

# CALIBRE MINING CORP.

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## NEWS RELEASE

### CALIBRE AND IAMGOLD SIGN OPTION AGREEMENT ON THE EASTERN BOROSI PROJECT, NICARAGUA

May 27, 2014

TSX-V: CXB

**Vancouver, British Columbia:** Calibre Mining Corp. (TSX-V: CXB) (the “Company” or “Calibre”) is pleased to announce that the Company and IAMGOLD Corporation (TSX: IMG, NYSE: IAG) (“IAMGOLD”) have signed an option agreement dated May 26, 2014 whereby IAMGOLD can earn a 51% interest and subsequently an additional 19% for a total of 70% interest in the Eastern Borosi Project (the “Project”) consisting of 176 km<sup>2</sup> within the Borosi Concessions, Northeast Nicaragua. The Eastern Borosi Project hosts gold-silver resources in two deposits and a series of well defined low sulphidation epithermal gold-silver targets. Unless otherwise specified, all amounts set out in this news release are expressed in United States dollars.

#### Highlights

- First Option: To earn a 51% interest in the Eastern Borosi Project, IAMGOLD must pay Calibre \$450,000 and invest \$5.0 million in exploration on the property over three years.
- The minimum Year 1 exploration commitment under the First Option is \$1.5 million.
- Second Option: Once vested at 51%, IAMGOLD can elect to earn an additional 19% in the Eastern Borosi Project for a total of 70% by paying Calibre an additional \$450,000 and by investing a further \$5.0 million in exploration on the Project over a subsequent three year term
- The total potential investment by IAMGOLD under the First and Second Options is US\$10.9 million.

President and CEO, Greg Smith stated: “Calibre is tremendously excited to have formed this partnership with IAMGOLD to advance the gold-silver resource potential of the Eastern Borosi Project. The Eastern Borosi Project represents less than 40% of Calibre’s 463 km<sup>2</sup> of 100% owned concessions in the Mining Triangle of Nicaragua. On the Eastern Borosi Project, Calibre has defined existing gold-silver resources at the Riscos de Oro and La Luna deposits and has also outlined a series of high priority drill targets all with existing permits allowing for drill testing of new, high grade vein targets and for expanding the existing gold-silver resource base. We welcome IAMGOLD to Nicaragua where they join B2Gold Corp and Alder Resources Ltd. as Calibre’s partners in advancing the gold-silver-copper potential of the Borosi concessions. Calibre and our shareholders will benefit from our three partners investing a total of up to \$12 million on the Company’s gold-silver-copper projects over the next three years.”

## **Significant Terms of the CALIBRE – IAMGOLD Option Agreement**

1. First Option: IAMGOLD has the option to earn a 51% interest in the mineral titles held by Calibre in the “Eastern Borosi Project of the Borosi Concessions” (the “Project”). The option consists of:
  - a. IAMGOLD to invest \$5.0 million in exploration on the Project over three years;
  - b. There will be a minimum \$1.5 million year one commitment, additional expenditures are optional;
  - c. IAMGOLD will make cash payments to Calibre totalling \$450,000 including \$150,000 on signing, \$150,000 on the first anniversary date, and \$150,000 on the second anniversary date of the option agreement;
  - d. IAMGOLD will present exploration budgets and plans to a Technical Committee, having equal representation from IAMGOLD and Calibre, for approval with IAMGOLD to have tie breaking vote;
  - e. Calibre to be Project Operator in the first year or a longer period should the parties agree, with IAMGOLD having the option to assign a geologist;
  - f. IAMGOLD to have the right to take over operatorship following the first anniversary, or such later time as the parties agree;
  - g. During the period that Calibre operates it will receive a 10% overhead recovery fee on all costs incurred on the project excepting government payments and drill contracts for which the overhead fee will be 5%.
2. Second Option: IAMGOLD to earn an additional 19% over the subsequent three years by spending an additional \$5.0 million and making staged cash payments of an additional \$450,000 in three annual payments.
3. At such time as IAMGOLD exercises the Second Option, or elects not to enter into the Second Option, the parties will form a Joint Venture to advance the project. The participation ratio of IAMGOLD to Calibre interests being 51:49 or 70:30 depending on whether the 2<sup>nd</sup> Option has been exercised.
  - a. At such time the Parties will agree to enter into an Industry standard agreement to govern a Joint Venture when formed;
  - b. Should a Party elect not to participate in a work program a standard straight-line dilution formula will apply;
  - c. Dilution to a 10% direct joint venture interest converts to a 10% Net Profits Interest (“NPI”).
4. The Option Agreement with IAMGOLD is subject to TSXV Exchange approval.

IAMGOLD and Calibre are in agreement on the objectives for the initial 2014 - \$1.5 million exploration program on the Eastern Borosi Project and diamond drilling is expected to commence in the near term. Previous work by Calibre has outlined a series of high priority drill targets including the existing Riscos de Oro and La Luna gold-silver deposits; the high grade Guapinol and Blag gold systems, as well as the La Sorpresa and El Paraiso gold targets. The Riscos de Oro and La Luna NI 43-101 Inferred Mineral Resources are tabled below and are open for potential expansion.

## Eastern Epithermal Project Inferred Resource Summary – Borosi Project, Nicaragua

Zone	Tonnes	Grade (Au g/t)	Grade (Ag g/t)	Grade (Aueq g/t)	Contained Au (ounces)	Contained Ag (ounces)	Contained Aueq (ounces)
La Luna	2,539,000	1.56	14.01	1.78	127,700	1,143,570	146,000
Riscos de Oro	2,159,000	3.20	59.67	4.14	222,300	4,142,000	287,000
<b>Total</b>					<b>350,000</b>	<b>5,286,000</b>	<b>433,000</b>

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 Estimate for Riscos de Oro is detailed in Technical Report titled; NI 43-101 Technical Report and Resource Estimation of the Riscos de Oro Deposit, Borosi Concessions, Nicaragua by Todd McCracken, dated October 9, 2012.
3. Resource Estimate for La Luna is 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.
4. A density of 2.65 g/cm<sup>3</sup> was applied. For Riscos de Oro capping of silver grades at 591 g/t was applied.
5. Numbers may not add exactly due to rounding.
6. Gold Equivalent (AuEq) for Riscos de Oro was calculated using \$1264 /oz Au for gold and \$19.78/oz Ag for silver, for La Luna 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%.
7. Mineral Resources that are not mineral reserves do not have economic viability
8. The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

### **Calibre's 100% Owned Concessions**

Calibre maintains 100% ownership of the 253 km<sup>2</sup> Siuna District which hosts the Cerro Aeropuerto Mineral Resource consisting of an NI 43-101 Inferred mineral resource at a 0.6 g/t AuEq cutoff of 6.0 million tonnes grading 3.64 g/t gold and 16.16 g/t Ag containing 707,750 ozs gold and 3.1 million ozs silver ([see Calibre News Release dated February 28, 2011](#)). Cerro Aeropuerto is one kilometre south of the now Calibre owned historic La Luz mine which produced 2,273,000 ounces of gold from 17.0 million tonnes grading 4.14 g/t Au from skarn-style mineralization. Additionally at the Montes de Oro Target, located 10 kilometres north of the La Luz Mine, Calibre has outlined a 400 metre by 650 metre gold in soil anomaly with trenching results to date including 52.3 metres grading 7.1 g/t gold, 27.5 metres grading 4.92 g/t gold and 19.3 metres grading 2.71 g/t gold ([see Calibre News Release dated January 23, 2014](#) and [November 20, 2013 for further details](#)). At Montes de Oro, gold-skarn target trenching has defined two high-grade, sub-parallel gold mineralized zones: one 250 metres long and one 500 metres long.

### **Calibre – B2Gold Option/Joint Venture**

Calibre and B2Gold have a joint venture which gives B2Gold the right to acquire an additional 19% interest (70.0% total) in the Primavera gold-copper project and surrounding Borosi concessions by spending CDN \$6.0 million on exploration over 3 years. At the Primavera gold-copper Project past drilling intersected significant porphyry-style mineralization including: 261.7 metres grading 0.78 g/t Au, 0.30% Cu. Additional channel sampling in 2013 returned high grade results from the Minnesota gold project including: 9.2 metres grading 4.17 g/t Au. An exploration program managed by B2Gold continues on a series of targets with recent trench

results from the Minnesota gold project including: 14.80 metres grading 1.85 g/t Au and 8.5 m grading 1.22 g/t Au.

### **Calibre – Alder Resources Option**

Calibre's third agreement in the Borosi Concessions has granted Alder Resources an option to earn a 65% interest in the 33.6 km<sup>2</sup> Rosita gold-copper-silver project by spending CDN \$4.0 million on exploration and by issuing to Calibre a total of 1,000,000 Alder common shares by 2015. Past production from the Santa Rita open pit gold-copper-silver mine was 305 million pounds of copper, 177,737 ounces of gold and 2.6 million ounces of silver. Significant drill intercepts from Alder's work include; 65 metres grading 1.48 g/t Au, 0.20% Cu, and 2.0 g/t Ag and 15 metres grading 15.82 g/t Au, 0.04% Cu, and 0.23 g/t Ag. Alder has tabled a NI 43-101 Inferred Mineral Resource in gold-copper-silver surface stockpiles at a 0.15% CuEq cut-off of 7.9 million tonnes grading 0.46 g/t Au, 0.62% Cu and 9.20 g/t Ag containing 118,000 ozs gold, 108 million lbs copper and 2.35 million ozs silver ([see Calibre News Release dated May 09, 2012](#)).

The technical content in this news release was read and approved by Gregory Smith, P.Geol., President and CEO of the Company who is the Qualified Person as defined by NI 43-101.

### **About Calibre Mining Corp.**

Calibre controls a 100% interest in 253 km<sup>2</sup> of mineral concessions in the Mining Triangle of Northeast Nicaragua. Additionally the Company has an option agreement with IAMGOLD covering 176 km<sup>2</sup> of concessions, joint venture exploration programs underway with B2Gold Corp. on 322.3 km<sup>2</sup> of concessions which includes the Primavera gold-copper porphyry discovery, and has optioned the 33.6 km<sup>2</sup> Rosita gold-copper-silver project to Alder Resources Ltd. Major shareholders of Calibre include gold producer B2Gold Corp.

### **About IAMGOLD Corporation**

IAMGOLD Corporation is a mid-tier gold producer with five operating gold mines on three continents, North America, South America, and Africa and one of the world's three niobium mines.

### **Calibre Mining Corp.**

*"Greg Smith"*

**Greg Smith, P.Geol.  
President and CEO**

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