

NEWS RELEASE 17-16

August 10, 2017

LIBERTY GOLD REPORTS Q2 2017 FINANCIAL AND OPERATING RESULTS

VANCOUVER, B.C. – Liberty Gold Corp. (LGD - TSX) ("Liberty Gold" or the "Company"), formerly Pilot Gold Inc., is pleased to announce its financial and operating results for the six months ended June 30, 2017.

All amounts are presented in United States dollars unless otherwise stated.

Company highlights through and subsequent to June 30, 2017:

Goldstrike¹

- Received Plan of Operations ("PoO"), allowing for property-wide access to priority drill targets.
- Reported additional drill results from the Main, Peg Leg and Dip Slope Zones, as well as Mineral Mountain in the northwest corner of the project area, located approximately 6km west of the Main Zone. Highlights include:
 - Main Zone:
 - 1.43 grams per tonne gold (g/t Au) over 13.7 metres (m) including 2.33 g/t Au over 7.6 m in PGS237
 - 1.53 g/t Au over 25.9 m including 3.48 g/t Au over 9.1 m in PGS242
 - 0.85 g/t Au over 50.3 m including 1.81 g/t Au over 15.2 m in PGS235
 - 0.62 g/t Au over 50.3 m including 1.61 g/t Au over 7.6 m in PGS243
 - Peg Leg Zone:
 - 1.80 g/t Au over 22.9 m including 2.98 g/t Au over 12.2 m in PGS245
 - 0.51 g/t Au over 22.9 m including 0.84 g/t Au over 9.1 m in PGS244
 - 1.31 g/t Au over 6.1 m in PGS231
 - Dip Slope Zone:
 - 5.59 g/t Au over 6.1 m within 3.40 g/t Au over 10.7 m in PGS250
 - Mineral Mountain:
 - 1.02 g/t Au over 13.7 m and 0.74 g/t Au over 10.7 m in PGS253
 - 1.16 g/t Au over 25.9 m including 3.48 g/t Au over 4.6 m in PGS255
 - 1.78 g/t Au over 67.1 m including 3.14 g/t Au over 32.0 m in PGS277
 - 0.79 g/t Au over 29.0 m including 1.97 g/t Au over 4.6 m in PGS265

Kinsley²

- Reported results from 4 reverse circulation ("RC") holes drilled at the Western Flank East Extension Target at the Kinsley Mountain Project in eastern Nevada. Highlights include:
 - Secret Canyon Shale Zone:
 - 5.30 g/t Au over 29.0 m including 7.84 g/t Au over 16.8 m in PK221
 - 3.68 g/t Au over 3.0 m in PK224
 - Dunderberg Shale Zone:
 - 12.4 g/t Au over 4.6 m including 35.1 g/t Au over 1.5 m in PK221
 - 6.84 g/t Au over 7.6 m including 12.8 g/t Au over 3.0 m in PK224

Goldstrike, Utah

The 2017 RC drilling program began on February 1, 2017 and will continue through to November 2017, for a total of 42,000 m of drilling. Areas of focus in the first half of the year include the Main Zone, Peg Leg and Dip Slope zones. There are 7 historical mined pits within the initial Main Zone 4 km² area.

For the six months ended June 30, 2017, expenditures, including non-cash items, at Goldstrike were \$2.63 million, including: drilling and assaying (\$1.56 million), salaries (\$0.47 million), and analyses and surveys (\$0.25 million).

¹ See press releases of June 27, 2017, June 7, 2017, July 31, 2017 and August 8, 2017

² See press releases of July 13, 2017

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The receipt of the PoO in June 2017, will allow the Company to expand drilling to test high-priority targets across the 74.5 km² property including the Padre Pit area in the northeastern part of the Historic Mine Trend and targets to the west of the Main Zone.

The Company plans to continue drilling with three drills at Goldstrike, at a rate of approximately 50 holes per month to the end of November 2017, restarting in February 2018. The Company also expects to report a first-time mineral resource estimate at Goldstrike in a revised technical report in Q4 2017/Q1 2018.

Kinsley, Nevada

In July 2017, the Company reported results of a 1200 m RC drill program focusing along the Western Flank's eastern extension and in an area southeast of the historic Main Pit. The Company's share of expenditures at Kinsley for the six months ended June 30, 2017 was \$0.30 million.

Moir Smith, Ph.D., P.Geo., Vice President Exploration and Geosciences, Liberty Gold, is the Company's designated Qualified Person for this news release within the meaning of National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101") and has reviewed and validated that the scientific and technical information contained in this release is accurate.

Goldstrike and Kinsley are early stage exploration projects; the potential quantities and grades disclosed herein are conceptual in nature and, except for the mineral resource estimate at the Western Flank deposit at Kinsley, there has been insufficient exploration to define a mineral resource for other targets disclosed herein. It is uncertain if further exploration will result in these targets being delineated as a mineral resource. The potential to define an additional mineral resource at Kinsley or a resource at Goldstrike is conceptual in nature and there has been insufficient exploration to define a mineral resource thereat.

SELECTED FINANCIAL DATA

The following selected financial data is derived from our condensed interim consolidated financial statements and related notes thereto (the "Interim Financial Statements") for the six months ended June 30, 2017, as prepared in accordance with International Financial Reporting Standards. A copy of the Interim Financial Statements can be found on the Company's website (www.Libertygold.ca) or on SEDAR at www.sedar.com.

Beginning January 1, 2017, in order to enhance the relevance to the decision making needs of users, and to improve comparability with our peers, the Company has voluntarily changed its accounting policy with respect to exploration properties and deferred exploration expenditures. In prior periods, the Company's policy was to defer exploration expenditures until such time as the properties are put into commercial production, sold or become impaired. The Company has elected to change this accounting policy to expense exploration expenditures as incurred, effective with the presentation of the March 31, 2017 Interim Financial Statements, on a retrospective basis. The Company will continue to defer acquisition expenditures on mineral properties until such time as the properties are put into commercial production, sold or become impaired.

The information in the tables below is presented in \$000s except per share data:

	Three months ended June 30, 2017		Six months ended June 30, 2017	
	2017	2016	2017	2016
Attributable to shareholders:				
Loss for the period	\$3,258	\$2,822	\$5,772	\$5,260
Loss and comprehensive loss for the period	\$2,958	\$2,584	\$5,348	\$4,385
Basic and diluted loss per share	\$0.02	\$0.02	\$0.04	\$0.04

	As at June 30, 2017	As at December 31, 2016	As at December 31, 2015
Cash and short-term investments	\$8,149	\$12,374	\$7,812
Working capital	\$7,553	\$12,399	\$8,215
Total assets	\$36,045	\$40,881	\$36,395
Current liabilities	\$1,007	\$897	\$477
Non-current liabilities	\$485	\$585	\$130
Shareholders' equity	\$24,593	\$29,490	\$25,768

Losses attributable to shareholders for the three and six months ended June 30, 2017 of \$3.26 million and \$5.77 million, respectively, were higher than the \$2.82 million and \$5.26 million incurred in the respective comparative periods, due mostly to an additional \$0.61 million in exploration and evaluation expenditures and the recognition of a \$0.25 million loss as a result of the change in fair value and impairment of available for sale ("AFS") equity investments during the six months ended June 30, 2017.

The largest contributions to loss in the three and six months ended June 30, 2017, are exploration and evaluation expenditures, wages and benefits, and office and general costs, which combined comprise \$2.91 million and \$4.84 million respectively of the overall losses; these same three categories are the largest contributors to the loss in the three and six months ended June 30, 2016 (combined: \$2.81 million and \$4.66 million respectively). Net cash operating outflows were in line with the comparative period at \$4.62 million in the six months ended June 30, 2017, (six months ended June 30 2016: \$4.50 million) despite higher costs in the current quarter, mainly due to the receipt of a \$0.5 million VAT recoverable by our Turkish subsidiary on January 5, 2017.

The net other comprehensive income attributable to shareholders for the three and six months ended June 30, 2017, were \$0.30 million and \$0.42 million respectively compared to \$0.24 million and \$0.88 million respectively in the same period in 2016, driven by lower fair value gains on AFS investments in 2017.

Total assets comprise primarily exploration and evaluation assets of \$24.02 million and cash, cash equivalents and short term investments of \$8.25 million. The 40% share of capitalised acquisition costs of TV Tower owned by Teck Resources Ltd. is included as a component of the \$9.96 million non-controlling interest on the Company's statement of financial position. Total assets also include \$0.31 million in receivables, and prepayments, and \$1.43 million in value recorded for the Company's 40% interest in the PEA-stage Halilaga copper-gold project in Turkey.

Total liabilities at June 30, 2017, December 31, 2016 and 2015 primarily reflect accounts payable and accruals recorded at period end arising from ongoing activities. The June 30, 2017 and December 31, 2016 balances also include deferred tax liabilities of \$0.40 million and \$0.50 million respectively (2015: \$nil million) arising from the impact of foreign exchange differences on the carrying value of TV Tower.

ABOUT LIBERTY GOLD

Liberty Gold is led by a proven technical and capital markets team that continues to discover and define high-quality assets. Our core projects are Goldstrike in Utah, Black Pine in Idaho and Kinsley Mountain in Nevada. The management group at Liberty Gold is responsible for discovering, developing and/or building two of the latest seven heap leach gold deposits in the world that are now operating mines, including Long Canyon in Nevada and Karma in Burkina Faso.

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All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to Liberty Gold within the meaning of applicable securities laws, potential quantity and/or grade of minerals, potential size and expansion of a mineralized zone, proposed timing of exploration and development plans, and the release of an initial resource report at Goldstrike. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions about future prices of gold, copper, silver and other metal prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time; obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market and geo-political conditions, availability of equipment, accuracy of any mineral resources, the amenability of mineralization to produce a grade or quality of concentrate sufficient to be economic (as there can be no assurances as to the results of the metallurgical testing and no inferences should be drawn therefrom), the accuracy of any metallurgical testing completed to date, successful resolution of disputes and anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of Liberty Gold and there is no assurance they will prove to be correct.

Such forward-looking information involves known and unknown risks and uncertainties, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, the timely receipt of regulatory approvals; risks related to the interpretation of results and/or the reliance on technical information provided by our joint venture partner or other third parties as related to the Company's mineral property interests; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; the costs and timing of the development of new deposits; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; the timing and success of exploration activities generally; delays in permitting; possible claims against the Company or its joint venture partners; labour disputes and other risks of the mining industry; the uncertainty of negotiating with foreign governments, expropriation or nationalization of property without fair compensation, adverse determination or rulings by governmental authorities delays in obtaining governmental approvals, government regulation of exploration and mining operations, and the application thereof in accordance with the rule of law, financing or in the completion of exploration as well as those factors discussed in the Annual Information Form of the Company dated March 28, 2017 in the section entitled "Risk Factors", under the Company's SEDAR profile at www.sedar.com.

Although Liberty Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Liberty Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.