,348	**1,265**	1,245

Notes:
(1) Refer to sustaining capital expenditures and sustaining mine exploration reconciliations below on a per mine basis.

El Limon Mine

in thousands of dollars (except per ounce figures noted)	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018	Year ended December 31, 2018	Year ended December 31, 2017
All-in sustaining costs						
Production costs	**9,531**	10,913	**20,833**	24,048	**47,388**	39,700
Royalties and production taxes	**783**	944	**1,804**	2,334	**4,130**	2,830
Corporate administration	**678**	554	**1,252**	1,306	**2,722**	2,147
Community relations	**356**	363	**709**	690	**1,958**	1,321
Reclamation liability accretion	**104**	114	**217**	188	**398**	286
Sustaining capital expenditures (1)	**4,381**	5,643	**8,394**	10,724	**16,615**	12,453
Sustaining mine exploration (1)	-	387	-	591	**973**	3,004
Total all-in sustaining costs	**15,833**	18,918	**33,209**	39,881	**74,184**	61,741
Gold sold (in ounces)	**9,791**	12,225	**21,195**	28,075	**53,695**	39,084
AISC per ounce sold ($/oz)	**1,617**	1,547	**1,567**	1,421	**1,382**	1,580

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

The table below shows a reconciliation of the El Limon Mine sustaining capital expenditures to operating mine capital expenditures as extracted from the Carve-out Combined Financial Statements:

in thousands of dollars	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018	Year ended December 31, 2018	Year ended December 31, 2017
Operating mine caiptal expenditures	**10,938**	7,223	**18,367**	13,203	**22,008**	16,048
Limon Central	**(6,182)**	(181)	**(9,378)**	(457)	**(1,514)**	(810)
Plant upgrade	**(162)**	(856)	**(321)**	(943)	**(1,477)**	-
Land acquisitions	-	(172)	-	(362)	**(800)**	(1,250)
Veta Nueva underground development	-	(170)	-	(170)	**(873)**	(1,018)
Limon tailings project	**(213)**	(201)	**(274)**	(547)	**(729)**	(517)
Total sustaining capital expenditures	**4,381**	5,643	**8,394**	10,724	**16,615**	12,453

The table below shows a reconciliation of El Limon Mine sustaining mine exploration to mine exploration as extracted from the Carve-out Combined Financial Statements:

in thousands of dollars	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018	Year ended December 31, 2018	Year ended December 31, 2017
Operating mine exploration	**743**	2,490	**1,208**	3,798	**6,247**	6,362
Limon Mine regional exploration	**(743)**	(2,103)	**(1,208)**	(3,207)	**(5,274)**	(3,358)
Total sustaining mine exploration	-	387	-	591	**973**	3,004

El Limon and La Libertad mines

Management's Discussion and Analysis for the Carve-out Combined Financial Statements

For the six months ended June 30, 2019 and 2018 and for the years ended December 31, 2018 and 2017

La Libertad Mine

	Three months ended		Six months ended		Year ended	
in thousands of dollars (except per ounce figures noted)	**June 30, 2019**	**June 30, 2018**	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
All-in sustaining costs						
Production costs	**23,477**	18,360	**45,840**	37,656	**77,869**	68,658
Royalties and production taxes	**691**	561	**1,172**	1,083	**2,084**	2,155
Corporate administration	**500**	608	**948**	1,104	**2,224**	3,538
Community relations	**214**	178	**270**	266	**683**	2,994
Reclamation liability accretion	**188**	147	**400**	276	**674**	352
Realized gains on fuel derivative contracts	**(29)**	(126)	**(20)**	(250)	**(496)**	(287)
Sustaining capital expenditures [(1)]	**10,556**	5,272	**14,907**	9,859	**14,718**	9,978
Sustaining mine exploration [(1)]	**348**	336	**881**	587	**1,031**	3,439
Total all-in sustaining costs	**35,945**	25,336	**64,398**	50,581	**98,787**	90,827
Gold sold (in ounces)	**22,791**	20,484	**40,063**	39,042	**83,018**	83,509
AISC per ounce sold ($/oz)	**1,577**	1,237	**1,607**	1,296	**1,190**	1,088

Notes:

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

The table below shows a reconciliation of La Libertad Mine sustaining capital expenditures to operating mine capital expenditures as extracted form the Carve-out Combined Financial Statements:

	Three months ended		Six months ended		Year ended	
in thousands of dollars	**June 30, 2019**	**June 30, 2018**	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
Operating mine caiptal expenditures	**10,556**	5,425	**14,907**	10,040	**16,143**	23,806
Tailings storage facility	**-**	(153)	**-**	(181)	**(1,425)**	(4,775)
Jabali underground development	**-**	-	**-**	-	**-**	(5,837)
San Juan underground development	**-**	-	**-**	-	**-**	(17)
Jabali Antenna resettlement and development	**-**	-	**-**	-	**-**	(416)
Land acquisitions	**-**	-	**-**	-	**-**	(2,783)
Total sustaining capital expenditures	**10,556**	5,272	**14,907**	9,859	**14,718**	9,978

The table below shows a reconciliation of La Libertad Mine sustaining mine exploration to mine exploration as extracted form the Carve-out Combined Financial Statements:

	Three months ended		Six months ended		Year ended	
in thousands of dollars	**June 30, 2019**	**June 30, 2018**	**June 30, 2019**	**June 30, 2018**	**December 31, 2018**	**December 31, 2017**
Operating mine exploration	**748**	1,566	**1,894**	2,733	**4,798**	6,751
Libertad Mine regional exploration	**(400)**	(1,230)	**(1,013)**	(2,146)	**(3,767)**	(3,312)
Total sustaining mine exploration	**348**	336	**881**	587	**1,031**	3,439

CAUTION ON FORWARD-LOOKING INFORMATION

This MD&A includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian securities legislation, including: projections; outlook; guidance; forecasts; estimates; and other statements regarding future or estimated financial and operational performance events, gold production and sales, revenues and cash flows, capital and operating costs, including projected cash operating costs and AISC, and budgets; statements regarding future or estimated mine life, metal price assumptions, ore grades or sources, stripping ratios, throughput, ore processing; statements regarding anticipated exploration, drilling, development, construction, permitting and other activities or achievements of the Business; and including, without limitation: the expected receipt of the Jabali Antenna Open Pit permit, and the timing thereof; the projected timing of production at the Jabali Antenna Open Pit; capital expenditures relating to a tailing storage facility lift and the timing thereof; reclamation activities at La Libertad, the timing thereof and the expected reclamation liability to be in incurred in connection therewith; mining and processing at La Libertad continuing into 2020; the updating of the El Limon Inferred Mineral Resource and El Limon mine optimization studies; the current plans for 2019 at El Limon; the upgrading of the El Limon plant grinding circuit, and the effects and the timing of completion thereof; gold production at El Limon being weighted towards the second-half of 2019; ore production at El Limon Central Pit and the timing thereof; the LoM at El Limon being estimated to be extended over 10 years; that an additional 11+ years will be added by processing historic mine tailings and the effects thereof; planned plant feed at El Limon, sources thereof, and the corresponding strip ratio; the timing of capital expenditures; future cash flows from operations impairment of long-lived assets and changes thereto potentially being material; IFRS 16, the implementation and the effects thereof; the approach the Business intends to use for IFRS 16 and the timing of reporting of the effects of IFRS 16; the Business continuing to demonstrate to its stakeholders that responsible mining practices are at its core; and the Business continuing to maximize cash flow by continuing its operational and financial performance, pursuing internal growth through further expansion and development from existing projects. Estimates of mineral resources and reserves are also forward-looking statements because they constitute projections regarding the amount of minerals that may be encountered in the future and/or the anticipated economics of production, should a production decision be made. All statements in this MD&A that address events or developments that are expected to occur in the future are forward-looking statements. 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 the Business' control, including risks associated with or related to: the volatility of metal prices; the dangers inherent in exploration, development and mining activities; the uncertainty of reserve and resource estimates; not achieving production, cost or other estimates; actual production, development plans and costs differing materially from the estimates in the Business' feasibility studies; 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 ability to replace mineral reserves and identify acquisition opportunities; the unknown liabilities of companies acquired by the Business; the ability to successfully integrate new acquisitions; fluctuations in exchange rates; the availability of financing; financing and debt activities, including potential restrictions imposed on the Business' operations as a result thereof and the ability to generate sufficient cash flows; operations in Nicaragua and compliance with foreign laws, including risks related to changes in laws and changing policies related to mining and local ownership requirements; 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; regulatory, political and country risks, including local instability or acts of terrorism and the effects thereof; the reliance upon contractors, third parties and joint venture partners; challenges to title or surface rights; 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; changes in tax laws; community support for the Business’ 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; the ability to maintain adequate internal controls over financial reporting as required by law; compliance with anti-corruption laws; as well as other factors identified and as described in more detail under the heading “Risk Factors” in the Information Circular to which this MD&A is attached. The list is not exhaustive of the factors that may affect the Business’ forward-looking statements.

The Business’ forward-looking statements are based on the applicable assumptions and factors considered reasonable, based on the information available. These assumptions and factors include, but are not limited to, assumptions and factors related to the Business’ 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 Business’ ability to meet or achieve estimates, projections and forecasts; 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.

The Business’ forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof. Management of the Business does not assume any obligation to update forward-looking statements if circumstances or management beliefs, expectations or opinions should change other than as required by applicable law. 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 the Business will derive therefrom. For the reasons set forth above, undue reliance should not be placed on forward-looking statements.

APPENDIX "D"
UNAUDITED PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER

Calibre Mining Corp.

PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2019

(Expressed in thousands of United States Dollars)

(Unaudited)

Calibre Mining Corp.

Pro Forma Consolidated Statement of Loss and Comprehensive Loss

For the Six Months Ended June 30, 2019
(Expressed in thousands of United States Dollars)
(Unaudited)

	Calibre Mining Corp.[(1)] $	Limon and Libertad Mines $	Pro Forma Adjustments $	Notes	Pro Forma Combined Calibre Mining Corp. $
Gold revenue	-	80,715	-		80,715
Cost of sales					
Production costs	-	(66,673)	-		(66,673)
Depreciation and depletion	-	(14,237)	-		(14,237)
Royalties and production taxes	-	(2,976)	-		(2,976)
Total cost of sales	-	(83,886)	-		(83,886)
Gross loss	-	(3,171)	-		(3,171)
General and administrative	(702)	(2,195)	-		(2,897)
Share-based payments	(119)	(1,492)	-		(1,611)
Write-down of mineral property interests, net	(60)	-	-		(60)
Community relations	-	(979)	-		(979)
Provision for non-recoverable input taxes	-	(169)	-		(169)
Foreign exchange losses	(27)	(501)	-		(528)
Other expenses, net	-	(118)	-		(118)
Operating loss	(908)	(8,625)			(9,533)
Interest and financing expense	-	(6)	(342)	Note 4(c)	(348)
Related party interest expense	-	(1,638)	1,638	Note 4(f)	-
Accretion of mine restoration provisions	-	(617)	-		(617)
Other income (expenses), net	83	(93)	-		(10)
Loss before taxes	(825)	(10,979)	1,296		(10,508)
Current income tax, withholding and other taxes	-	(3,478)	-		(3,478)
Deferred income tax recovery	-	688	-		688
Net loss for the period	(825)	(13,769)	1,296		(13,298)
Foreign exchange translation effect	(854)	-	-		(854)
Unrealized gain on marketable securities	1	-	-		1
Comprehensive loss for the period	(1,678)	(13,769)	1,296		(14,151)

(1) Translated from Canadian dollars into US dollars using the average exchange rate for the six months ended June 30, 2019 of 0.7498.

The accompanying notes form an integral part of these pro forma consolidated financial statements

Calibre Mining Corp.

Pro Forma Consolidated Statement of Loss and Comprehensive Loss

For the Year Ended December 31, 2018
(Expressed in thousands of United States Dollars)
(Unaudited)

	Calibre Mining Corp.[1] $	Limon and Libertad Mines $	Pro Forma Adjustments $	Notes	Pro Forma Combined Calibre Mining Corp. $
Gold revenue	-	173,637	-		173,637
Cost of sales					
Production costs	-	(125,257)	-		(125,257)
Depreciation and depletion	-	(58,231)	-		(58,231)
Royalties and production taxes	-	(6,213)	-		(6,213)
Total cost of sales	-	(189,701)	-		(189,701)
Gross loss	-	(16,064)	-		(16,064)
General and administrative	(1,002)	(4,758)	-		(5,760)
Share-based payments	(147)	(3,379)	-		(3,526)
Impairment, reversals of long-lived assets, net	-	(37,167)	-		(37,167)
Write-down of mineral property interests, net	-	(4,556)	-		(4,556)
Community relations	-	(2,641)	-		(2,641)
Provision for non-recoverable input taxes	-	(2,463)	-		(2,463)
Foreign exchange gains (losses)	60	(84)	-		(24)
Other expenses, net	-	(2,032)			(2,032)
Operating loss	(1,089)	(73,144)	-		(74,233)
Interest and financing expense	(62)	(36)	(693)	Note 4(c)	(790)
Accretion of mine restoration provisions	-	(1,073)	-		(1,073)
Other income, net	215	149	-		364
Loss before taxes	(935)	(74,104)	(693)		(75,732)
Current income tax, withholding and other taxes	-	(4,965)	-		(4,965)
Deferred income tax expense	-	(9,969)	-		(9,969)
Net loss for the period	(935)	(89,038)	(693)		(90,666)
Foreign exchange translation effect	1,765	-	-		1,765
Unrealized loss on marketable securities	(1)	-	-		(1)
Comprehensive loss for the period	829	(89,038)	(693)		(88,902)

[1] Translated from Canadian dollars into US dollars using the average exchange rate for the year ended December 31, 2018 of 0.7717.

The accompanying notes form an integral part of these pro forma consolidated financial statements

Calibre Mining Corp.

Pro Forma Consolidated Balance Sheet
As at June 30, 2019
(Expressed in thousands of United States Dollars)
(Unaudited)

	Calibre Mining Corp.[1] $	Limon and Libertad Mines $	Pro Forma Adjustments $	Notes	Pro Forma Combined Calibre Mining Corp. $
Assets					
Current					
Cash and cash equivalents	2,114	10,242	19,755	Note 4(a)(f)	32,111
Accounts receivable, prepaids and other	73	2,571	-		2,644
Value-added and other tax receivables	39	3,858	-		3,897
Marketable securities	5	-	-		5
Inventories	-	39,917	(15,503)	Note 4 (f)	24,414
	2,231	56,588	4,252		63,071
Mining interests	23,468	109,653	48,319	Notes 4(f), 5	181,440
Other assets	-	204	-		204
Right-of-use asset	263	-	-		263
	25,962	**166,445**	**52,571**		**244,978**
Liabilities					
Current					
Accounts payable and accrued liabilities	269	13,872	-		14,141
Amount owing to B2Gold Corp.	-	-	12,571	Note 4(b), 5	12,571
Current portion of lease liability	42	-	-		42
Current income and other taxes payable	-	3,604	-		3,604
Current portion of equipment loans	-	122	-		122
Current portion of mine restoration provisions	-	3,256	-		3,256
Related party loans	-	201,499	(201,499)	Note 4(f)	-
Other current liabilities	-	768	-		768
	311	223,121	(188,928)		34,504
Lease liability	233	-	-		233
Convertible debenture	-	-	8,575	Note 4(c)	8,575
Derivative liability		-	1,425	Note 4(c)	1,425
Mine restoration provisions	-	49,526	-		49,526
Deferred income taxes	-	6,616	-		6,616
Employee benefits obligation	-	8,684	-		8,684
	544	287,947	(178,928)		109,563
Shareholders' equity					
Share capital	37,731	-	112,544	Notes 4(a), (e)	150,275
Net investment by B2Gold Corp.	-	(121,502)	121,502	Note 4(f)	-
Contributed surplus	14,116	-	-		14,116
Foreign currency translation reserve	2,331	-	-		2,331
Accumulated other comprehensive loss	(4)	-	-		(4)
Accumulated deficit	(28,756)	-	(2,547)		(31,303)
	25,418	(121,502)	231,499		135,415
	25,962	**166,445**	**52,571**		**244,978**

[1]Translated from Canadian dollars into US dollars using the exchange rate as at June 30, 2019 of 0.7636.

The accompanying notes form an integral part of these pro forma consolidated financial statements

Calibre Mining Corp.

Pro Forma Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2019 and Year Ended December 31, 2018
(Expressed in thousands of United States Dollars)
(Unaudited)

1. Basis of Presentation

The unaudited pro forma consolidated financial statements have been prepared in connection with the proposed acquisition whereby Calibre Mining Corp. ("Calibre" or the "Company") will acquire the El Limon and La Libertad mines and other exploration properties in Nicaragua (the "Transaction") from B2Gold Corp. ("B2Gold"). The Transaction is expected to close in the fourth quarter of 2019. The operations when the acquisition is completed will continue under the name Calibre Mining Corp.

The unaudited pro forma consolidated balance sheet of the Company as at June 30, 2019 and unaudited pro forma consolidated statements of loss and comprehensive loss for the six-month period ended June 30, 2019 have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standards 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). The consolidated statement of loss and comprehensive loss for the year ended December 31, 2018 have been prepared by management, using financial statements prepared in accordance with IFRS. These pro forma consolidated financial statements also have been compiled from and include:

(a) A pro forma unaudited consolidated statement of loss for the six months ended June 30, 2019 combining:
   (i) The unaudited interim consolidated statement of loss and comprehensive loss of the Company for the six months ended June 30, 2019; and
   (ii) The unaudited interim carve-out combined statement of operations and comprehensive loss of the El Limon and La Libertad mines for the six months ended June 30, 2019.

(b) A pro forma unaudited consolidated statement of loss and comprehensive loss for the year ended December 31, 2018 combining:
   (i) The consolidated statement of loss and comprehensive loss of the Company for the year ended December 31, 2018; and
   (ii) The carve-out combined statement of operations and comprehensive loss of the El Limon and La Libertad mines for the year ended December 31, 2018.

(c) A pro forma unaudited consolidated balance sheet as of June 30, 2019 combining:
   (i) The unaudited consolidated balance sheet of the Company as of June 30, 2019; and
   (ii) The unaudited carve-out combined balance sheet of the El Limon and La Libertad mines as of June 30, 2019.

The proforma unaudited consolidated balance sheet as at June 30, 2019 reflects the acquisition as described in Note 3 as if it was completed on June 30, 2019. The pro forma unaudited consolidated statement of loss and comprehensive loss for the six months ended June 30, 2019 and for the year ended December 31, 2018 have been prepared as if the transaction described in Note 3 had occurred on January 1, 2018.

The statements are presented in thousands of United States dollars. The balance sheet of Calibre Mining Corp. as at June 30, 2019 was translated from Canadian dollars to United States dollars at an exchange rate of 0.7636.

The statement of loss and comprehensive loss of Calibre Mining Corp. for the six months ended June 30, 2019 and year ended December 31, 2018 were translated from Canadian dollars to United States dollars at an average exchange rate of 0.7498 and 0.7717, respectively.

The accounting principles used in the preparation of these statements are consistent with the Company's accounting policies for the period ended June 30, 2019. The pro forma consolidated financial statements are not intended to reflect the results of operations or the financial position of the Company which would have actually resulted had the transaction been effected on the dates indicated. Actual amounts recorded upon completion of the proposed transaction will likely differ from those recorded in the unaudited pro forma consolidated financial statements information. Any potential synergies that may be realized and integration costs that may be incurred upon completion of the transaction have been excluded from the unaudited pro forma financial statement information. Further, the pro forma financial information is not necessarily indicative of the results of operations that may be obtained in the future.

2. Significant Accounting Policies

The accounting policies used in preparing the pro forma consolidated financial statements are set out in the Company's audited consolidated financial statements for the year ended December 31, 2018 and the unaudited interim consolidated financial statements for the six months ended June 30, 2019. In preparing the unaudited pro forma consolidated financial statements a review was undertaken by management of Calibre to identify accounting policy differences where the impact was potentially material and could be reasonably estimated. The significant accounting policies of El Limon and La Libertad mines conform, in all material respects, to those of the Company.

The material policies of the El Limon and La Libertad mines that have not previously been specified by Calibre are as follows:

Revenue

Gold revenue is recognized when it is probable that the economic benefits will flow to the Company, delivery has occurred, the sales price is reasonably determinable, and collectability is reasonably assured. These criteria are generally met at the time the product is delivered to the customer and, depending on the delivery conditions, title and the risks and rewards of ownership have passed to the customer and acceptance of the product, when contractually required, has been obtained. Gold revenue is measured based on the price specified in the sales contract at the time of sale.

Silver revenue is accounted for as a by-product and is recorded as a credit to operating costs.

Inventories

Gold and silver bullion, in-process and stockpile inventories are recorded at the lower of average cost and net realizable value. The cost of finished goods and work-in-progress comprises raw materials, direct labor, and other direct costs, as well as stripping in the production stage and related production overheads (based on normal operating capacity) including applicable depreciation on property, plant and equipment. Net realizable value is the estimated selling price less applicable selling expenses.

When inventories have been written down to net realizable value, a new assessment of net realizable value is made in each subsequent period. When the circumstances that caused the write down no longer exist, the amount of the write down is reversed.

Materials and supplies inventories are valued at the lower of average cost and net realizable value. Cost includes acquisition, freight and other directly attributable costs.

Deferred stripping

Stripping costs incurred during the production phase of a mine are considered production costs and are included in the cost of inventory produced during the period in which stripping costs are incurred, unless the stripping activity can be shown to be a betterment of the mineral property. Betterment occurs when stripping activity increases future output of the mine by providing access to additional reserves. Stripping costs incurred to prepare the ore body for extraction are capitalized as mine development costs and are amortized on a unit of production ("UOP") basis over the reserves and resources to which they relate.

3. Acquisition of El Limon and La Libertad mines

Transaction Summary

Under the terms of the Transaction, Calibre is expected to acquire all of the outstanding intercompany loans and shares of or amalgamate with, as the case may be, the following B2Gold subsidiaries: Triton Minera S.A.; Desarrollo Minero de Nicaragua S.A. (which in turn owns 100% of Cerro Quiros Gold S.A.); Minera Glencairn S.A., Central American Mine Holdings Limited, and Minesa (Cayman) Inc. (which in turn owns 100% of Minerales Nueva Esparanza S.A.) (together, the "Nicaragua Subsidiaries") for aggregate consideration of US$100.0 million. The Nicaragua Subsidiaries are the registered and beneficial owners of the El Limon and La Libertad mines and other exploration properties in Nicaragua.

The Purchase Price under the Transaction will be payable as follows:

On closing of the Transaction: $40.0 million in cash; $40.0 million in common shares of Calibre ("Calibre Shares") priced at CDN$0.60 per Calibre Share (such shares being the "Upfront Consideration Shares"), provided that if the Concurrent Private Placement or any other financing completed by Calibre concurrently with, or prior to closing, raises funds at an offering price of less than CDN$0.60 per Subscription Receipt or Calibre Share, then such Upfront Consideration Shares to be issued to B2Gold shall be at such lower price); and (iii); and a $10.0 million convertible debenture (the "Debenture"); and 12 months from the closing of the Transaction: $10.0 million in cash.

The principal amount owing under the Debenture will bear interest at 2% and will be payable in cash on that date which is two years from closing of the Transaction (the "Maturity Date") provided that (i) at any time prior to the close of business on the last business day immediately preceding the Maturity Date, the Debenture will be convertible at the option of B2Gold, at a conversion price equal to a price that is 25% above the price of the Upfront Consideration Shares to be issued to B2Gold; and (ii) in the event that prior to the Maturity Date the volume weighted average price of the Calibre Shares is equal to or greater than a 35% premium to the price per share of the Concurrent Private Placement for 10 consecutive trading days on a recognized North American stock exchange on which the majority of Calibre's trading occurs, Calibre can force conversion of the Debenture. The Debenture will be a direct, unsecured obligation of Calibre, ranking equally with all other existing and future unsecured indebtedness of Calibre and will be a non-voting security.

Completion of the Transaction is contingent on the Company successfully completing the Concurrent Private Placement and satisfying the $40.0 million cash component due to B2Gold on closing.

4. Pro Forma Assumptions and Adjustments

The unaudited pro forma consolidated financial statements reflect the following assumptions and adjustments to give effect to the business combination, as if the Transaction had occurred on June 30, 2019 for the consolidated balance sheet and January 1, 2018 for the consolidated statements of loss and comprehensive loss. Assumptions relating to the share price of Calibre are what was agreed to in the purchase agreement with B2Gold, the pricing that investors will buy Calibre shares and is what is in the Information Circular. Assumptions and adjustments made are as follows:

a) The completion of the Concurrent Private Placement results in the issuance of 166.7 million common shares, an increase in cash of $30.0 million, net of transactions expenses of $2.5 million and the $40.0 million cash payment to B2Gold. The amount raised of $72.5 million is net of success fees for raising the funds. B2Gold will retain the cash from the entities that are sold to Calibre. Therefore, the net increase in cash is $19.8 million.

b) Record the $10 million deferred consideration due to B2Gold at end of Year 1. It is also noted that $2.571 million is added to pay for working capital which will be paid to B2Gold within a month of closing.

c) Record the interest and accretion on the convertible debenture in the pro forma consolidated statement of loss and comprehensive loss on the $10 million convertible debenture.

d) Record the fair value of the embedded derivative liability associated with the $10.0 million convertible debenture. The Company calculated the fair value of $1.4 million using the binomial option pricing method. The remaining $8.6 million was allocated to the value of the convertible debenture. There is not considered to be any change in the fair value of the embedded derivative between January 1, 2018 and June 30, 2019.

e) Record the issuance of 87.3 million common shares to B2Gold at a fair value of CDN$0.60 per share. The CDN$0.60 per share is considered reasonable given that Calibre's share price prior to being halted was CDN$0.58 and CDN$0.60 is the share price used in the Concurrent Private Placement.

f) The acquisition cost of $100.0 million has been allocated to the fair value of the acquired assets and liabilities as described in Note 5. All current assets and liabilities have been assumed that the historical value equaled the fair value. All B2Gold and related party balances were eliminated from the unaudited carve-out combined financial statements which were used in these unaudited pro forma consolidated financial statements.

g) Income taxes are filed with tax authorities on an entity by entity basis in Nicaragua. Calibre's entity in Nicaragua and the El Limon and La Libertad mines will file separate returns at acquisition date. Therefore the historical deferred income tax balances of the Company and the six entities in the carve-out combined statements of the El Limon and La Libertad mines remain unchanged.

5. Purchase Price Allocation

The US$100.0 million purchase price has been allocated to the assets and liabilities acquired as follows:

Calibre Mining Corp.

Pro Forma Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2019 and Year Ended December 31, 2018
(Expressed in thousands of United States Dollars)
(Unaudited)

Cash	$ -
Accounts receivable, prepaids and other	2,571
Value added and other tax receivables	3,858
Inventories	24,414
Mining interests	157,972
Other assets	204
Accounts payable and other accrued liabilities	(13,872)
Payable to B2Gold	(2,571)
Current income and other taxes payable	(3,604)
Current portion of equipment loans	(122)
Current portion of mine reclamation provision	(3,256)
Other current liabilities	(768)
Mine restoration provisions	(49,526)
Deferred income taxes	(6,616)
Employee benefit obligations	(8,684)
Purchase price	$100,000

B2Gold will retain the cash from the entities that are sold to Calibre.

It is expected that the payable to B2Gold will be settled within one month of closing the transaction.

6. Pro Forma Share Capital

Calibre Mining Corp. pro forma share capital as at June 30, 2019 has been determined as follows:

	Common Shares ('000's)	Amount(1)
Issued and Outstanding, June 30, 2019	44,822	$ 37,731
Shares issued for private placement *(Note 4(a))*	166,667	72,544
Shares issued to B2Gold *(Note 4(e))*	87,303	40,000
Pro Forma Balance Issued and Outstanding	298,792	$ 150,275

(1)Translated from Canadian dollars into US dollars using the exchange rate as at June 30, 2019 of 0.7636.

7. Pro Forma Loss and Comprehensive Loss per Share

Pro forma basic loss and diluted loss per share for the six months ended June 30, 2019 and the year ended December 31, 2018 has been calculated based on actual weighted average number of Calibre common shares outstanding for the respective periods; as well as the number of shares issued in connection with the transaction as if such shares had been outstanding since January 1, 2018:

	Six Months Ended June 30, 2019 ('000's)	Year Ended December 31, 2018 ('000's)

Calibre Mining Corp.

Pro Forma Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2019 and Year Ended December 31, 2018
(Expressed in thousands of United States Dollars)
(Unaudited)

Actual weighted average number of Calibre common shares outstanding	44,822	42,822
Number of Calibre common shares issued to B2Gold *(Note 4(e))*	87,303	87,303
Number of Calibre common shares issued on offering *(Note 4(a))*	166,667	166,667
Pro forma weighted average number of Calibre common shares outstanding	298,792	296,792
Pro forma net loss	($13,298)	($90,666)
Pro forma net loss and diluted loss per share	($0.05)	($0.29)

APPENDIX “E”
FAIRNESS OPINION

See attached.

June 25, 2019

Calibre Mining Corp.
595 Burrard Street, Suite 413
P.O. Box 49167
Vancouver, British Columbia, Canada
V7X 1J1

Dear Sirs:

Trinity Advisors Corporation ("**Trinity**", "**we**" or "**Our**") understands that Calibre Mining Corp. ("**Calibre**") intends to acquire from B2Gold Corp. ("**B2Gold**") all of the issued and outstanding common shares of Triton Minera S.A., Desarrollo Minero de Nicaragua S.A. (which in turn owns 100% of Cerro Quiros Gold S.A.), Minera Glencairn S.A., and Minesa (Cayman) Inc. (which in turn owns 100% of Minerales Nueva Esparanza S.A.) held by B2Gold (together, the "**Nicaragua Subsidiaries**") pursuant to the terms of a binding agreement to be dated July 2, 2019 between Calibre and B2Gold (the "**Binding Agreement**") (the "**Transaction**"). The Nicaragua Subsidiaries own 100% of B2Gold's legal and beneficial interest in the El Limon and La Libertad Mines, the Pavon Gold Project and additional mineral concessions in Nicaragua.

The Consideration

Pursuant to the Binding Agreement, Calibre will pay aggregate consideration of US$100,000,000 (the "**Consideration**") on a cash-free, debt-free basis (with nominal working capital at closing of the Transaction) to B2Gold in exchange for the sale and transfer of B2Gold's shares in the capital of the Nicaragua Subsidiaries. US$90,000,000 of the Consideration will be payable in cash and by issuance of Calibre common shares and a convertible debenture, on closing of the Transaction and US$10,000,000 of the Consideration will be payable in cash 12 months from closing of the Transaction.

Trinity's Engagement

Calibre formally retained Trinity to act as exclusive financial advisor to Calibre and the Board of Directors of Calibre (the "**Board**") in respect of the Transaction pursuant to an engagement letter (the "**Engagement Letter**") dated June 25, 2019. Pursuant to the Engagement Letter, Trinity has agreed to, among other things, deliver to the Board an opinion (the "**Opinion**") as to the fairness of the Consideration, from a financial point of view, to be paid by the shareholders of Calibre (the "**Shareholders**") pursuant to the Binding Agreement.

Pursuant to the Engagement Letter, Trinity will receive from Calibre, for the services provided thereunder, a fee in respect of which a portion is contingent on the successful outcome of the Transaction, as well as reimbursement of all reasonable legal and out-of-pocket expenses. The portion of the fee related to the delivery of the Opinion is not dependent on the conclusions reached by Trinity herein or the successful completion of the Transaction. In addition, Trinity and its affiliates and their respective directors, officers, employees, agents and controlling persons are to be indemnified by Calibre under certain circumstances from and against certain liabilities arising out of the performance of professional services rendered to Calibre pursuant to the Engagement Letter. Trinity may in the future in the ordinary course of business seek to perform financial advisory services or corporate finance services for Calibre and their associates from time to time.

Trinity has not been engaged to prepare, and has not prepared, a valuation or appraisal of Calibre or the Nicaragua Subsidiaries, or any of their assets, securities or liabilities (whether on a standalone basis or as a combined entity), and the Opinion should not be construed as such. Trinity was similarly not engaged to review any legal, tax or accounting aspects of the Binding Agreement and accordingly expresses no view thereon. We understand that the Transaction constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") but have assumed, with Calibre's agreement, that, (a) in accordance with Section 6.3(2) of MI 61-101, the Transaction is exempt from the formal valuation requirement, and (b) that minority approval (as such term is defined in MI 61-101) will be sought at the special meeting of Calibre shareholders.

We have not been requested to opine as to, and our opinion does not in any manner address, the Company's underlying business decision to proceed with or effect the Transaction. In addition, we express no opinion on, and our opinion does not in any manner address, the fairness of the amount or the nature of any compensation to any officers, directors or employees of any parties to the Transaction, or any class of such persons. Our opinion does not address the relative merits of the Transaction as compared to any other transaction or business strategy in which the Calibre might engage.

Credentials of Trinity

Trinity is a mining investment and advisory firm with a proven track record in mining M&A, a deep understanding of the resource sector, and strong relationships with key mining industry participants. As part of Trinity's investment banking activities, Trinity is regularly engaged in the valuation of listed and unlisted securities in connection with mergers and acquisitions. Trinity is not in the business of providing auditing services and is not controlled by a financial institution.

The Opinion expressed herein represents the opinion of Trinity and the form and content hereof have been approved for release by a group of professionals of Trinity, each of whom is experienced in merger, acquisition, divestiture, restructurings, valuation and fairness opinion matters.

Independence of Trinity

None of Trinity, its affiliates or associates, is an insider, associate or affiliate (as such terms are defined in the *Securities Act* (Ontario)) of Calibre or B2Gold or of any of their respective associates or affiliates. Trinity has been retained by Calibre to provide the Opinion to the Board in respect of the Transaction and to provide financial advisory services pursuant to the terms of the Engagement Letter. Trinity is not acting as an advisor, financial or otherwise, to B2Gold or any of its associates or affiliates in connection with the Binding Agreement or any other transaction.

Scope of Review

Trinity has acted as financial advisor to Calibre and the Board in respect of the Transaction and certain related matters. In this context, and for the purpose of preparing the Opinion, we have analyzed financial, operational and other information relating to Calibre and B2Gold, including information derived from meetings and discussions with Calibre's management. Except as expressly described herein, Trinity has not conducted any independent investigations to verify the accuracy and completeness thereof.

In connection with rendering the Opinion, we have reviewed and relied upon, or carried out, among other things, the following:

(a) a draft of the Binding Agreement;

(b) certain publicly available financial statements, technical reports, continuous disclosure documents and other information of Calibre and B2Gold;

(c) a comparison of the multiples implied under the terms of the Binding Agreement to an analysis of recent precedent transactions involving companies or mining assets we deemed relevant and the consideration paid for such companies or mining assets;

(d) a comparison of the multiples implied under the terms of the Binding Agreement to an analysis of the trading levels of similar companies we deemed relevant under the circumstances;

(e) certain internal financial models, analysis, forecasts and projections prepared by the management of Calibre relating to its business and the Nicaragua Subsidiaries' business;

(f) certain technical information and analyses prepared by the management of Calibre relating to the respective assets of Calibre and the Nicaragua Subsidiaries;

(g) discussions with management of Calibre with respect to matters concerning their current business plan, their financial condition and their future business prospects;

(h) officer's certificates addressed to Trinity and executed and delivered by each of the President and Chief Executive Officer and Chief Financial Officer of Calibre dated the date hereof setting out representations as to certain factual matters and the completeness and accuracy of the Information (as defined herein) upon which the Opinion is based;

(i) various equity research reports and industry sources regarding Calibre and B2Gold and the mining industry;

(j) historical metal commodity prices and considered the impact of various commodity pricing assumptions on the respective business, prospects and financial forecasts of Calibre and the Nicaragua Subsidiaries; and

(k) such other corporate, industry and financial market information, investigations and analyses as Trinity considered necessary or appropriate in the circumstances.

In its assessment, Trinity considered several methodologies, analyses and techniques and used a combination of those blended approaches to determine its opinion on the Transaction. Trinity based the Opinion upon a number of quantitative and qualitative factors as deemed appropriate based on Trinity's experience in rendering such opinions.

Trinity has not, to the best of its knowledge, been denied access by Calibre to any information requested. Trinity did not meet with the auditors of Calibre or B2Gold and has assumed the accuracy and fair presentation of the audited comparative consolidated financial statements of Calibre and the Nicaragua Subsidiaries and the reports of the auditors thereon.

Assumptions and Limitations

With Calibre's approval and as provided for in the Engagement Letter, Trinity has relied upon and has assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, materials, opinions and representations obtained by Trinity from public sources, including information, data, advice, materials, opinions and representations relating to Calibre and the Nicaragua Subsidiaries, or provided to Trinity by Calibre and B2Gold, and their affiliates or advisors or otherwise pursuant to our engagement (written or verbal). The Opinion is conditional upon such completeness, accuracy and fairness. Subject to the exercise of professional judgment and except as expressly described herein, Trinity has not attempted to verify independently the accuracy or completeness of any such information. Senior officers of Calibre have represented to Trinity, in certificates delivered as at the date hereof, among other things, that (i) the information, data, advice, materials, opinions and representations and other material (written or verbal) provided to Trinity on behalf of Calibre, and relating to Calibre, the Nicaragua Subsidiaries or the Binding Agreement (the "**Information**") was, at the dates the Information was provided to Trinity, and is at the date hereof, complete, true and correct in all material respects and did not, and does not, contain a misrepresentation (as defined in the Securities Act (British Columbia) (the "**Securities Act**")); and (ii) since the dates of the Information, except as disclosed to Trinity, there has been no material change (as defined in the Securities Act), financial or otherwise, in the position of Calibre, or in its assets, liabilities (contingent or otherwise), business, operations or prospects and there has been no change in any material fact or no new material fact which is of a nature as to render any part of the Information untrue or misleading in any material respect or which would reasonably be expected to have a material effect on the Opinion. Trinity has not, to the best of its knowledge, been denied access to any information requested.

Trinity was not engaged to review any legal, tax or accounting aspects of the Transaction and accordingly expresses no view thereon. The Binding Agreement is subject to a number of conditions outside the control of Calibre and B2Gold and Trinity has assumed that any and all conditions precedent, contractual or otherwise, to the completion of the Transaction can be satisfied in due course and all consents, permissions, exemptions or orders of relevant regulatory authorities will be obtained, without adverse conditions or qualification and that the Binding Agreement can proceed (legally and otherwise) as currently planned and scheduled and without material additional cost to Calibre or B2Gold or liability of Calibre or B2Gold to third parties. Trinity has further assumed that neither Calibre or B2Gold will incur any material liability or obligation, or lose any material rights, as a result of the completion of the Binding Agreement and that the procedures being followed to implement the Binding Agreement are valid and effective, and in accordance with applicable laws and that the disclosure of Calibre in any disclosure documents will be accurate and will comply with the requirements of applicable laws. In rendering the Opinion, Trinity expresses no view as to the likelihood that any conditions respecting the Binding Agreement will be satisfied or waived or that the Binding Agreement will be implemented on a timely basis.

The Opinion is rendered as of June 25, 2019 on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof, and the condition and prospects, financial and otherwise, of Calibre as they were reflected in the Information and as they were represented to Trinity in discussions with management of Calibre. In rendering the Opinion, Trinity has assumed that there are no undisclosed material facts relating to Calibre, or its business, operations, capital or future prospects. Any changes therein may affect the Opinion and, although Trinity reserves the right to change or withdraw the Opinion in such event, we disclaim any obligation to advise any person of any change that may come to our attention or to update the Opinion after today.

Trinity believes that the analyses and factors considered in arriving at the Opinion must be considered as a whole and is not amenable to partial analyses or summary description and that selecting portions of the analyses and the factors considered, without considering all factors and analyses together, could create a misleading view of the process employed and the conclusions reached. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. In arriving at the Opinion, Trinity has not attributed any particular weight to any specific analyses or factor but rather based the Opinion on a number of qualitative and quantitative factors deemed appropriate by Trinity based on Trinity's experience in rendering such opinions.

In our analyses and in connection with the preparation of the Opinion, Trinity made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved in the Binding Agreement. While in the opinion of Trinity, the assumptions used in preparing the Opinion are reasonable in the current circumstances, some or all of these assumptions may prove to be incorrect.

The Opinion has been provided solely for the use of the Board for the purposes of considering the Transaction and may not be used by any other person or for any other purpose without the express prior written consent of Trinity. The Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without Trinity's prior written consent.

Conclusion and Fairness Opinion

Based upon our analysis and subject to all of the foregoing and such other matters as we have considered relevant, Trinity is of the opinion that, as of the date hereof, the Consideration to be paid by Calibre pursuant to the Binding Agreement is fair, from a financial point of view, to Calibre.

Yours very truly,

(Signed)

TRINITY ADVISORS CORPORATION