

Calibre Mining Corp.

{CXB-T}

SECTOR: Mining

STOCK PRICE \$0.93
RATING **BUY**
TARGET PRICE \$2.70

EXPLORATION UPDATE

For Once the Pretty Colours on the Geophysics Translate to Something: Drilling Pins on the Panteon VTEM Bridge

EVENT: Drilling on the edges of the Panteon VTEM resistivity anomaly has returned the promise of the location of epithermal quartz-vein hosted mineralization along a 1.5 kilometre segment (e.g., LMI-22-4701: 9.30 metres grading 11.61 g/t gold).

OUR TAKE: Positive. Three reasons. 1. Drilling along the VTEM-defined trend intersected epithermal gold mineralization demarked by the gradient in apparent resistivity; 2. Most gold deposits and sites of former operations appear to reside on these boundaries looking at the regional data; 3. Given 1 & 2, the 4 km long Panteon VTEM bridge (or corridor) clearly marks the northern geological extensions of the already delineated gold mineralized systems in the south to both the west and east sides. Resulting in opening up at least 8 kilometres of trend to test! We do not include its potential in our valuation!

KEY HIGHLIGHTS

- ◆ **Panteon VTEM Corridor Drilling.** Geophysical data is a very powerful tool when used in conjunction with other data layers including geology, geochemistry and structure. The results shown from today's drilling provide 'proof-of-concept' that migrate the importance of this VTEM signature to a priority given the nature of the results (see below); how they emulate the geology in the known systems to the south; and, the strike length of the implied test zones to drill (Figure 2).
- ◆ **Specifically,** the results from these three holes stretch along a 1.5 kilometre length of the western margin of the trend and extend up to 2.5 km from Patheon North, a zone where Calibre has been successful in defining high-grade gold mineralization translating into a resource estimate in Q1/23.
- ◆ **This drill-confirmed outcome is exactly what the Company needed** to migrate beyond testing smaller scale features, and could translate into material discovery over time. This is consistent with the Company now using 4 rigs on the target area, which we feel will likely migrate to higher numbers over the course of time. While there is a long strike length to test, we stress that given the nature of gold mineralization encountered elsewhere in the area, the strong structural control on the plunge and pitch of high-grade lodes means that not all holes are expected to hit grade even if intersecting the structure and epithermal quartz veining (see Figure 3). Consequently, building a material discovery base will take time, but this region now should become the Company's exploration priority, at least for 2023.
- ◆ **Drilling Highlights:**
 - 9.3 metres grading 11.61 g/t Au in hole LIM-22-4701;
 - 2.1 metres grading 6.73 g/t Au in hole LIM-22-4689;
 - 2.6 metres grading 3.67 g/t Au in hole LIM-22-4684;

We think that Calibre offers a very attractive value-risk proposition, and trades at a significant discount on an EV/CF basis and P/NAV. For 2022, we project production of 224 koz gold at an average AISC of US\$1,271 per ounce gold to deliver US\$0.23/ share cashflow.

RECOMMENDED ACTION

We recommend accumulating shares at existing levels

- ◆ **Reiterate our BUY Rating and \$2.70/sh Target.** We highlight Calibre as a diversified junior gold producer with operating plants in two countries. We anticipate Calibre shares to garner further investor interest as the Company is expected to deliver on its near-term plans to yield drill catalysts across its assets and convert those successes into near and mid-term production.

CATALYSTS

- 1) **Ongoing** - Drilling Results
- 2) **Q1/23** – Resource/Reserve Update, including Maiden Resource on Panteon North

PROJECTED RETURN

190%

RISK FACTOR

High

SCENARIO ANALYSIS

Downside Scenario	Current Price	Price Target
\$0.45	\$0.93	\$2.70
↓ 52%		↑ 190%

KEY STATISTICS AND METRICS

52-Week High/Low	\$1.72 / \$0.52
YTD Performance	-31%
Dividend Yield	NA
Shares O/S	450 M (basic)
Market Capitalization	\$419 M
Cash (As of Q3/22)	US\$64 M
Debt (LT)	US\$7.9 M
Enterprise Value	\$281 M
Daily Volume (3 mth)	1,045,909
Currency	C\$ unless noted

HAYWOOD ESTIMATES (USD)

	2021A	2022E	2023E
Net Revenue (\$M)	328	406	606
Net Income (\$M)	58	51	214
EBITDA (\$M)	130	131	326
OCF (\$M)	110	101	271
OCF / sh (\$)	0.24	0.23	0.60
Prod (koz)	176	224	285
Cash Cost* (/oz Au)	1004	1103	926
AISC* (/oz Au)	1,218	1,271	1090

* Costs presented on a US\$/oz Au basis

VALUATION

Our \$2.70 target price is based on a 3.3x EV/CF multiple to our 2023 OCF (pre-WC) estimate of US\$0.60/sh. Calibre trades at an EV/CF23 of 0.8x and P/NAV of 0.28x.

Calibre's peers trade at average EV/CF23 multiple of 4.7x, and an average P/NAV multiple of 0.87x.

INVESTMENT THESIS

Our investment thesis for Calibre Mining is predicated on the following differentiated underlying characteristics:

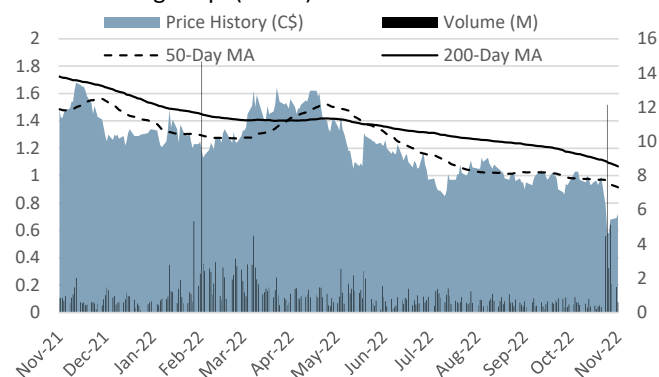
- ◆ **Strong management and exploration team.** We highlight that Calibre is led by a successful management team and Board, which in the past have delivered significant shareholder returns through the successful sale of seven mining companies (exceeding US\$5 billion), including two significant take-outs over the past five years. The most notable being Kirkland Lake Gold's (KL-T, Not Rated) acquisition of Newmarket Gold and its world-class Fosterville flagship asset in November 2016 for a purchase price ~C\$1.0 billion.
- ◆ **Another Step Up for this Producer:** The Company has seen the value and de-risking opportunity offered by acquiring the production and exploration assets in Nevada and elsewhere in the USA. We see that the new wed the discovery potential of its Nicaraguan asset base to leverage 'scope and scale' potential of its operations' latent capacity. Collectively, these characteristics define Calibre as a rare entity within the mining sector.
- ◆ **Value Kernel:** The diverse asset portfolio offered by Calibre provides a value kernel in the presence of three operating mines that are expected to furnish free-cash flow generation to an already healthy balance sheet, providing the funds to explore the asset portfolio (as shown by updated plans on Pan and Gold Rock for 2022) aid in the development of Gold Rock over the mid-term.
- ◆ **Latent Capacity:** La Libertad provides leverage to the Company's portfolio of exploration assets, mainly those proximal to La Libertad, but latent capacity and mill blend feed options promise the potential to maintain and grow production in Nicaragua (as shown by the latest reserves update). However, in addition to this plant, we see upside potential capacity at Pan, which may be implemented.
- ◆ **Geological Potential:** Resource discovery potential is indeed palpable amongst the Company's broad-ranging portfolio and will be largely focused on targets that can augment production at Pan, La Libertad and El Limon with a 4th potential operation at Gold Rock in Nevada. Ongoing exploration continues, and for example, we see opportunity on several fronts (e.g., Pan, Gold Rock, Eastern Borosi, Panteon, Volcan and Pavon Central). In addition, leverage is also provided by the Company's JV projects.

KEY RISKS

- **Valuation:** In our view Calibre warrants a premium relative to peers based on our forecast cash flow generation profile, latent growth capacity and resource discovery potential. However, we acknowledge that valuation risk is high given fluctuations in market sentiment, need to backfill production profile at La Libertad, and the inherent asset concentration risk being in one jurisdiction.
- **Financial:** Calibre's near-term cash requirements are projected to be funded through cash flow from operations using our commodity price assumptions. We note Calibre's balance sheet is forecast to be underpinned by our projections for near-term cash flow from operations that will likely require modest capital for individual mine development requirements and exploration expenditure.
- **Political:** Calibre has diversified exposure with assets across the USA (Nevada), and in Nicaragua, whereby the later of which has a recent history of some social unrest with minimal impact on the industry.

SCENARIO ANALYSIS

Calibre Mining Corp. (CXB-T)



Source: Capital IQ, and Haywood Securities

TARGET PRICE

Our target price of \$2.70/sh is based on a 3.3x EV/CF multiple to our 2023 OCF (pre-WC) estimate of US\$0.60/sh.

DOWNSIDE CASE

Our downside case reflects a 0.15x PNAV multiple. Given these considerations, we have estimated a downside scenario share price of \$0.45.

Our downside scenario price is a theoretical case based on notional valuation metrics and market assumptions. The downside price is solely intended for demonstrative purposes and is not to be regarded as a reflection of all market possibilities. It is not a guarantee that this company's share price will not drop below this price level and hence should not be taken as such.

Headquartered in Vancouver, Canada, **Calibre Mining Corp.** is a junior gold producer with two operating gold mines and numerous exploration tenements across the USA (Nevada), and Nicaragua.

Website

www.calibremining.com

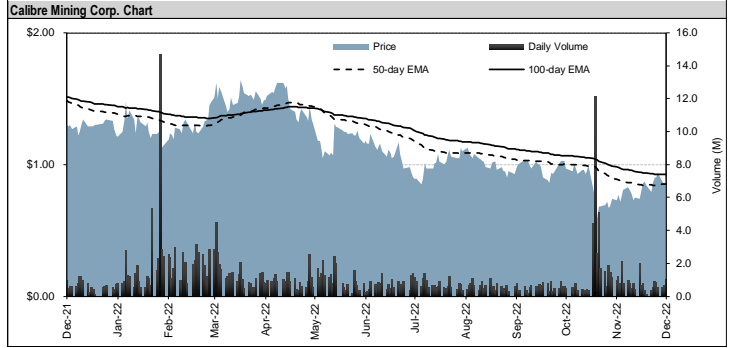
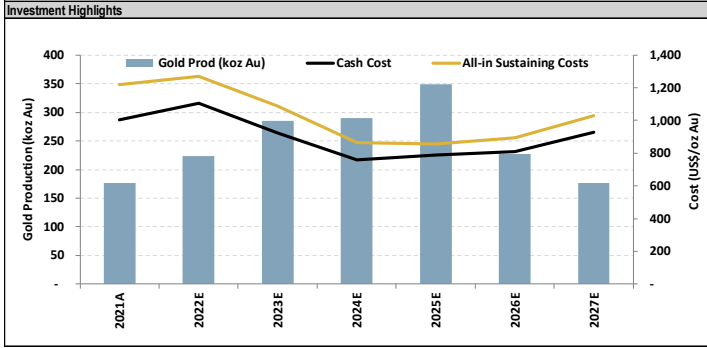
Key Management

Darren Hall (CEO)
David Splett (Senior VP and CFO)
Mark Petersen (VP, Exploration)
Ryan King (VP, Corp Dev and IR)



Calibre Mining Corp. TSX:CXB Price C\$0.93 Rating: BUY Risk: High
 7-Dec-22 Shares O/S (M) 450 MCap (C\$) (M) C\$419 Target: C\$2.70 Return: 190%

Headquartered in Vancouver, Canada, Calibre Mining Corp. is a dual jurisdiction gold producer with three operating gold mines and numerous exploration tenements across USA, and Nicaragua. Primary gold mining operations are in Nevada, USA, and Nicaragua. In addition, the Goldrock gold project, near Pan.



	2021A	2022E	2023E	2024E	2025E	2026E
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	2021A	2022E	2023E	2024E	2025E	2026E
Forecast Gold Price, US\$/oz	\$1,800	\$1,820	\$1,900	\$1,900	\$1,900	\$1,900
C\$/US\$ FX Rate	1.25	1.30	1.26	1.26	1.26	1.26

	2021A	2022E	2023E	2024E	2025E	2026E
Net Revenue, \$M	328.1	406.4	605.7	610.3	764.6	583.7
Mine Operating Profit, \$M	104.2	116.0	286.2	330.6	410.3	360.6
EBITDA, \$M	129.6	130.7	326.5	391.7	492.5	398.2
Net Income, \$M	58.2	51.4	214.2	250.2	322.0	304.0
Net Income per share	0.13	0.11	0.47	0.54	0.69	0.65

	2021A	2022E	2023E	2024E	2025E	2026E
Cash & Equiv, \$M	78.5	51.0	233.8	465.4	837.9	1,218.3
Working Capital, \$M	97.7	107.7	311.7	543.2	948.0	1,290.0
Current Portion of LT Debt, \$M	-	-	-	-	-	-
Total LT Debt, \$M	-	-	-	-	-	-
Shares Outstanding (M)	450.1	449.7	453.2	460.0	463.7	466.9

	2021A	2022E	2023E	2024E	2025E	2026E
OCF before Δ in WC, \$M	110.1	101.3	270.5	321.3	414.2	351.6
OCF before Δ in WC per share	0.24	0.23	0.60	0.70	0.89	0.75

	2021A	2022E	2023E	2024E	2025E	2026E
P/E	5.3x	6.0x	1.4x	1.3x	1.0x	1.0x
EV/OCF	1.9x	2.0x	0.8x	0.7x	0.5x	0.6x
P/OCF	2.8x	3.0x	1.1x	1.0x	0.8x	0.9x

* All figures presented in United States dollars unless noted
 **We note that we employ a FX forecast that differs from Haywood Estimates
 Spot Exchange Rate (C\$/US\$): 1.36

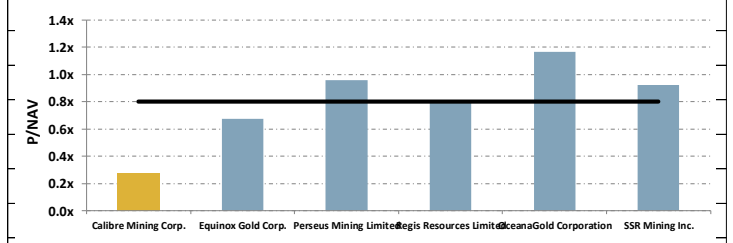
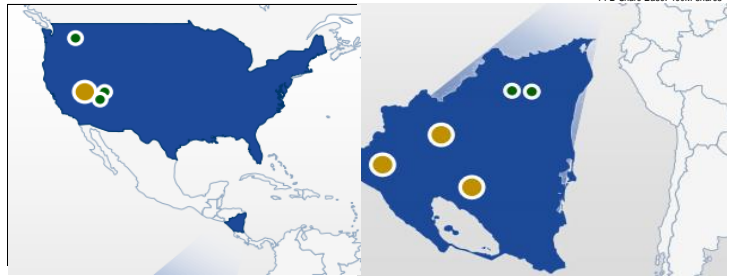
	2021A	2022E	2023E	2024E	2025E	2026E
La Libertad (Nicaragua)						
Throughput (tpd)	3,442	4,016	4,500	4,500	4,500	833
Tonnes milled (kt)	1,256	1,466	1,643	1,647	1,643	304
Gold Recoveries (%)	94%	93%	94%	94%	94%	94%
Gold Production (koz Au)	113	110	175	180	181	33
Σ Operating Costs (US\$/t milled)	88	74	87	64	64	66
Cash Operating Cost (US\$/oz Au)	971	1,069	822	591	586	605
Total Cash Cost (US\$/oz Au)	88	74	87	64	64	66
CAPEX (US\$M)	16.4	15.5	22.0	12.5	3.1	-
Gold Revenue (US\$M)	204.1	207.4	330.9	340.5	341.9	63.3
EL Limon (Nicaragua)						
Throughput (tpd)	1,367	1,371	1,375	1,375	1,375	1,375
Tonnes milled (kt)	499	500	502	503	502	502
Gold Recoveries (%)	91%	92%	93%	93%	93%	93%
Gold Production (koz Au)	63	68	61	63	70	81
Gold Sales (koz Au)	63	68	61	62	69	81
Σ Operating Costs (US\$/t milled)	126	117	110	105	91	93
Cash Operating Cost (US\$/oz Au)	945	897	852	791	605	523
Total Cash Cost (US\$/oz Au)	998	951	908	847	661	579
CAPEX (US\$M)	11.0	14.5	9.0	8.0	8.0	8.0
Gold Revenue (US\$M)	113.6	112.8	115.2	118.6	131.9	154.0
Consolidated						
Tonnes milled (kt)	1,755	6,940	7,254	7,274	10,904	9,566
Gold Recoveries (%)	93%	86%	87%	87%	87%	83%
Gold Production (koz Au)	176	224	285	290	348	227
Total Cash Cost, US\$/oz Au	1,004	1,103	926	758	788	809
All-in Sustaining Costs, US\$/oz Au	1,218	1,271	1,090	865	854	896
Gold Revenue (US\$M)	317,648	403,597	542,173	550,718	661,938	431,887

52 Week High/Low	\$1.72 / \$0.52	Average Daily Vol (M)	1.05
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	Shares O/S, M	% O/S	Major Shareholder (%)
Institutional	121.06	27%	B2Gold Corp.
Management & Insiders	14.57	3%	Luxor Capital Group, LP
			Van Eck Associates Corporation

	Av Strike	Basic	ITM	Proceeds
Cash & Equiv				\$87
Options	\$0.18 - \$2.13	31.7	21.6	\$18
Warrants	\$0 - \$0.7	9.1	9.1	\$6
Total Cash & ITM		40.7	30.7	\$112
Market Cap				\$419
Enterprise Value (MCap - WC + LT Debt)				\$281

Per Share	NAV 7%		NAV 6%		NAV 5%	
	CSM	C\$/share	CSM	C\$/share	CSM	C\$/share
Project NAV						
La Libertad	493	\$1.07	504	\$1.09	515	\$1.11
El Limon	591	\$1.23	629	\$1.31	670	\$1.39
Pan Gold Mine	169	\$0.36	174	\$0.37	179	\$0.38
Gold Rock	145	\$0.29	158	\$0.32	172	\$0.35
General Project						
	-	-	-	-	-	-
Project NAV						
	1,399	\$2.95	1,465	\$3.09	1,536	\$3.24
Corporate Adjustments	98	\$0.22	95	\$0.22	92	\$0.21
Corporate NAV						
	1,497	\$3.18	1,560	\$3.31	1,628	\$3.45



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Source: Bloomberg, Capital IQ, Company Reports, and Haywood Securities

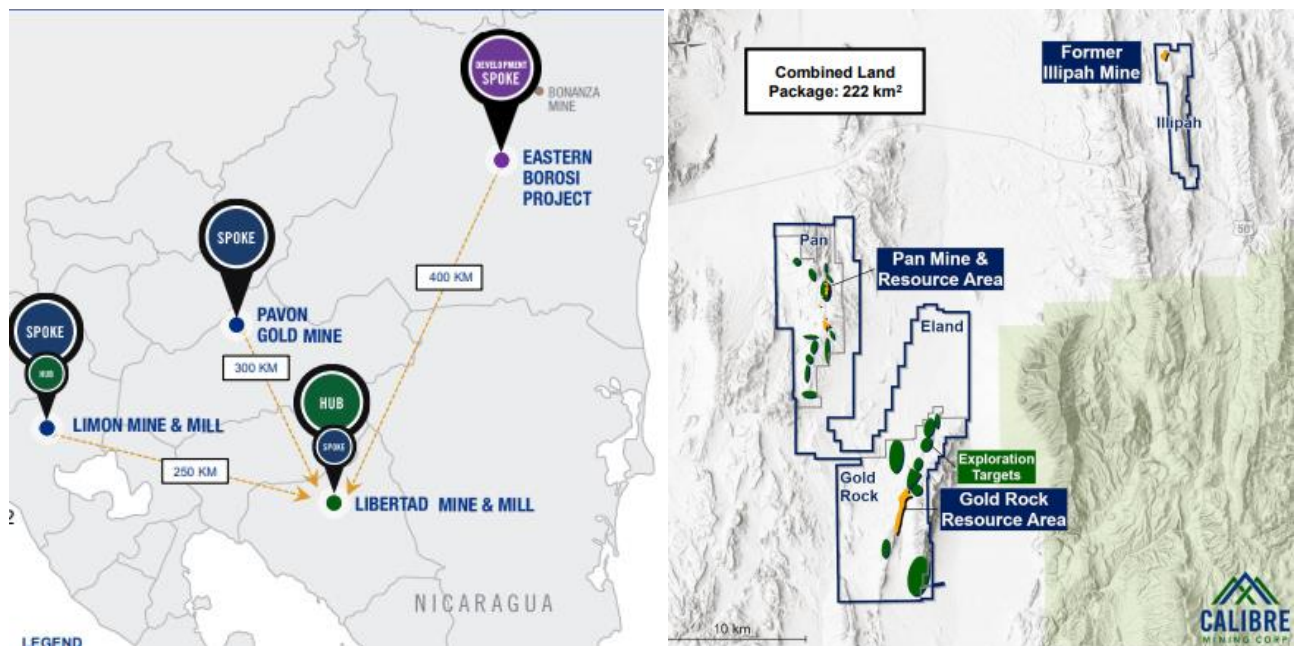


Company and Asset Overview

A Critical Mass of Assets: Foundation and Earth

Calibre holds a portfolio of assets in Nicaragua and in the USA, which includes two active producing operations (El Limon and La Libertad) in Nicaragua, as well as the operating open-pit heap leach gold mine in Nevada. In addition to the producing operations, the Company possesses a handful of resources on and proximal to these production centres whereby we believe that new mining production is likely to stem from East Borosi, Nicaragua, within the next 12 months, as well from the Gold Rock project over the mid-term (we project 2025 from this permitted project). On top of these assets, the Company holds a collection of exploration properties that could augment the Hub-in-Spoken model in Nicaragua, and potentially the operation around Pan over the near to mid-term. In addition to the exploration programs under way across Nicaragua, and the Company’s plans for heightened exploration at Pan and Gold Rock over the next 12 or so months to fast-track targeted opportunities in these underexplored areas.

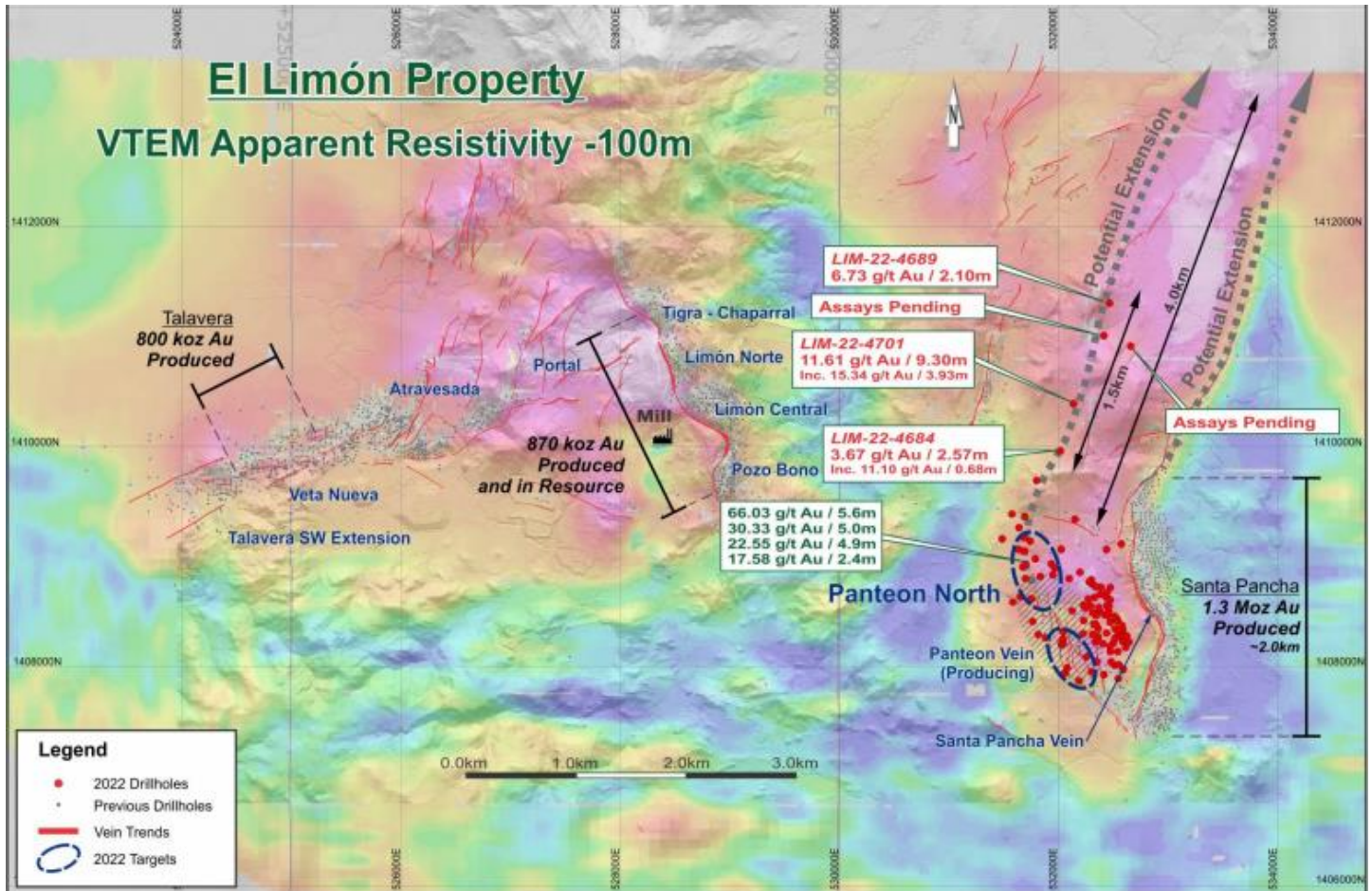
Figure 1: Calibre Asset Portfolio Summary and Location Map: Nicaraguan Operations (Left) and Nevada Operations (Right)



Source: Company Reports



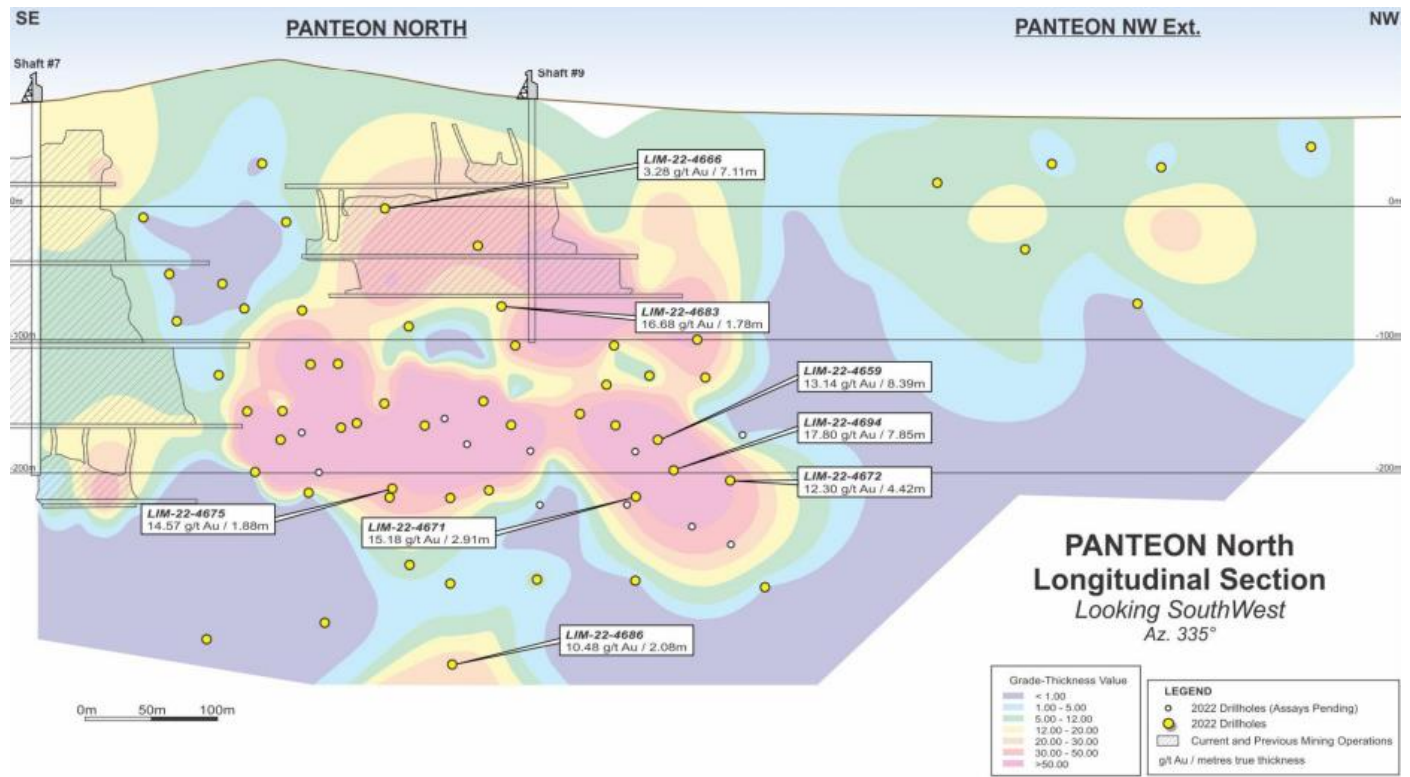
Figure 2: El Limón Property Map showing Panteon VTEM Apparent Resistivity, Recent Drill Results and Distribution of Gold Mineralized Quartz Veining



Source: Company Reports



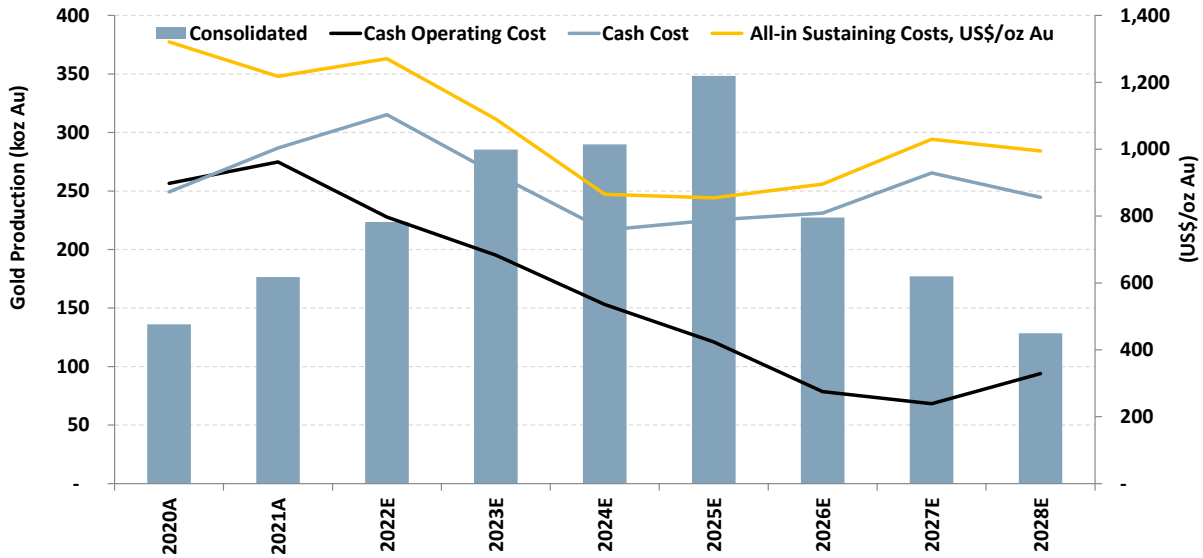
Figure 3: Panteon North Long Section (looking southwest)



Source: Company Reports

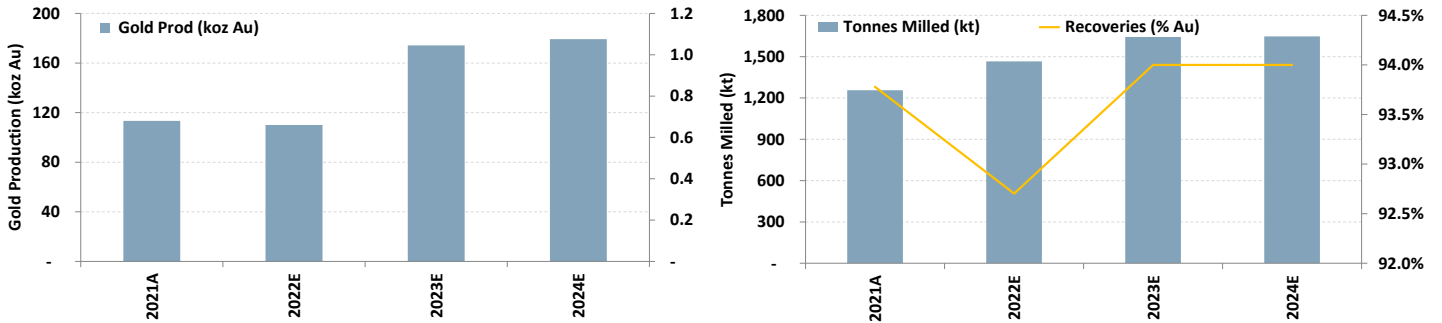


Figure 4: Annual Gold Production and Cost Forecasts



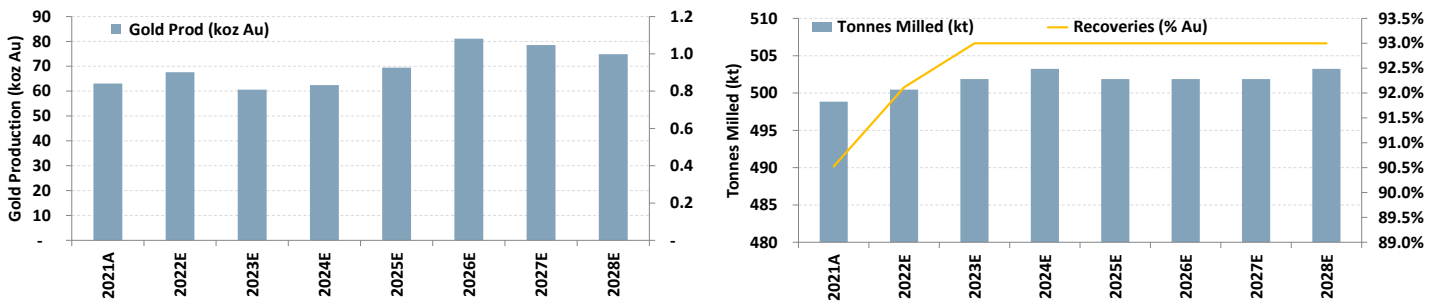
Source: Haywood Securities

Figure 5: Annual Operational Forecasts for La Libertad



Source: Haywood Securities

Figure 6: Annual Operational Forecasts for El Limon



Source: Haywood Securities



Outlook

Figure 7: Annual Financials and Operations Forecasts

	2021A	2022E	2023E	2024E	2025E	2026E
For the period ending	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26
Commodity & FX Assumptions						
Forecast Gold Price, US\$/oz	\$1,800	\$1,820	\$1,900	\$1,900	\$1,900	\$1,900
C\$/US\$ FX Rate	1.25	1.30	1.26	1.26	1.26	1.26
Financials (US\$)						
Revenues, net	328	406	606	610	765	584
EBITDA	130	131	326	392	492	398
Net Income (Loss)	58	51	214	250	322	304
Net Income (Loss) / sh	0.13	0.11	0.47	0.54	0.69	0.65
Operating CF Before ΔWC	110	101	271	321	414	352
Operating CF Before ΔWC / sh	0.24	0.23	0.60	0.70	0.89	0.75
Free Cash Flow	19	(47)	176	232	366	378
Free Cash Flow per Share	0.04	(0.10)	0.39	0.50	0.79	0.81
Capital Expenditures	(87)	(142)	(73)	(90)	(15)	(12)
<i>* All figures expressed in US dollars and millions except per share amounts</i>						
Consolidated Operations						
Gold Prod (Koz)	176	224	285	290	348	227
Payable Gold Prod (Koz)	176	224	285	290	348	227
Gold Sold (Koz)	177	224	285	290	348	227
Operating Costs (US\$/t milled)	101	36	36	30	25	19
Cash Operating Cost, US\$/oz Au	962	797	683	536	423	275
Total Cash Cost, US\$/oz Au	1,004	1,103	926	758	788	809
All-in Sustaining Costs, US\$/oz Au	1,218	1,271	1,090	865	854	896

Source: Haywood Securities



Valuation – Below on P/NAV and EV/CF23

Our \$2.70/sh target price is based on a 3.3x EV/CF multiple to our 2023 OCF (pre-WC) estimate of US\$0.60/sh.

Currently, Calibre shares trade at a 0.28x P/NAV multiple to our fully financed after-tax corporate NAV6% estimate of \$3.31 per share. Comparatively, peers trade between 0.50x and 1.06x (0.87x average) corporate NAV estimates. On an EV/CF basis, Calibre trades at an EV/CF23 of 0.8x, below peers trading at an average of 4.7x.

Figure 8: Gold Producer Peer EV/CF and P/NAV Comparables Table

Company	Symbol	Price (CAD)	Shares O/S (million)	Market Capitalization (million)	Cash (million)	Working Capital (million)	Debt (million)	Enterprise Value (million)	2022E CFPS	2023E CFPS	Number of Estimates	P/CF Ratio		EV/CF Ratio		EV/EBITDA Ratio		P/NAV
												2022E	2023E	2022E	2023E	2022E	2023E	
Calibre Mining Corp. *	TSX:CXB	C\$0.93	450.1	US\$ 306.8	US\$ 64.0	US\$ 108	US\$ 6.4	US\$ 205	US\$ 0.23	US\$ 0.60		3.2x	1.2x	2.1x	0.8x	2.2x	0.9x	0.28x
Equinox Gold Corp.	TSX:EQX	C\$ 5.06	305.1	US\$ 1,131	US\$ 212	US\$ 370	US\$ 726	US\$ 1,487	US\$ 0.34	US\$ 0.73	11	10.8x	5.1x	14.2x	6.7x	9.0x	5.2x	0.50x
Perseus Mining Limited	ASX:PRU	C\$ 2.05	1367.5	US\$ 2,055	US\$ 294	US\$ 311	US\$ 50	US\$ 1,794	US\$ 0.27	US\$ 0.28	2	5.7x	5.4x	4.9x	4.7x	5.4x	4.3x	1.06x
OceanaGold Corporation	TSX:OGC	C\$ 2.58	704.2	US\$ 1,332	US\$ 130	US\$ 124	US\$ 204	US\$ 1,412	US\$ 0.52	US\$ 0.56	9	3.7x	3.4x	3.9x	3.6x	3.9x	3.2x	0.86x
Regis Resources Limited	ASX:RRL	C\$ 1.84	755.0	US\$ 1,018	US\$ 143	US\$ 130	US\$ 204	US\$ 1,092	US\$ 0.30	US\$ 0.36	5	4.6x	3.8x	4.9x	4.0x	4.0x	3.8x	0.90x
SSR Mining Inc.	TSX:SSRM	C\$ 21.30	206.6	US\$ 3,226	US\$ 802	US\$ 1,184	US\$ 226	US\$ 2,268	US\$ 1.33	US\$ 2.09	8	11.7x	7.5x	8.2x	5.2x	5.5x	4.2x	0.92x
Wesdome Gold Mines Ltd.	TSX:WDO	C\$ 8.42	142.5	US\$ 879	US\$ 18	(US\$ 26)	-	US\$ 905	US\$ 0.31	US\$ 0.79	10	20.2x	7.8x	20.8x	8.1x	17.7x	6.8x	1.00x
Group Average												8.6x	4.9x	8.4x	4.7x	6.8x	4.6x	0.87x
Group Average - (excluding high/low)												8.2x	5.4x	8.1x	5.1x	6.0x	4.4x	0.92x

Source: Haywood Securities, S&P Capital IQ and Bloomberg

Recommended Action

We recommend accumulating shares at current levels

- ◆ **Reiterate our BUY Rating \$2.70/sh Target.** We highlight Calibre Mining as a growing gold producer bolstered by production stemming from two integrated operating plants supported by established “hub and spoke” infrastructure together with operations in Nevada that could expand with the introduction of production from Gold Rock (we project 2025). We anticipate Calibre shares to garner further investor interest as the Company delivers near-term catalysts (exploration and potentially mine expansion and permitting), and in addition, independent and JV related organic growth opportunities throughout the next few years in Nicaragua and Nevada. In particular, we note the potential for the tabled growth from Pavon Central and Eastern Borosi (now permitted and in development) to be augmented by production from Panteon North and Volcano over the near to mid-term.



Significant Investment Risks

The investment to which this report relates carries various risks which are reflected in our Overall Risk Rating. We consider the following to be the most significant of these investment risks:

- ◆ **Valuation Risk - High:** Calibre Mining trades at a discount to the corporate risk-adjusted net asset value (NAV6%) that we estimate for it and its portfolio (0.28x P/NAV). On price to forward cash flow and enterprise value to forward cash flow, the Company trades below peer averages based on 2023 estimates, and we acknowledge that valuation risk is high given fluctuations in market sentiment together with the uncertainty relating to future production magnitude and cost structure. Our estimates and forecasts are founded on management guidance, technical reports, and operating history, as well as our considerations of the potential of future asset development and discovery likelihood.
- ◆ **Financial Risk - High:** The Company's near-term expenditure requirements are forecast to be adequately funded through the forecasted cash flow from operations using our commodity price assumptions, which are around or below current spot prices. As of June 30th, 2022, the Company reported a cash position of US\$64 million. To bolster the longer-term production profile, the Company is engaged in a significant drilling program and is expected to spend between up to US\$47 million in 2022. Additional growth capital guidance for 2022 is guided for between US\$84 and US\$87 million and was increased to cater for strategic efforts and early-timed works relating to Eastern Borosi. The financial risk to our modelling is more weighted towards our mid-term projections as risk around exploration and development success (modest it may be) is required to underpin our projected production profile at La Libertad over the near/mid-term. Several key catalysts that could de-risk this projection could surface of the next couple of quarters, and therefore lower the implied risks around our projections. We note that we now include East Borosi future production.
- ◆ **Forecast Risk – Very High:** Haywood's forecasts take into consideration original management guidance, and additional updates pertaining to the anticipated near-term production hiatus, but for later periods are more related to details from technical reports together with the considerations from our interpretation on the potential of assets to furnish material to the processing plants over the near to mid-term, in particular La Libertad where sources of ore material are less defined. Uncertainty in the quantum of recoverable gold-in-inventory for Pan is currently being assessed. For 2022, we estimate consolidated production of 224 koz gold at an all-in sustaining cost of US\$1,271 per ounce, which includes the Company's considerations of higher stripping ratios at Pan into our forecasts.
- ◆ **Political Risk – Very High:** Calibre's operations and exploration assets are concentrated in Nevada and Nicaragua and comprise the exploration assets held by the company prior to the purchase of the El Limon and La Libertad gold mines, as well as other assets in the USA. The Company is believed to have its main financial and geopolitical risk exposure in Nicaragua, which in the Fraser Institute report on Mining (2021), ranks 81st of 84 jurisdictions in The Policy Perception Index, whereas is in the same report, The Investment Attractiveness Index places Nicaragua 80th of 84 jurisdictions. We note though, that we have not seen evidence effecting the Nicaraguan operations run by Calibre.



Important Information and Legal Disclosures

This report is intended for institutional investors and may only be distributed to non-institutional US clients in the following states: nil. Otherwise, this report may only be distributed into those states with an institutional buyer state securities registration exemption.

Analyst Certification

I, Geordie Mark, hereby certify that the views expressed in this report (which includes the rating assigned to the issuer's shares as well as the analytical substance and tone of the report) accurately reflect my/our personal views about the subject securities and the issuer. No part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations.

Important Disclosures

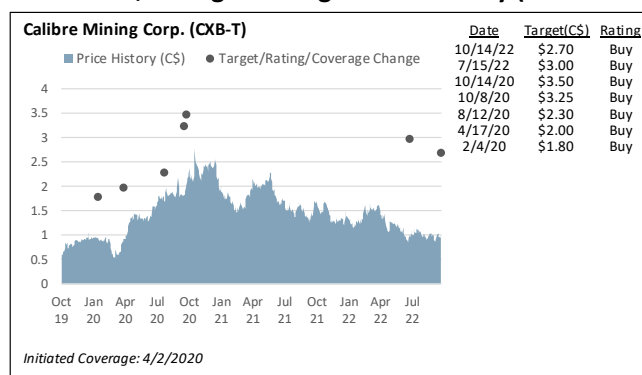
Of the companies included in the report the following Important Disclosures apply:

- ◆ As of the end of the month immediately preceding this publication either Haywood Securities, Inc., one of its subsidiaries, its officers or directors beneficially owned 1% or more of Calibre Mining Corp. (CXB-T).
- ◆ Haywood Securities, Inc. has reviewed lead projects of Calibre Mining Corp. (CXB-T), Equinox Gold Corp. (EQX-T) and a portion of the expenses for this travel may have been reimbursed by the issuer.
- ◆ Haywood Securities, Inc. or one of its subsidiaries has received compensation for investment banking services from Equinox Gold Corp. (EQX-T) in the past 24 months.

Distribution of Ratings (as of December 8, 2022)

			IB Clients (TTM)
Buy	77.2%	78	76.2%
Hold	9.9%	10	9.5%
Sell	0.0%	0	0.0%
Tender	1.0%	1	4.8%
UR (Buy)	0.0%	0	0.0%
UR (Hold)	0.0%	0	0.0%
UR (Sell)	0.0%	0	0.0%
Dropped (TTM)	11.9%	12	9.5%

Price Chart, Rating and Target Price History (as of December 8, 2022)



B: Buy; H: Hold; S: Sell; T: Tender; UR: Under Review
Source: Capital IQ and Haywood Securities

Link to Research Policy: <http://haywood.com/what-we-offer/research/research-policy>

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